



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** July 29, 2020

Approved

Date

7/31/20

**SUBJECT: PUBLIC HEARING FOR THE DRAFT 2020-25 CONSOLIDATED PLAN  
AND DRAFT FISCAL YEAR 2020-21 ANNUAL ACTION PLAN**

## RECOMMENDATION

- (a) Conduct a Public Hearing on the Draft 2020-25 Consolidated Plan and FY 2020-21 Annual Action Plan, as required by the U.S. Department of Housing and Urban Development (HUD), to receive federal housing and community development funding; and,
- (b) Provide Housing Department staff with input on the draft Plans and funding priorities.

## OUTCOME

This public hearing provides an opportunity for both the City Council and the public to give input on two draft plans, the Five-year Consolidated Plan and the Annual Action Plan, for the use of federal funds for housing and community development uses prior to their adoption on August 11, 2020. HUD requires the City Council's approval of the Five-Year Consolidated Plan and the Annual Action Plan as a condition of the City's receipt of approximately \$14.9 million in formula federal funding annually. The deadline to submit the final Plans to HUD is August 15, 2020. The FY 2020-21 Annual Action Plan also includes spending plans for the \$32.8 million in supplemental Coronavirus Aid, Relief, and Economic Security (CARES) Act Emergency Solutions Grant funding the City received in the second round of allocation by HUD.

## EXECUTIVE SUMMARY

This memo reviews the research conducted, results of outreach, and policy alignment rationales for a five-year spending plan for federal funds from HUD. The purpose of this action is to conduct a public hearing on the Draft 2020-25 Consolidated Plan and FY 2020-21 Annual

Action Plan, as required by HUD. Staff will capture public comment and return to the City Council with the final Plans for approval on August 11, 2020. Staff's summary of public comment will be submitted to HUD along with the Plans after final approval.

Once approved, these Plans will enable the City to spend approximately \$14.9 million in formula funding from HUD. These Plans also incorporate a spending plan for \$32.8 million in supplemental Coronavirus Aid, Relief, and Economic Security (CARES) Act Emergency Solutions Grant funding the City received in the second round of allocation by HUD. This memo outlines the new Services Outreach Assistance and Resources (SOAR Program), which will use the ESG CARES Act funds to provide comprehensive street-based services, hygiene and trash services, and housing and shelter opportunities for homeless encampment residents.

The 2020-25 Consolidated Plan's four spending priorities over the next five years are to:

1. **Prevent and Address Homelessness** – Increase housing opportunities and self-sufficiency for homeless populations, and assist in the prevention of homelessness for at-risk individuals and families.
2. **Create and Preserve Affordable Housing** – Create new affordable housing opportunities and preserve existing affordable housing.
3. **Promote Fair Housing** – Promote fair housing and lowered barriers to housing.
4. **Strengthen and Stabilize Communities** – Strengthen and stabilize communities' condition, and help to improve residents' ability to increase their employment prospects and grow their assets.

The first three priorities are the same as for the previous Consolidated Plan cycle, 2015-20, as they continue to be of paramount importance for the City. While the fourth priority still allows for investment in community infrastructure as it did last cycle, this new priority focuses far more than before on improving residents' economic opportunities and resilience. It is a people-focused Plan. As the COVID-19 crisis has revealed weaknesses in our society, it has become all-too apparent that the City must do all it can to strengthen the opportunities for residents in San José. This Plan enables the City to pay for a range of services to help those who are unhoused, paying too much for housing, in need of legal assistance to keep their housing, and need to improve their employment prospects.

Of the City's federal HUD funds from FY 2019-20, the City Council approved \$15.3 million to be reallocated in April and July 2020. Many of the contracts spending FY 2020-21 funding also will be spent for COVID-19 relief. In addition, these funding Plans help the City's families and children who are suffering from the effects of COVID-19. The FY 2020-21 Annual Action Plan provides \$12.2 million in funding for 12 programs serving families. This is in addition to the City Council's approval of amendments to the FY 2019-20 Annual Action Plan to fund \$12.8 million for 10 family-serving programs. Staff believes that these spending priorities allow for a balance among the many needs of our community through 2025.

## **BACKGROUND**

As a condition of receiving federal funding, HUD requires the City of San José to complete two planning documents. The first, called a Consolidated Plan, is a five-year strategic planning document identifying priority needs, goals, actions, and funding strategies. The second, called an Annual Action Plan, is a spending plan developed each year and supports the goals identified in the Consolidated Plan. Priorities for the new Consolidated Plan are developed based on the housing and community development needs of the community. Needs are determined through community engagement, analysis of data on local needs, and the policy priorities of the local jurisdiction.

### ***City Council Committee and City Commission Feedback on Proposed Priorities***

On March 12, 2020, staff provided the Neighborhood Services & Education (NSE) Committee a report<sup>1</sup> on the purpose, development, and staff's proposed priorities of the 2020-25 Consolidated Plan and FY 2020-21 Annual Action Plan, as well as the community input activities that have informed the development of both Plans. The Committee recommended the Housing Department provide information on priorities identified by the public and describe how public input contributed to the development of the Plan. Additionally, the Committee recommended the Department receive input on the Consolidated Plan from Santa Clara County Office of Education (SCCOE). There also was an interest by some Committee members that the City's programs should serve families. These recommendations are discussed further in this memo.

Also on March 12<sup>th</sup>, staff brought the proposed priorities to the Housing and Community Development Commission. Several commissioners supported the proposed four areas of funding priorities and examples of activities in each area. Commissioners specifically spoke in favor of the creation of new affordable housing and its preservation, homelessness prevention and homeless services, and the importance of strengthening neighborhoods that have low-income residents of color. While two commissioners expressed some concern at spending public funds to increase neighborhood leadership development, five commissioners expressed support for this use. More information on Commissioners' feedback is at the end of this memo.

### ***Public Outreach Process to Gather Data on Community Needs***

HUD encourages jurisdictions to complete a regional or joint plan, as needs for housing, homelessness, and other community development uses typically cross jurisdictional boundaries. To accomplish a regional effort, the Santa Clara County Office of Supportive Housing led local collaboration with several other jurisdictions: San José, Campbell, Cupertino, Gilroy, Los Altos, Mountain View, Morgan Hill, Santa Clara, Saratoga, and Sunnyvale. The County convened a working group with representatives from each agency, including the City's Housing Department. On behalf of these jurisdictions, the County issued a request for proposals and led the procurement of a consultant, Michael Baker International, to develop 2020-25 Consolidated

---

<sup>1</sup> Staff memo, presentation: <https://sanjose.legistar.com/LegislationDetail.aspx?ID=4331276&GUID=22209ED0-76F2-44AE-A870-3AE8FFA6FBCA&Options=&Search=>

Plans per the working group's selection. In total, approximately 308 people participated in public and focus group meetings, and 648 San José residents responded to the Countywide survey, for a total of 956 residents. See **Attachment A** to this memo for outreach events and attendees.

In March, the NSE Committee recommended the Housing Department staff provide information on priorities identified by the public and describe how public input contributed to the development of the Plan. Below is additional information on the outreach process and high-level takeaways. Detailed notes from all outreach are contained in the Consolidated Plan as appendices.

The Housing Department conducted community outreach and engagement for the Consolidated Plan together with its consultant. The City held four "large tent" community meetings for the public at which participants were asked a variety of questions such as, "What should the City's top priorities be over the next five years?" and "What do you feel are the most common or pressing housing problems in the City?" The meetings were held at the Hillview Branch Library, and the Seven Trees, Bascom, and Roosevelt Community Centers. In addition to the four "large tent" meetings, staff worked with local community-based organizations to hold 21 focus group and small stakeholder meetings. These smaller format meetings helped to ensure that feedback was obtained from community members who did not feel comfortable taking on-line surveys, or who typically do not come to City-sponsored outreach meetings. Extensive notes were taken at each meeting and for all other community engagement activities. In total, approximately 308 people participated in public and focus group meetings, and 648 San José residents responded to the Countywide survey, for a total of 956 residents.

The primary themes that emerged from residents' feedback included:

- Providing housing and support services for persons experiencing homelessness, those who are being displaced, and those at-risk of displacement;
- Increasing the amount of affordable housing to meet demand, including for special needs populations such as families and seniors;
- Improving neighborhood physical conditions and infrastructure (such as street lighting, graffiti removal, community centers, youth centers, and playgrounds);
- Expanding opportunities for residents (such as job training and leadership development, affordable childcare, and spaces for small businesses and community nonprofits); and
- Improving fair housing through provision of services (such as assistance with tenant/landlord issues and understanding laws and ordinances for renters).

All these themes are reflected in the proposed priorities for the next Consolidated Plan period. Additionally, in March, the NSE Committee asked the Department to consult with Santa Clara County Office of Education (SCCOE) and other community-based organizations serving families to better understand their needs. Accordingly, staff has met with SCCOE six times since late March to continue to discuss the evolving needs of homeless and at-risk children and their families during the COVID-19 health crisis. As an example, SCCOE's feedback on the need for assistance with broadband access to support youths' educational needs was one reason that the

Housing Department redirected funds to pay for community wireless network infrastructure from FY 2019-20 funds, and why it is reflected in the proposed spending plan.

***Quantitative Data Indicates Significant Challenges for Lower-income Residents***

The following provides a brief snapshot of highlights of Census data required by HUD for the Consolidated Plan (**Attachment B**):

- Of the total number of households in San José, 45 percent earn lower incomes (below 80 percent of area median income (AMI)):
  - 18 percent are extremely low-income (at or below 30 percent AMI);
  - 13 percent are very low-income (31-50 percent AMI); and
  - 14 percent are low-income (51-80 percent AMI).
- Small families – defined by HUD as households with four or fewer persons – represent the largest share of extremely low-income households (36 percent).
- Lower-income renters experience housing problems more than owners: renters with housing problems account for 63 percent of all households below the 100% AMI level with some housing problem (substandard housing, overcrowding, or rent burden).
- Overcrowding is the third-highest housing problem experienced among households below median income.

HUD defines that a segment of the population has a disproportionate outcome when the rate for what is being measured is 10 percent or more than for the income level as a whole. Following are some key conclusions on subpopulations in San José that experience more housing challenges than others:

- In San José, 85% of extremely low-income residents have at least one HUD-defined housing problem, but this was disproportionately true for two groups - 95% of Pacific Islander residents reported problems, as did 100% American Indian/Alaska Natives.

<b>Housing Problems by Race/ Ethnicity and Income</b>	<b>0%-30% AMI</b>	<b>30%-50% AMI</b>	<b>50%-80% AMI</b>	<b>80%-100% AMI</b>
<b><i>San José as a whole</i></b>	<b>85%</b>	<b>76%</b>	<b>58%</b>	<b>45%</b>
White	82%	69%	49%	43%
Black / African American	94%	82%	54%	45%
Asian	80%	74%	64%	47%
American Indian, Alaska Native	<b>100%</b>	40%	25%	0%
Pacific Islander	<b>95%</b>	82%	44%	64%
Hispanic	90%	83%	61%	46%

**Disproportionately Greater Need – Housing Problems**

Data Source:

2011-2015 CHAS

A household is considered housing cost burdened if it pays more than 30% of its gross income on housing costs, and is considered severely cost burdened if it pays more than 50%.

- In San José, 28 percent of Black/African American households spend more than half of their income on housing costs.

- Hispanic households also should be monitored, as 25% spend more than half of their income on housing costs.

<b>Housing Cost Burden by Race/Ethnicity</b>	<b>&lt;=30% of income spent</b>	<b>30-50% of income</b>	<b>&gt;50% of income</b>
<i>San José as a whole</i>	<b>60%</b>	<b>22%</b>	<b>18%</b>
White	66%	19%	15%
Black / African American	48%	24%	<b>28%</b>
Asian	64%	20%	16%
American Indian, Alaska Native	65%	12%	23%
Pacific Islander	64%	23%	13%
Hispanic	48%	27%	25%

**Data Source: 2011-2015 CHAS Disproportionately Greater Need: Cost Burden**

Staff believes the data above – in the format dictated by HUD – are understated in two ways. First, the data is older, originating from 2011 to 2015. Second, it uses a five-year average. As San José’s quickly-moving real estate market is usually cited as one of the top five most expensive metro areas in the U.S., the number of people currently experiencing housing cost burden, overcrowding, and other housing problems pre-COVID in 2019 and early 2020 was no doubt significantly higher than is represented here.

In addition to the qualitative information from community outreach and this quantitative data, the consultant and staff reviewed local recent studies. The studies reviewed include local data from both the *Anti-Displacement Community Strategy Report* released in January 2020, as well as the recently completed Santa Clara County’s *Community Plan to End Homelessness for 2020-25*.

The data are consistent in indicating that San José should spend its federal funds to help alleviate the housing cost, crowding, and condition problems that most of its lower-income residents face, particularly those in certain racial and ethnic groups. Lower-income community members have overwhelmingly reported feeling income insecure and concerned about displacement from San José over the past couple of years during the Department’s outreach. And, of course, the City’s homelessness challenges continue to be a priority for the city’s spending.

COVID-19 has exposed and exacerbated these instabilities and pronounced problems for our community’s lower-income residents, and hurt certain racial groups worse than others.

***San José’s Previous Use of HUD Funds and Proposed New Priorities***

The City’s 2015-20 Consolidated Plan’s approved uses for the City’s four formula funding sources from HUD are listed in **Table 1**, as a point of reference.

**Table 1: San José’s Federal Sources from HUD and Uses in Previous Consolidated Plan**

Federal Funding Source	City’s 2019-20 Approved Uses
Community Development Block Grant (CDBG)	Childcare services Community Wireless Network Infrastructure Emergency meal provision Emergency shelter rehabilitation and operations Enhanced code enforcement Homeless outreach Hotel/motel vouchers for emergency shelter Legal services for low-income tenants and landlords Small business support /job retention and creation Minor and emergency home repair Neighborhood engagement and leadership training Neighborhood street and infrastructure enhancements Senior services Fair housing education and counseling Job training
HOME Investment Partnership (HOME)	Development of affordable housing and tenant-based rental assistance subsidies
Emergency Solutions Grant (ESG)	Homeless services focused on outreach and homelessness prevention
Housing Opportunities for Persons with Aids (HOPWA)	Rental assistance

San José’s 2015-20 Consolidated Plan emphasized infrastructure needs in our community. This focus was partly the product of the Plan’s formulation during a time in which the City lacked sufficient resources for infrastructure investments such as street paving. The City needed to access all possible resources for projects like intersection improvements and crosswalk enhancements, and CDBG was a likely source.

Over the last few years, however, the Housing Department’s attention has shifted to focus more on people and the importance of their experiences as residents of the City. The presence of the City’s unhoused population is a clear reminder that meeting the needs of our residents must be the focus, not just doing business as usual; thus, the City’s strategies must be flexible to serve residents in whatever ways that are necessary. While housing continues to be too expensive for many to comfortably afford in San José, it is increasingly important to help residents to access opportunities to improve their economic well-being.

***COVID-19 Response is Interwoven into FY 2019-20 and FY 2020-21 Annual Plans***

On March 13, 2020, the President declared a national emergency concerning the Novel Coronavirus Disease (COVID-19). On March 16, 2020, the Health Officer of the County of Santa Clara ordered a shelter-in-place for all residents due to COVID-19. The effects of COVID-19 and the shelter-in-place have led to residents and businesses facing numerous challenges and emergencies. On March 27, 2020, the President signed into law the Coronavirus, Aid, Relief, and

Economic Security Act (CARES Act) in response to the economic fallout of the COVID-19 public health pandemic.

On April 21, 2020, the City Council approved the First Substantial Amendment to the FY 2019-20 Annual Action Plan, which utilized existing CDBG funds and additional allocations made to the CDBG, ESG, and HOPWA programs by the CARES Act to be spent in FY 2019-20 to respond to local needs created by COVID-19.

On July 1, 2020, Council approved a Second Substantial Amendment to the FY 2019-20 Annual Action Plan, which redirected \$6,517,646 of federal HOME funding for FY 2019-20 to be used for Tenant Based Rental Assistance (TBRA) to respond to local needs created by COVID-19. The Second Substantial Amendment also reallocated up to \$588,839 in appropriated CDBG funds to provide family calming kits through First 5 of Santa Clara County, established the Community Wireless Network Infrastructure project as an eligible project in FY 2019-20 and provided it with predevelopment funding, and provided motel vouchers as emergency shelter for domestic violence survivors and their families.

As noted throughout this memo, the Annual Action Plan FY 2020-21 contains significant uses that respond directly to COVID-19 needs. The largest is the spending plan for \$32,936,036 in ESG-CV funds, made available through the federal CARES Act for homeless shelter and related needs. More information begins on page 21 of this memorandum.

## **ANALYSIS**

### ***Proposed 2020-25 Consolidated Plan Priorities to Include Improving Residents' Opportunities***

The data collected – needs data, public input, local studies – as well as the City's priorities and the eligible uses of these funds drive the Consolidated Plan's priorities. All these inputs confirm that this draft 2020-25 Consolidated Plan and FY 2020-21 Annual Action Plan should keep the first three of the previous Consolidated Plan's priorities the same – homelessness, affordable housing, and fair housing. San José clearly needs resources for all three of these program areas.

This Plan's fourth priority – to Strengthen and Stabilize Communities – is a proposed change from the previous Plan. It reflects the City's shifted priorities to a people-first frame through the inclusion of services such as childcare, community WiFi, and small business supports. These activities address the other side of providing affordable housing – enabling people to help to afford housing and improve their opportunities because they can make enough to live here. The importance of economic stability, and residents' economic resilience, has never been more clear than since the COVID-19 crisis has hit.

With limited resources, the City is tasked with the difficult endeavor of determining both the areas of greatest need and the areas in which community investment can have the most impact. Given already limited dollars coupled with uncertain future funding levels, the Housing Department developed the proposed priorities with three primary objectives: impact, leverage,



and outcomes. First, it is important that annual funding strategies invest in projects that have the greatest impact, rather than spread limited resources too thinly. Second, to the extent possible, the funding strategy should seek to leverage resources, support partnerships, and advance multiple City goals. Finally, projects should be outcome-focused instead of output-driven, and the City should invest in programs that are replicable and sustainable without the need for ongoing federal and other public resources.

The proposed 2020-25 Consolidated Plan priority needs, goals, and potential programs are identified in **Table 2**:

**Table 2: 2020-25 Consolidated Plan Priorities, Funding Strategies & Potential Programs**

<b>Priority Need</b>	<b>Goal/Funding Strategy</b>	<b>Potential Programs</b>
Prevent and Address Homelessness	Increase housing opportunities and self-sufficiency for homeless populations, specifically: 1) families with children 2) youth and young adults 3) older adults (55+) & seniors 4) adults age 25-54 without children.  Prevent homelessness for at-risk individuals and families.	<ul style="list-style-type: none"> <li>● Homeless street outreach</li> <li>● Homelessness prevention programs</li> <li>● HMIS data systems support</li> <li>● Tenant-based rental assistance (rental coupons)</li> <li>● Emergency shelter and interim housing</li> <li>● Hotel/motel acquisition and rehabilitation for non-congregate emergency shelter provision</li> </ul>
Create and Preserve Affordable Housing	Construct new and preserve existing affordable housing for homeless, families, seniors, other populations	<ul style="list-style-type: none"> <li>● Affordable housing creation, including acquisition and infrastructure subsidies</li> <li>● Acquisition and rehabilitation of existing apartments</li> <li>● Minor and emergency single family and mobilehome repair</li> <li>● Preservation of ‘soft story’ apartment buildings</li> <li>● Support for community-based development organizations</li> </ul>
Promote Fair Housing	Promote fair housing, and lower barriers to housing for high-barrier populations	<ul style="list-style-type: none"> <li>● Education, compliance, and legal assistance with City’s tenant ordinances: Apartment Rent Ordinance, Tenant Protection Ordinance, and Housing Equality Payment Ordinance</li> <li>● Fair housing education and legal assistance</li> </ul>
Strengthen and Stabilize Communities	Strengthen and stabilize communities’ conditions and improve residents’ opportunities	<ul style="list-style-type: none"> <li>● Childcare services</li> <li>● Childcare facilities development</li> <li>● Community wireless network infrastructure</li> <li>● Enhanced and targeted code enforcement</li> <li>● Grassroots outreach skills development</li> <li>● Job training/employment development programs</li> <li>● Neighborhood engagement and leadership development</li> <li>● Neighborhood street and infrastructure enhancements</li> <li>● Small business support; job retention and creation</li> </ul>

The City’s 2020-25 Consolidated Plan and Annual Action Plan FY 2020-21 also contains a spending plan for \$32,936,036 in ESG-CV funds, through the CARES Act. Its proposed uses are seen in **Table 2a**:

**Table 2a: Federal CARES Act Funding and Proposed Uses**

Federal Funding Source	2020-21 Funding	Proposed Uses
Emergency Solutions Grant (ESG) CARES Act	\$32,936,036	<p>Enhanced services to unsheltered individuals in encampments, providing basic needs, dedicated street outreach, behavioral health support, hygiene and waste disposal services, and infection control supplies and resources.</p> <p>Operating support for emergency shelters' costs and for new Emergency Interim Housing sites as well as Bridge Housing sites, including food, rent, security, maintenance, repair, fuel, equipment, insurance, utilities, furnishings, and supplies necessary for their operation.</p> <p>Provision of Hotel/Motel Vouchers for non-congregate, safe shelter for homeless families, victims of domestic violence, and vulnerable individuals.</p> <p>Rapidly rehouse homeless individuals.</p>

To provide stability to local nonprofits over the next few years, the City will execute three- to five-year contracts with grantees. This will not only limit the amount of administrative burdens placed on both the City and its grantees, but it will also give nonprofits financial stability so that they can focus on their performance and outcomes.

HUD provides jurisdictions the flexibility to adjust the projects that they fund to reflect local realities, priorities, and available resources. As a result, the potential programs identified above may shift over the course of the five-year plan period through the Annual Action Plan amendment process. Any potential adjustments would include a public process to seek community input on funding priorities. The public processes to be used are defined in the Citizen Participation Plan.

***Identified Needs Are Consistent with City's Existing Strategies & Community Input***

Consistent with the objective to leverage resources and partnerships, staff recommends that funding priorities align with City strategies and advance existing priorities and plans to the extent possible. Further, indications from the community on areas of need are consistent with the City's existing priorities. The following are selected examples of City Council direction and existing City strategies that support the selection of the above funding priority areas:

- City Council-approved [Housing Crisis Workplan](#)
  - Direction to produce 10,000 new affordable homes in five years
  - Direction to create a Citywide residential anti-displacement plan
  
- City Council-approved [Affordable Housing Investment Plan through FY 2022/23](#)

- Direction to spend at least 45% of the City's housing production subsidies on funding homes for extremely low-income residents
- Direction to leverage County Measure A funds to provide permanent housing for residents experiencing homelessness
- Incentives to build two- and three-bedroom apartments to accommodate family households through Notices of Funding Availability for new affordable housing developments.
- City Council-approved [Community Plan to End Homelessness in Santa Clara County 2015-2020](#) and the new *Community Plan to End Homelessness 2020-25*. The City's [homelessness response framework](#) consists of:
  - Develop programs tailored to the needs of specific populations of people experiencing homelessness, particularly:
    - Families with children
    - Youth and young adults
    - Older adults (55+) and seniors
    - Adults without children age 25 to 54
  - Prevent homelessness for families and individuals through interventions to keep people housed
  - Provide emergency shelter and street outreach to get homeless residents into regional care systems, and provide basic needs services
  - Provide a continuum of housing types through subsidies and production, including interim housing, rapid rehousing, and permanent housing in conjunction with supportive services provided by the County and nonprofits.
- Many City programs and initiatives supporting improved job pathways and long-term economic opportunities for residents, including:
  - [City Council Priority #14](#), Childcare and Early Education/Preschool Facilities
  - [Work2future](#) services to adults, dislocated workers, and youth.
- City Council-approved and State-certified [General Plan 2040](#)
  - Policies to support affordable housing development strengthened and those to prevent displacement integrated after first four-year review in [December 2016](#).
  - [Housing Element to the General Plan](#)
    - Strategy to promote equitable development and facilitate equal access to housing through fair housing services provision
    - Strategy to protect low- and moderate-income residents in market-rate and deed-restricted affordable housing from displacement.

***Proposed FY 2020-21 Annual Action Plan Funding Program***

The funding program for the FY 2020-21 Annual Action Plan (Annual Plan) aligns with the goals identified in the Five-Year Consolidated Plan. As shown in **Table 3**, the City estimates it will invest, with carryovers and program income, a total of \$53,907,794 million across the four federal housing and community development funding programs during the next fiscal year including the \$32.9 million in federal stimulus ESG CARES Act funds.

The total funding in each of the four HUD funding programs listed includes: 1) the amount allocated by formula to San José for each program for the coming year; 2) the amount of estimated program income that will be received by the City to be used in the coming year; and, 3) the balance of prior year’s funds for each program. For CDBG, the prior year’s balance consists of unused balances from previous year’s projects and/or unanticipated program income in previous years. For HOME, the prior year’s balance consists of funds set aside in anticipation of commitments for rental development projects in the development pipeline.

**Table 3: FY 2020-21 HUD Funding Levels**

<b>Fund</b>	<b>FY 2020-21 Allocation</b>	<b>Prior Year Carryover*</b>	<b>Estimated Program Income</b>	<b>Total Estimated Resources</b>
CDBG	\$8,947,319	\$979,795	\$400,000	\$10,327,114
HOME	\$3,319,683	\$4,356,359	\$750,000	\$8,426,042
HOPWA	\$1,440,393	\$0	\$0	\$1,440,393
ESG	\$778,209	\$0	\$0	\$778,209
ESG CARES Act	\$32,936,036			\$32,936,036
<b>Total</b>	<b>\$47,421,640</b>	<b>\$5,336,154</b>	<b>\$1,150,000</b>	<b>\$53,907,794</b>

*\*Note: Prior Year Carryover amounts may differ from the City’s annual budget due to timing differences regarding the treatment of program commitments and encumbrances.*

The Annual Plan contains a description of all activities recommended for funding. Each of the activities detailed in this Annual Plan are aligned with the four goals of the Consolidated Plan and contributes to the City’s five-year objectives. The Annual Plan aligns the City’s available resources with the planned activities that will enable the City to meet its annual goals.

Completing the Annual Plan helps the City stay on target to meet its five-year Plan goals. The expenditure plans for CDBG, HOME, HOPWA, and ESG are provided in the following tables. All activities are described in greater detail in the draft Annual Plan’s Project Summary Table (see AP-38 Projects Summary).

**Community Development Block Grant (CDBG) Program**

CDBG is a flexible funding source that supports the development of viable urban communities by providing decent housing, encouraging a suitable living environment, and expanding economic opportunities, principally for lower-income households.

As the largest and most flexible of the four federal grants, CDBG funds are divided into three categories. These include Public Services (PS), Community Development Improvements (CDI), and Administration activities. The CDI category is further delineated into construction projects and non-construction projects. Construction projects consist of capital projects that directly fund physical improvements such as facility or infrastructure improvements. Non-construction projects include programs and other services, such as job training, provided to low- and moderate-income households.

**Table 4** outlines the City’s planned CDBG expenditures for the coming year by category and activity. Additional detail on these activities are provided in subsequent tables in this memo as well as in the draft Annual Plan’s Project Summary Table (see AP-38 Projects Summary).

**Table 4: Proposed CDBG Activities for FY 2020-21**

<b>Category</b>	<b>CDBG Activities</b>	<b>Funding</b>
PS	Senior Services	\$200,000
PS	Neighborhood Engagement and Leadership Training	\$235,000
PS	Services for Homeless Populations	\$402,098
PS	Citywide Legal Services for Low-Income Tenants and Landlords	\$565,000
PS	Childcare Services	\$850,000
PS/Admin	Fair Housing	\$200,000
CDI	Acquisition, Rehabilitation, and Infrastructure for Affordable Housing Sites and Public Facilities	\$247,213
CDI	Community Infrastructure Projects	\$2,100,000
CDI	Targeted Code Enforcement	\$1,258,339
CDI	Minor Home Repair	\$1,650,000
CDI	Job Training for Homeless and Low-income Individuals	\$950,000
Admin	Grants Management	\$1,669,463
	<b>Total</b>	<b>\$10,327,113</b>

**CDBG – Public Services**

CDBG funds can pay for a variety of Public Services for low-income individuals. Program regulations require that Public Services funding be capped at 15% of the annual allocation combined with the prior year’s Program Income. However, given the COVID-19 crisis, HUD has temporarily waived the Public Services cap for services addressing needs resulting from COVID-19. Program Income is primarily comprised of repayments of loans made from federal funds. Contracts are generally funded on a three- to five-year funding cycle to provide predictability in service delivery and to support organizational capacity of service providers.

**Table 5** lists existing services and service providers currently in a multi-year funding cycle. Staff is recommending to extend all existing public service contracts for an additional year. After the City Council approves the final Consolidated Plan, staff will have the certainty it needs to issue Requests for Proposals (RFPs) for the services that must be re-competed in winter 2021.

**Table 5: CDBG Public Service Programs**

	<b>Agency</b>	<b>Program</b>	<b>Funding</b>
Senior Services	The Health Trust	Meals On Wheels – Senior Services	\$125,000
Senior Services	Portuguese Organization for Social Services Opportunities	Senior Access and Health Support	\$75,000
Neighborhood Engagement	SOMOS Mayfair	Home Grown Talent Project	\$150,000
Neighborhood Engagement	CommUniverCity	Community Leadership Development	\$85,000
Homeless Services	HomeFirst	Citywide Outreach	\$402,098
Legal Services	San José Housing Rights Consortium	Legal Services for Low-income Tenants & Landlords	\$500,000
Fair Housing	Law Foundation of Silicon Valley – Four-agency Consortium includes Project Sentinel, Asian Law Alliance, Senior Adults Legal Assistance, and Law Foundation as lead agency	Fair Housing Services	\$65,000
Childcare Services	City of San José Library with First 5 of Santa Clara County and Santa Clara County Office of Education	Childcare for Low-income Families for COVID relief	\$850,000
<b>Total</b>			<b>\$2,252,098</b>

Additional information on proposed services is as follows:

Senior Services – The City is currently funding two agencies that provide home-delivered meals and accessible transportation to handicapped and frail seniors. The Health Trust Meals on Wheels Program and the Portuguese Organization for Senior Services and Opportunities (POSSO) administer programs to engage low-income, homebound seniors in San José with direct food assistance, accessible transportation, and reduction of social isolation. Some funds go to assist seniors with children in their families: in 2019-20, four households with eight children under the age of 18 were assisted by these programs. Staff is recommending to continue funding the current agencies at the same level through FY 2020-21.

*Agency: The Health Trust Meals on Wheels / Funding: \$125,000*

*Agency: POSSO / Funding: \$75,000*

Since senior nutrition is not an easy fit within one of the four priority goal areas identified earlier in this report, this will be the final funding grant for these services. However, emergency food assistance is an identified need, given COVID-19. Staff will evaluate the community’s needs for these agencies to deliver services during FY 2020-21, and may attempt to make additional funds available if need is significant and other agencies underspend their allocations.

Neighborhood Engagement and Leadership Training – The City is currently funding two agencies that provide a variety of neighborhood-focused programs to increase community members’ stability and capacity through strengthening their connections and building skills of residents in lower-income neighborhoods. SOMOS Mayfair and CommUniverCity administer programs to engage the community and develop leadership skills of residents. Their goal is to promote, support, and sustain civic engagement by residents that are typically underrepresented in city governance and civic processes. This type of involvement with capable community-based partners is crucial for the City to effectively engage with communities of color. The Housing Department has worked closely for the past two years with SOMOS Mayfair as a community engagement partner on anti-displacement policy work, which enabled staff to access input from many residents most affected by displacement and fears of displacement from their community. The City’s racial equity work will continue to increase in importance, given its commitment to GARE, the disproportionate impact that COVID-19 has had on Latinx and Black residents in San José, and the formation of the City’s new Office of Racial Equity. Despite the urgency to spend funds on COVID-relief services, staff is recommending to continue funding the current agencies at the same level through FY 2020-21.

*Agency: SOMOS Mayfair / Funding: \$150,000*

*Agency: CommUniverCity / Funding: \$50,000*

As the neighborhood engagement services would fall into the new priority “Strengthen and Stabilize Communities,” the Department is proposing to develop a comprehensive RFP for services for the new Consolidated Plan’s priorities in FY 2020-21.

Services for Homeless and Unhoused Populations –The Citywide Outreach, Engagement, and Mobile Case Management Program provides street-based outreach and case management, emergency shelter, transportation, a homeless helpline, referrals and service connections, and assessment and services to attain permanent housing. To fully fund the robust outreach and engagement program in this next fiscal year, the Housing Department supplemented federal awards with Housing Authority Litigation Award (HALA) funds and Housing Trust Fund (HTF). HomeFirst is currently receiving CDBG and HALA funds to perform these services throughout the City and staff is recommending continuing funding HomeFirst through FY 2020-21 with an increase by \$50,000 from HTF. Last year, 26 households with 42 children under the age of 18 were assisted with these funds. This will be the third and final year of funding for this program.

*Agency: HomeFirst / Funding: \$402,098 CDBG; \$297,902 HALA; \$50,000 HTF*

Legal Services for Low-income Tenants and Landlords – The four-agency consortium called San Jose Housing Rights Consortium, led by Law Foundation of Silicon Valley provides outreach and education services, operates a legal counseling hotline, provides face-to-face legal clinics, represents tenants in eviction proceedings and administrative hearings, and provides limited legal representation for enforcement. The goal of the Consortium’s activities is to prevent the displacement of low-income tenants by preserving affordable housing opportunities and preventing unjust evictions. The Consortium also provides landlords and tenants an understanding of the Apartment Rent Ordinance and Tenant Protection Ordinance. This

knowledge helps to strengthen neighborhoods by keeping families in their homes, and to promote fair housing choice. The Consortium has received a strong response for inquiries and services. Last year, 75 families with 146 children under the age of 18 were assisted with these funds. A significant increase in renters inquiring about evictions during this difficult time of COVID-19 has also increased the number of residents that could be helped under this contract. Staff is recommending continuing funding the current agencies at the same level through FY 2020-21.

*Agency: San José Housing Rights Consortium / Funding: \$500,000*

- *Fair Housing Services* – Fair Housing services may include: outreach and education on fair housing issues; conducting fair housing testing; enforcing fair housing laws through litigation; and providing technical assistance to the Housing Department on how to monitor City-financed developments for fair housing compliance. The City will continue to contract with a consortium of four agencies to provide these services, with the Law Foundation of Silicon Valley serving as the consortium lead. In addition to CDBG, a portion of the Fair Housing services are funded with HOME funds. Last year, 284 families with a total of 592 children under the age of 18 were assisted by this program. Staff is recommending to continue funding the current agencies at the same through FY 2020-21.

*Agency: Law Foundation of Silicon Valley Collaborative / Funding: \$400,000 (\$200,000 CDBG Admin, \$135,000 HOME, \$65,000 CDBG Public Services)*

Childcare Services: Access to affordable, high-quality childcare is a key component of families' economic stability. Throughout the pandemic response, the integral role that childcare plays in keeping Silicon Valley's economic engine running has become clear. Without safe and reliable childcare, especially for children 0-5 years, families have an extremely hard time working from home and are unable to report to job locations. Despite the City's allocation of some CRF stimulus funds to support childcare businesses, low-income families' ability to afford these critical services requires additional subsidies during COVID-19. Staff recommends the San José Public Library receive \$850,000 as a subrecipient to, in turn, grant funds to the Santa Clara County Office of Education and First 5 of Santa Clara County to jointly administer a child care subsidy program for low-income families impacted by COVID-19. The unduplicated scholarship funds will be available for qualified, vulnerable families as their income exceeds existing subsidized childcare funding eligibility criteria, but still falls below the low-income CDBG threshold. For these families that fall into this income eligibility gap, there are no other sources of subsidy available to help them pay for their children's care. Families of an estimated 25-35 children who live in San José and meet income-eligibility requirements will benefit from a childcare subsidy averaging \$2,000 per month for 12 months that is paid directly to the family's child care provider.

*Agencies: SCCOE and First 5 of Santa Clara County / Funding: \$850,000*

## **CDBG – Community Development Investment (CDI) Projects**

Table 6 outlines the proposed expenditures for Community Development Investment Projects. Included in the CDI category are funds for the Housing Department's acquisition of sites and for



infrastructure work supporting affordable housing developments. Given the current HUD waiver to spend unlimited funds on Public Services for the COVID-19 emergency, staff has proposed to use all but a small cushion of CDBG for services instead of retaining funds for future capital infrastructure projects to be identified.

**Table 6: CDBG Community Development Investment Projects**

<b>Project</b>	<b>Description</b>	<b>Funding</b>
Acquisition, Rehabilitation, and Infrastructure for Affordable Housing Sites and Public Facilities	Funding available for prospective projects that include the acquisition, rehabilitation, and infrastructure for affordable housing sites and public facilities.	\$247,213
Yerba Buena Community Wireless Network	Install WiFi networks in the Oak Grove and Independence High Schools' neighborhoods	\$2,100,000
Enhanced Code Enforcement	Enhanced Code Enforcement in Project Hope neighborhoods through PBCE inspectors	\$1,258,339
Minor & Emergency Repair	Single family home repair programs	\$1,650,000
<b>Total</b>		<b>\$5,255,552</b>

Additional information on proposed projects is as follows:

- Enhanced Code Enforcement* – Code Enforcement’s focus will be primarily on the inspections of multifamily units, with inspections of general blight and single family housing being ancillary to multifamily properties. In FY 2020-21, the primary geographic focus of the more than \$1.1 million in CDBG-funded Enhanced Code Enforcement will be in active Project Hope neighborhoods overseen by the Department of Parks, Recreation, and Neighborhood Services. Project Hope is a program in which residents work in partnership with the City to coordinate and mobilize resources that address ongoing neighborhood/ community issues. There are currently six Project Hope areas and three more prospective areas. To be eligible for CDBG funding, code enforcement must be part of a larger neighborhood initiative to improve physical conditions in an area deemed to be deteriorated. The activities must also meet a national objective, including being in low-/moderate-income census tracts, or in areas with facts established on how they meet a ‘slum and blight’ definition.
- Minor Repair Program* – This program provides minor repairs to single family homes and mobilehomes, and addresses immediate health and safety needs to create decent and safe living environments for low-income homeowners in San José. The focus of the repairs will be maintenance (e.g., faucet repairs, roof patching), emergency and critical repair (e.g., accessibility modifications such as grab bars, ramps), and larger limited rehabilitation (e.g., roof replacements). Historically, over 80% of the residents benefitting from these services are senior homeowners; but, this activity also serves families with children. In FY 2019-20, 20 households with 36 children under the age of 18 received funding for such repairs. Staff is recommending to continue funding the current agencies at the same level for six months into FY 2020-21 while the Department solicits an RFP for new services.

*Agency: Rebuilding Together Silicon Valley / Funding: \$725,000*

*Agency: Habitat for Humanity East Bay Silicon Valley / Funding: \$275,000*

- *Job training* - The program will support job training for homeless and at-risk individuals. This program must meet the national objective of job creation and retention for low/moderate-income residents. This requirement is met when job training participants are placed in permanent jobs. To be eligible for CDBG, the job training must be tied to assistance to for-profit businesses. Staff is recommending to continue funding the current agency at the same level for six months into FY 2020-21 while the Department completes an RFP for new services.

*Agency: San José Streets Team / Funding: \$250,000*

*Agency: TBD - Development and Housing Stability RFP/ Funding: \$700,000*

**CDBG – Administration**

Recognizing the significant requirements associated with managing CDBG funds, HUD allows funding of administrative planning and oversight utilizing up to 15% of the sum of the annual allocation plus the current year’s Program Income. In addition to grant planning and oversight, Fair Housing is the sole service that can be paid from the Administrative category as well as the Public Service category. In FY 2020-21, the Housing Department will continue to provide most of the cost of Fair Housing services, \$200,000, from CDBG Administration, with the remaining \$65,000 funded from CDBG Public Services. In addition, some Administrative funds will pay other City departments’ work on CDBG-related activities. This includes the City Attorney’s Office and Department of Planning, Building and Code Enforcement. Finally, some funds are targeted for consulting services for development of an Assessment of Fair Housing study. **Table 7** details the CDBG Administration budget.

**Table 7: CDBG Administration**

<b>Agency</b>	<b>Program</b>	<b>Funding</b>
Housing Department	Grant Planning and Oversight	\$1,641,420
City Attorney’s Office	Legal Staffing	\$21,298
Planning Department	Environmental Reviews	\$6,745
Law Foundation of Silicon Valley – Four-agency Consortium	Fair Housing*Services	\$200,000
<b>Total</b>		<b>\$1,869,463</b>

*\*Note: Fair Housing services will be funded from \$200,000 in CDBG Administrative funds, \$65,000 in CDBG Public Services funds, and \$135,000 in HOME*

- *Grant Planning and Oversight* – Approximately \$1.6 million is allocated to grant planning and administration in FY 2020-21. This number reflects current fringe and salary information from the Budget Office. This allocation funds administration of the federally-funded formula grants which includes community outreach, annual planning, procurement of services and capital projects, contract development and management, subgrantee monitoring, reporting, legal services, and environmental reviews. If there are savings on the City staff line item, which typically occur, they may be used to pay for consulting contracts.

**HOME Program**

The HOME program provides financial assistance to increase the supply of affordable rental and homeownership housing for low-income households through the acquisition, rehabilitation, and construction of affordable housing and through the provision of tenant-based rental assistance. Tenant-based rental assistance will be provided within the City’s Rapid Rehousing program for formerly-homeless residents. The Health Trust was selected through a previous federally-funded services RFP to provide rental assistance and supportive housing services. Staff is recommending to continue funding The Health Trust into FY 2020-21 while the Department completes an RFP for new services. The Health Trust will continue to use its remaining contract balance from FY 2019-20 funds; therefore, its contract extension balance is not reflected in the FY 2020-21 amounts in **Table 8**.

In addition to The Health Trust, the City recently awarded five other nonprofits to administer rental assistance programs, which are under very high demand due to COVID-19’s negative effects on the economy. All five TBRA contracts were funded from FY 2019-20 funds. However, the rental assistance contracts with Sacred Heart and Catholic Charities also were partly funded from \$3,199,500 in FY 2020-21 HOME funds for both TBRA and Administration, as reflected in Table 8. Including these FY 2020-21 commitments, the City’s total amount invested in TBRA contracts would total approximately \$15.9 million.

HOME funds, including unspent funds from last year and projected program income, are proposed to be allocated in FY 2020-21 as listed in Table 8. It should be noted that HOME rules require that new affordable housing developments must have all other financing obtained and be able to start construction within one year of committing the HOME funds. For this reason, the Housing Department must usually hold a significant amount of HOME funds until a project is almost ready to start construction.

**Table 8: Proposed FY 2020-21 HOME Activities**

<b>Project</b>	<b>Allocated Amount</b>
New Affordable Housing Development (including project delivery & CHDO set-aside)	\$4,356,359
Tenant-Based Rental Assistance (TBRA)	\$2,678,500
Program Administration – TBRA contracts	\$521,000
Program Administration – City	\$173,920
Fair Housing Services	\$135,000
<b>Total HOME</b>	<b>\$7,864,779</b>

*Agency: Catholic Charities / Funding: \$1,600,000*

*Agency: Sacred Heart / Funding: \$1,599,500*

*Agency: Law Foundation Consortium / Funding: \$135,000*

**Housing Opportunities for Persons with HIV/AIDS (HOPWA) Program**

The HOPWA program provides local jurisdictions and nonprofits with resources and incentives to support long-term strategies for meeting the housing needs of low-income individuals living with HIV/AIDS and their families.

In FY 2020-21, the City is projected to receive \$1,440,393 in HOPWA funds. The Health Trust was selected through a previous federally-funded services RFP to provide rental assistance and supportive housing services. As shown in **Table 9**, staff is recommending to continue funding the current agencies at the same level through FY 2020-21 while the RFP is prepared, issued, and awarded for a contract to begin at the start of FY 2021-22.

**Table 9: Proposed FY 2020-21 HOPWA Activities**

<b>Project</b>	<b>Allocated Amount</b>
Rental Assistance and Supportive Housing	\$1,347,182
Grantee Administration	\$50,000
City Administration	\$43,211
<b>Total HOPWA</b>	<b>\$1,440,393</b>

*Agency: The Health Trust / Funding: \$1,347,182*

*Agency: San Benito County / Funding: \$50,000*

**Emergency Solutions Grant (ESG) Program**

The City awarded CDBG and ESG funding for Outreach & Engagement and Homeless Prevention Programs on September 18, 2018 to HomeFirst and People Assisting the Homeless (PATH). The Citywide Outreach, Engagement, and Mobile Case Management Program provides street-based outreach and case management, emergency shelter, transportation, a homeless helpline, referrals and service connections, and assessment and services to attain permanent housing. To fully fund the robust outreach and engagement program, the Housing Department supplemented federal awards with its local Housing Authority Litigation Award (HALA) funds.

The Homeless Prevention Program provides the support needed for low-income households and individuals to remain permanently housed. The Program provides deposit and rental support, as well as relocation assistance and stabilization services. The Program will work in conjunction with and/or enhance existing County homeless prevention programs, including the Emergency Assistance Network (EAN). In the last year, 11 households with a total of 23 children under the age of 18 were assisted with these funds.

Additionally, the City can directly fund Santa Clara County Homeless Management Information System (HMIS) with ESG funds. HMIS is a secure online database that stores data on all homelessness services that are provided in Santa Clara County. Santa Clara County uses this data to improve the ability of local organizations to provide access to housing and services, and strengthen our efforts to end homelessness.

PATH, Bill Wilson Center, and the County of Santa Clara are currently receiving ESG and HALA funds to perform these services. Staff is recommending to continue funding these agencies through FY 2020-21. This will be the third and final year of funding for these ESG-funded programs in **Table 10**:

**Table 10: Proposed FY 2020-21 ESG Activities**

Service Type	Agency	Program	Funding
Homeless Services	People Assisting the Homeless (PATH)	San José Outreach and Engagement	\$439,844
Homeless Services	Bill Wilson Center	Homeless Prevention Program for Youth and Families	\$130,000
Homeless Services	County of Santa Clara	Homeless Management Information System (HMIS)	\$150,000
Administration	City	ESG Administration	\$58,365
		<b>Total ESG:</b>	<b>\$778,209</b>

*Agency: PATH / Funding: \$439,844 ESG; \$460,156 HALA*

*Agency: Bill Wilson Center / Funding: \$130,000*

*Agency: County of Santa Clara / Funding: \$150,000*

**Emergency Solutions Grant (ESG) Program –Supplemental CARES Act Funding Round 2**

On March 16, 2020, the Health Officer of the County of Santa Clara ordered a shelter-in-place for all residents due to COVID-19. On April 21, 2020, the City Council approved the first substantial amendment to the FY 2019-20 Annual Action Plan, which utilized existing CDBG funds and additional allocations made in the CDBG, ESG, and HOPWA programs by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to be spent in FY 2019-20 to respond to local needs created by COVID-19.

The City Council approved a Second Substantial Amendment to the FY 2019-20 Annual Action Plan on June 30, 2020. The Second Amendment prioritized the use on which the City’s Emergency Operations Center has been charged to collaborate with the County: providing emergency rental assistance to respond to COVID-19. **Table 11** presents the total reallocation of funds from existing federal funding to address emerging COVID-19 needs that have already been approved.

**Table 11: FY 2019-20 Funding Redirected to COVID-19 Relief**

FY 2019-20 Funding Sources	Amount
CDBG	\$6,744,000
HOME TBRA & Admin	\$8,572,365
<b>Total</b>	<b>\$15,316,365</b>

On June 9, 2020, HUD announced the second allocation of additional funding to support homeless Americans and individuals at risk of becoming homeless because of hardships such as job loss, wage reductions, or illness due to the COVID-19 virus. The Emergency Solutions Grant (ESG) Program Supplemental CARES Act Funding is a formula grant to States and local

governments to use ESG to fund activities to protect homeless people from COVID-19. The program provides funding to:

- Make more emergency shelters available for homeless individuals and families.
- Provide Hotel/Motel Vouchers for homeless families and individuals.
- Provide enhanced services to unsheltered individuals in encampments, providing basic needs, clinical outreach, hygiene and waste disposal services, and infection control supplies and resources.
- Operate emergency shelters by providing food, rent, security, maintenance, repair, fuel, equipment, insurance, utilities, furnishings, and supplies necessary for their operation.
- Prevent individuals from becoming homeless and rapidly rehouse homeless individuals.

The Housing Department and the County Office of Supportive Housing are participating in weekly technical assistance calls with HUD-funded advisors to develop a coordinated federal funding investment plan to address COVID-19 impacts on homeless people. A City and County coordinated investment plan leverages resources and ensures a balanced approach to funding and a diversity of programs and needs. A priority of the plan is to identify and support people living in both the temporary shelters and the vulnerable people in the motels during the emergency COVID-19 response and supports their transition into other shelter or housing alternative instead of returning to homelessness. This collaborative and coordinated plan includes keeping shelters and motels accessible during the public health crisis or until participants have alternate shelter or permanent housing options. Finally, the coordinated approach focuses ESG funds on programs and services for the unsheltered, addressing their health and safety needs during the public health crisis, while increasing street-based services and outreach.

**The City of San José will receive approximately \$32.8 million in this supplemental ESG-CV funding.** Staff proposes this additional funding for operation and services at the Mabury and Felipe Bridge Housing Communities and the three Emergency Interim Housing sites. In addition, staff proposes funds for a new program called Services Outreach Assistance and Resources or SOAR. SOAR will provide comprehensive street-based services, hygiene and trash services, and housing and shelter opportunities for homeless encampment residents.

The SOAR Program was designed based on guidance from the Centers for Disease Control and Prevention (CDC). During the COVID-19 public health crisis, the CDC recommends that if individual housing options are not available, people who are living unsheltered or in encampments should remain where they are. The CDC further recommends that community coalitions work to improve sanitation in encampments. In response, the City's Emergency Operations Center (EOC) has suspended abatements to advance the public health guidance. Locally, Valley Homeless Healthcare Program and Santa Clara County Department of Public Health have begun testing at encampments of 10 people or more. They have requested the City continue to follow CDC guidance on not clearing encampments. Allowing people living in encampments to remain where they are allows for people to maintain service and medical connections and allows for COVID-19 contact tracing.

The SOAR Program in partnership with BeautifySJ will provide comprehensive street based support and services to those living unsheltered, along with access to proper hygiene and trash service. The recently updated Community Plan to End Homelessness (Community Plan) prioritizes addressing the immediate crisis of people living outside in our community. The Community Plan recommends strategies that invest in the health and safety needs of people living outside and build connections to safety net services and programs. Staff will be bringing the Community Plan for the City Council endorsement on August 25<sup>th</sup>.

In alignment with both the current CDC guidance and the Community Plan, the SOAR Program provides a compassionate approach to address the health and safety needs of persons living in encampments. The SOAR Program includes the following three components, each with its own specific strategies:

- 1. Street Outreach and Support Services:** Increasing street outreach teams and services to support people living in encampments.
  - Street outreach: Teams engage by providing basic needs, such as water, clothing, food, and garbage bags. In addition, teams can assess for shelter and housing needs, and provide access to behavioral health services and medical care.
  - Storage: Provide storage for individuals to store personal belongings.
  - Supplies: Providing supplies to encampments such as solar phone chargers, personal protective equipment (PPE), tents, tarps, and other supplies.
  - Community Engagement: Coordination of volunteer outreach teams, potentially including those with lived experience, and supply distribution.
  
- 2. Hygiene/Infection Control:** Providing hygiene and waste management related services to help control the spread of infectious disease.
  - Hygiene: Placing hygiene equipment such as handwashing stations and portable toilets at large homeless encampments to help slow the spread of COVID-19;
  - Waste Management: Arranging for garbage collection at large homeless encampments to help maintain sanitary conditions;
  - Public Health Info: Providing information in multiple languages to homeless individuals in encampments to help them understand how they can protect themselves from COVID-19;
  - Testing: Working with Valley Homeless Healthcare Program (VHHP) to provide regular COVID-19 testing at encampments of 10 people or more;
  - Showers/Service Connections: In partnership with Project WeHope's Dignity on Wheels, provide increased mobile laundry and shower services by adding a 2<sup>nd</sup> shower truck in San José service portfolio. Also, City and Project WeHope launched "Hope Health Mobile," a new mobile rest stop offering WiFi, charging stations, case management, and virtual access to Stanford doctors who can answer questions about COVID-19.

**3. Housing:** Increasing access to housing opportunities and shelter.

- Shelter: Reserved shelter beds for the encampment management program that will be available to street outreach teams working in the identified encampments
- Motel Vouchers: emergency stays at hotels, prioritized for street outreach teams working with those in encampments, as well as vulnerable populations.
- Shelter Hotline: Pilot a centralized shelter referral hotline to access all shelter beds countywide.
- Housing Problem Solving: Pilot program with City/County to help homeless individuals identify other immediate housing strategies, rather than shelter, and if necessary connect them with services and financial assistance.

**Table 12: Proposed FY 2020-21 ESG CARES Act Round 2 Activities**

<b>Program</b>	<b>Cost</b>	<b>Description</b>	<b>Period</b>	<b>Provider</b>
<b>Shelter/Outreach</b>				
Street Outreach at encampments	\$2,504,546	Street-based services, engagement, connections to shelter, housing, critical services	2 years	PATH/HomeFirst
Storage Program for Unsheltered	\$500,000	Storage locations near supported encampments.	2 years	PATH
Community Engagement	\$400,000	Lived experience street outreach, supplies	2 years	PATH
<b>Total Shelter/Outreach</b>	<b>\$3,404,546</b>			
<b>Hygiene/Infection Control</b>				
Trash Support at Encampments	\$2,779,500	Trash support and large debris clean up at supported encampments.	2 years	TBD - RFP
Hygiene Support at Encampments	\$1,102,800	Increase portable toilets/ handwashing stations and servicing at encampments	2 years	TBD - RFP
<b>Total Hygiene</b>	<b>\$3,882,300</b>			
<b>Housing</b>				
Shelter Beds	\$2,460,400	Reserved referrals for street outreach team. South Hall operations through winter 20-21	4 months	HomeFirst
Motel Vouchers	\$4,000,000	Individuals in encampments and Families and DV	1 year	LifeMoves
Emergency Interim Housing (EIH) Operations	\$9,521,006	Operations at Monterey/ Bernal, Rue Ferrari, Evans Lane	1 year	HomeFirst/ PATH
Bridge Housing Community (BHC) Operations	\$3,784,180	Operations at Mabury and Felipe sites	1 year	HomeFirst
Rapid Rehousing (RRH)	\$2,000,000	Case management	1 year	TBD - RFP for Service
Shelter diversion/housing problem-solving	\$500,000	Case management, services, financial assistance to help homeless identify other immediate housing solutions	1 year	HomeFirst/ PATH
<b>Total Housing</b>	<b>\$22,265,586</b>			
<b>Subtotal</b>	<b>\$29,552,432</b>			
<b>Administration (up to 10%)</b>	<b>\$3,283,604</b>			
<b>GRAND TOTAL</b>	<b>\$32,836,036</b>			



*Agency: TBD (Shelter/Outreach) / Funding: \$3,404,546*

*Agency: TBD (Hygiene/Infection Control) / Funding: \$3,882,300*

*Agency: TBD (Housing) / Funding: \$22,265,586*

**Meeting the Needs of Families**

In March, the NSE Committee expressed interest in learning more about how the Consolidated Plan will meet the needs of families. The FY 2020-21 Consolidated Plan provides \$12.2 million in funding for 12 programs serving families (see **Table 13** below). After the March NSE recommendation, staff met with the McKinney-Vento Santa Clara County Office of Education (SCCOE) staff to identify services gaps, both in general and due to COVID-19. The current health crisis has exacerbated existing conditions for homeless children and their families. The leadership at SCCOE report that homeless youth are struggling with online school classes, as library closures mean they lack computer access, secure storage for laptops, hotspots for portable broadband access, power sources, and safe, quiet spaces to attend online classes and do homework. Families continue to be challenged with adequate transportation support given bus route cutbacks, affordable childcare, and flexible-hour access to shelters. SCCOE leadership anticipates an increasing need for food and clothing as the shelter in place order continues.

Housing staff has also held regular conversations with domestic violence services providers to identify the needs of this vulnerable population during COVID-19. The domestic violence service providers report that levels of violence in families are escalating during the health crisis and they need additional motel vouchers to safely shelter survivors.

Accordingly, the FY 2020-21 Annual Action plan directs funding to program that serve families in San José through a variety of services and community investment, as seen in **Table 13:**

**Table 13: FY 2020-21 Annual Action Plan Family Serving Programs**

<b>Grantee</b>	<b>Purpose</b>	<b>Amount</b>
SOMOS Mayfair	Home Grown Talent, neighborhood engagement	\$150,000
CommUniversity	Neighborhood engagement	\$85,000
San José Housing Rights Consortium	Legal services for low-income tenants	\$500,000
Law Foundation Silicon Valley	Fair housing services	\$400,000
Library, SCCOE and First 5	Childcare services	\$850,000
Yerba Buena Community Wireless Network	Wireless network	\$2,100,000
Code Enforcement	Enhanced code enforcement in Project Hope neighborhoods	\$1,258,340
Rebuilding Together & Habitat for Humanity	Single family home repairs	\$1,650,000
Bill Wilson Center	Family homeless prevention	\$130,000

Sacred Heart Community Services	Rental assistance	\$1,599,500
Catholic Charities	Rental assistance	\$1,600,000
LifeMoves	Motel voucher program	\$2,000,000
PATH	Evans Lane family emergency interim housing operations and services	\$2,800,000
<b>Total</b>		<b>\$15,122,840</b>

The COVID-19 crisis and the infusion of federal stimulus funds provided much-needed resources for the Housing Department to quickly fund key priorities and programs serving families. Even the microenterprise business assistance focuses on serving the smallest businesses with one to five full-time-equivalent employees, many of which are family-owned. During April and July, the City Council approved amendments to the FY 2019-20 Annual Action Plan for 10 family-serving programs as detailed in **Table 14**:

**Table 14: FY 2019-20 Annual Action Plan Amendments Serving Families**

<b>Grantee</b>	<b>Purpose</b>	<b>Amount</b>
Loaves and Fishes	Meal service, low-income families	\$1,200,000
LifeMoves	Motel voucher program	\$2,000,000
Catholic Charities	Rental assistance	\$2,400,000
Next Door Solutions	Rental assistance	\$346,485
Bill Wilson Center	Rental assistance	\$1,000,000
YWCA	Rental assistance, motel vouchers	\$210,000
Community Wireless Network Infrastructure	Wireless network	\$100,000
First 5	Family calming kits	\$400,000
Sacred Heart Community Services	Rental assistance	\$2,650,000
Opportunity Fund	Microenterprise funding	\$2,500,000
<b>Total</b>		<b>\$12,806,485</b>

The Housing Department will continue to identify the needs and additional funding sources for homeless families, including survivors of domestic violence.

***Annual Plan Implementation***

Once the final Consolidated Plan and the FY 2020-21 Annual Plan are approved by the City Council, staff will work with service providers to develop agreements and contract extensions that include finalized scopes of service, contract budgets, performance measures, goals, and outcomes. Upon approval of the Plans by HUD, staff will work with agencies to finalize these service agreements in preparation for execution.

Additionally, capital projects identified in the Annual Plan are preliminary in nature and will require further development. Upon approval of the Annual Plan by City Council, staff will work with grantees to develop the final project scopes and will take all necessary steps to ensure compliance with funding and project requirements. Staff will coordinate environmental reviews in compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) before final commitment of funds via contract.

### ***FY 2020-21 is a Transition Year Between Plans***

Since the onset of COVID-19, the Housing Department has been responding to the urgent needs of the community as outlined above. Much of the Department's regular work has been put on hold due to COVID-19. Procurements for several of the proposed priorities and services must be competitively rebid, which will take time. As such, staff is recommending continuing with FY 2019-20 program priorities for Year 1 of the new Consolidated Plan period, FY 2020-21. This will allow time to compete and award contracts for services that respond to the new Consolidated Plan priorities. Staff would create and issue Requests for Proposals for the remainder of 2020, then award and finalize contracts from early 2021 through June 2021, so that contracts could start with FY 2021-22 beginning July 2021.

The need to rebid certain contracts means that Year 1 of the new Consolidated Plan period would continue to reflect the previous cycle's priorities. However, substantively, this should not cause a significant difference on the City's types of spending, as the first three of the four proposed City's priority areas are the same as those from the previous five-year period. The fourth category from last period focused on neighborhood investments, some of which are finishing multi-year construction of infrastructure regardless of new priorities being established. Therefore, this one-year holdover period therefore should not be disruptive to implementing most of the City's priorities. Further, giving agencies sufficient notice at the end of their contract terms is essential to keeping them financially stable. This is an especially important objective during this time of reduced private donations for many nonprofit partners in our community.

### **CONCLUSION**

Many residents in San José's communities currently face unprecedented challenges. Residents are struggling to find decent, affordable housing, are facing displacement, are threatened with homelessness, have fair housing concerns, and earn wages that leave them vulnerable in our strong market. These issues are further complicated by the public health emergency caused by the COVID-19 pandemic. The Department's strategy for the use of entitlement funds from HUD will help to stabilize communities and to assist the City's lower-income residents by providing resources to increase their resiliency against market forces that are profoundly impacting lower-income neighborhoods. It is with this lens that the City should direct its federal funding in the next five years.

## **EVALUATION AND FOLLOW-UP**

One week after hearing this item, the City Council will consider for approval the final Consolidated Plan on August 11, 2020. A summary of all public comments, the City's responses, and potential amendments to the draft Plans will be distributed to the City Council in the staff memo for the August 11, 2020, meeting at which the City Council will consider approval of the final Plans.

As always, the City Council will receive annual updates through the Consolidated Annual Performance and Evaluation Report (CAPER), which reports progress toward achieving goals identified in each year's Annual Plan after the end of each Annual Plan year.

## **CLIMATE SMART SAN JOSE**

The recommendation in this memo has no effect on Climate Smart San José's energy, water, or mobility goals.

## **PUBLIC OUTREACH**

Federal regulations require that jurisdictions hold at least two public hearings to receive public comment for the Plan and funding priorities. The City's Citizen Participation Plan last amended in April 2015 and again being amended in August 2020 requires three public hearings. This year, the City will hold a total of four public hearings on the 2020-25 Consolidated Plan and FY 2020-21 Annual Action Plan. Staff used the meeting with the Housing & Community Development Commission on March 12, 2020, as a public hearing to present its funding strategies and priorities and to solicit feedback from the Commissioners and the public. In the spring, City staff sent an email announcement of the upcoming public hearings on the draft Plan to over 2,600 organizations and individuals concerned about affordable housing and community development issues. Staff also published a notice in the *San José Mercury News* of the public meetings. These notices were translated into Spanish, Vietnamese, Chinese, and Tagalog and were published in the *El Observador*, *Vietnam Daily News*, *World Journal*, and *Philippine News* newspapers. The City's public meetings and public hearings are provided below.

- March 12, 2020 – Neighborhood Services and Education Committee
- March 12, 2020 – Housing & Community Development Commission
- August 4, 2020 – Public Hearing: City Council
- August 6, 2020 – Public Hearing: Virtual meeting (in lieu of Commission)
- August 11, 2020 – Public Meeting and Approval: City Council

This memorandum has been posted on the City's website for approval by the City Council on August 4, 2020. The draft 2020-25 Consolidated Plan and FY 2020-21 Annual Action Plan are also posted on the Housing Department's website at [www.sjhousing.org](http://www.sjhousing.org) on the 2020-25

Consolidated Plans webpage.<sup>2</sup> The Housing Department sent an e-blast to inform the public of this public hearing on July 29, 2020, six days prior, which was directed to approximately 880 email recipients. As this item pertains to the expenditure of federal CARES Act funds in the 2020-21 Annual Action Plan for the COVID-19 emergency, an expedited term for public notice and public comment was used. Additionally, the public notice contained translations in four additional languages of how recipients could get additional information, per the City's Language Access Plan and its Citizen Participation Plan.

All public comments provided to the City both verbally or in writing will be included in the appendices of the Plans together with staff's response when the Plans are submitted to HUD by the August 15, 2020, deadline. Once approved, the 2020-25 Consolidated Plan and FY 2020-21 Annual Action Plan will be available on the Housing Department's website or by U.S. mail at the public's request.

### **COORDINATION**

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

### **COMMISSION RECOMMENDATION/INPUT**

On March 12, 2020, Housing Department staff presented the draft funding strategies to the Housing and Community Development Commission (Commission). The purpose of the meeting was to obtain the Commission's input on proposed priorities and activities and to hold a public hearing. Several commissioners supported the proposed funding priorities, citing support especially for the creation of new affordable housing and its preservation, homelessness prevention and homeless services, and the importance of strengthening neighborhoods that have low-income residents of color. Two commissioners spoke against having public funds pay for neighborhood leadership development, while five spoke in favor.

Commission meetings were cancelled from late March through July 2020 due to the community-wide COVID health emergency. The Commission will not resume meetings until August 13, 2020. Unfortunately, that date is too close to HUD's revised submission deadline August 15, 2020. Therefore, staff will convene a virtual public hearing on Zoom on August 6, 2020, in lieu of a Commission meeting, per its Citizen Participation Plan. Staff will submit all public comments to HUD with the final City Council-approved Plans on or before August 15, 2020.

---

<sup>2</sup> <https://www.sanjoseca.gov/your-government/departments-offices/housing/resource-library/hud-reports/consolidated-annual-action-plans/2020-25-consolidated-annual-action-plans>

HONORABLE MAYOR AND CITY COUNCIL

**Subject: Public Hearing for the Draft 2020-25 Consolidated Plan and Draft FY 2020-21 Annual Action Plan**

July 29, 2020

Page 30

### **FISCAL/POLICY ALIGNMENT**

The funding priorities listed in this memorandum are aligned with many City priorities as listed on pages 10-11. These include the Housing Crisis Workplan, the Community Plan to End Homelessness, and the City's work to improve economic opportunities and to create anti-displacement strategies.

### **COST SUMMARY/IMPLICATIONS**

This report summarizes the expenditure plan for the City's federal funds received from HUD. The timely submittal of the Plans to HUD will enable the City to receive and to distribute approximately \$14.9 million in entitlement funds for the CDBG, HOME, HOPWA, and ESG programs for FY 2020-21, as well as \$32.8 million in ESG-CV funds through the federal CARES Act.

### **BUDGET REFERENCE**

Commitments proposed in this Plan were appropriated as part of the FY 2020-21 budget process; however, adjustments to those appropriations will occur in the second the City Council action to approve the final Consolidated Plan. Subject to City Council approval, some multi-year Community Development Infrastructure expenditures will be included in the City's FY 2020-21 budget process.

### **CEQA**

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. Specific development projects that are funded as a result of the Consolidated Annual Action Plan are subject to project-specific CEQA clearance.

/s/

JACKY MORALES-FERRAND  
Director, Department of Housing

For questions, please contact Ragan Henninger, Deputy Director, at (408) 535-3854.

#### **Attachments:**

Attachment A: 2020-25 Consolidated Plan Community Engagement Efforts

Attachment B: Draft 2020-25 Consolidated Plan and Draft FY2020-21 Annual Action Plan

**Attachment A**  
**2020-25 Consolidated Plan Community Engagement Efforts**

<b>Date</b>	<b>Outreach Meeting</b>	<b>Attendance</b>	<b>Time</b>
Nov 7, 2019	Focus Group #1 with Boys and Girls Club of Silicon Valley and Healthier Kids Foundation	4	Afternoon
Nov 11, 2019	Affordable housing residents - Kings Crossing	20	Evening
Nov 12, 2019	Public Meeting - Seven Trees Community Center	3	Evening
Nov 13, 2019	Public Meeting - Hillview Library	8	Evening
Nov 16, 2019	Southside Community Center	3	Evening
Nov 18, 2019	Focus Group #2 with Live Oak Adult Day Services & San José Conservation Corps	3	Afternoon
Nov 19, 2019	Public Meeting - Bascom Community Center	14	Evening
Nov 20, 2019	Public Meeting - Roosevelt Community Center	20	Evening
Nov 11, 2019	Affordable housing residents - Kings Crossing	20	Evening
Dec 6, 2019	School of Arts and Culture (D5) Event: Fiesta Navidena	18	Evening
Dec 12, 2019	Second Street Studios	10	Daytime
Dec 12, 2019	Destination: Home	9	Lunchtime
Dec 13, 2019	Office of Women's Policy	6	Evening
Dec 18, 2019	LGBT Youth Center	9	Afternoon
Jan 13, 2020	City Hall	1	Daytime
Jan 14, 2020	The Health Trust	17	Afternoon
Jan 15, 2020	Vietnamese American Community Center (D7)	85	Morning
Jan 26, 2020	Filipino Advocates for Justice	10	Morning
Jan 27, 2020	Eastside Union HS District (D5)	12	Evening
Jan 29, 2020	Roosevelt Community Center	20	Afternoon
Jan 29, 2020	K Smith Elementary School (PTA Meeting)	20	Evening
	<b>Total Attendees:</b>	<b>308</b>	
<b>On-line &amp; Written Surveys (October 25-December 26, 2019)</b>			
	English	630	
	Spanish	15	
	Vietnamese	2	
	Chinese	1	
	<b>Total Surveys Completed:</b>	<b>648</b>	

<b>Stakeholder Interview Meetings with Selected Agencies</b>
--

- |  |
|--|
| • Asian Americans for Community Involvement        |
| • BRIDGE Housing                                   |
| • Santa Clara County Office of Supportive Housing  |
| • Charities Housing                                |
| • Community Services Agency                        |
| • CommUniverCity San José                          |
| • Destination: Home Silicon Valley                 |
| • Downtown Streets Team Silicon Valley             |
| • Eden Housing                                     |
| • Grid Alternatives                                |
| • The Health Trust                                 |
| • Heart of the Valley                              |
| • Project WeHOPE                                   |
| • Housing Trust                                    |
| • LifeMoves  |
| • Loaves and Fishes                                |
| • Rebuilding Together Silicon Valley               |
| • Santa Clara Family Health Plan                   |
| • Silicon Valley FACES                             |
| • Silicon Valley Leadership Group                  |
| • Vista Center for the Blind and Visually Impaired |





# 2020-2025 Consolidated Plan

Draft



# Contents

.....	1
Executive Summary.....	3
The Process .....	6
PR-05 Lead & Responsible Agencies 24 CFR 91.200(b).....	6
PR-10 Consultation - 91.100, 91.200(b), 91.215(l).....	7
PR-15 Citizen Participation.....	16
Needs Assessment .....	18
NA-05 Overview .....	18
NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c) .....	21
NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2) .....	28
NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2) .....	32
NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2) .....	36
NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2) .....	37
NA-35 Public Housing – 91.205(b) .....	40
NA-40 Homeless Needs Assessment – 91.205(c).....	44
NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d).....	48
NA-50 Non-Housing Community Development Needs – 91.215 (f) .....	53
Housing Market Analysis.....	55
MA-05 Overview .....	55
MA-10 Number of Housing Units – 91.210(a)&(b)(2).....	56
MA-15 Housing Market Analysis: Cost of Housing - 91.210(a) .....	62
MA-20 Housing Market Analysis: Condition of Housing – 91.210(a).....	65
MA-25 Public and Assisted Housing – 91.210(b) .....	68
MA-30 Homeless Facilities and Services – 91.210(c) .....	70
MA-35 Special Needs Facilities and Services – 91.210(d) .....	73
MA-40 Barriers to Affordable Housing – 91.210(e) .....	77
MA-45 Non-Housing Community Development Assets – 91.215 (f) .....	81
MA-50 Needs and Market Analysis Discussion .....	88
MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households- 91.210(a)(4), 91.310(a)(2).....	91
MA-65 Hazard Mitigation- 91.210(a)(5), 91.310(a)(3).....	93
Strategic Plan .....	94
SP-05 Overview .....	94
SP-10 Geographic Priorities – 91.215 (a)(1).....	95
SP-25 Priority Needs - 91.215(a)(2).....	96
SP-30 Influence of Market Conditions – 91.215 (b).....	98
SP-40 Institutional Delivery Structure – 91.215(k).....	108
SP-45 Goals Summary – 91.215(a)(4).....	113
SP-50 Public Housing Accessibility and Involvement – 91.215(c) .....	118
SP-55 Barriers to affordable housing – 91.215(h).....	120
SP-60 Homelessness Strategy – 91.215(d).....	125
SP-65 Lead based paint Hazards – 91.215(i) .....	130
SP-70 Anti-Poverty Strategy – 91.215(j) .....	131
SP-80 Monitoring – 91.230 .....	132
Appendix - Alternate/Local Data Sources .....	185

## Executive Summary

### 1. Introduction

The Consolidated Plan (ConPlan) is designed to assist communities in the development of goals of providing decent housing, viable urban communities, a suitable living environment, and expanding economic opportunities primarily for low- and moderate-income persons. The ConPlan will assist the City of San José (City) in building relationships between all levels of government and the private and non-profit sectors to carry out goals and objectives identified in the planning process to meet community needs.

The City works to strengthen and revitalize lower-income communities through four federal grant programs it receives from the Department of Housing and Urban Development (HUD) to invest. The four federal programs are the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Housing Opportunities for People with AIDS (HOPWA), and Emergency Solutions Grants (ESG) Programs.

### 2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

Qualitative and quantitative data to inform the five-year priorities for funding includes the Assessment of Fair Housing, data obtained through stakeholder consultation and citizen participation, and the Comprehensive Housing Affordability Strategy (CHAS) data provided by HUD. Other sources to determine needs has included the City's Anti-Displacement Community Strategy Report released in January 2020, and the current effort to create Santa Clara County's Community Plan to End Homelessness for 2020-25.

Needs identified in the analysis of data include needs for vulnerable populations including the significant number of low-income households and the need for affordable housing units. Our strategy for community improvement using CDBG, HOME, ESG, and HOPWA funds will focus on four broad goals. These goals are:

1. Prevent and Address Homelessness – Increase housing opportunities and self-sufficiency for homeless populations and assist in the prevention of homelessness for at-risk individuals and families.
2. Create and Preserve Affordable Housing – Create new affordable housing opportunities and preserve existing affordable housing.
3. Promote Fair Housing – Promote fair housing and lowered barriers to housing.
4. Strengthen and Stabilize Communities – Strengthen and stabilize communities' condition and help to improve residents' ability to increase their employment prospects and grow their assets.

### 3. Evaluation of past performance

The City and its recipients have met most of the goals set forth in its 2015-2020 Consolidated Plan. With its federal dollars, the City increased and preserved affordable housing through construction and development of new affordable apartments and rehabilitation of existing apartments, and funded Tenant-

Based Rental Assistance (TBRA) and Rapid Re-housing opportunities.<sup>1</sup> The City responded to the problem of homelessness and its impacts on the community through Citywide and Downtown Outreach, moving individuals experiencing homelessness into permanent housing, interim shelter, or institutional care depending on level of need. The City implemented projects to strengthen neighborhoods by funding home repair programs that included safety and accessibility repairs. Additionally, the City funded employment training programs. To assist residents in staying in their homes and prevent fair housing discrimination, the City provided fair housing education, outreach, and legal services.

#### **4. Summary of citizen participation process and consultation process**

To encourage broad and meaningful community participation, the City used various community outreach methods, including public meetings, a community survey, and stakeholder consultations. Community outreach and engagement was conducted from October 2019 through January 2020. Community meetings were held in San José and regional meetings were held throughout Santa Clara County. These local and regional meetings were designed to solicit public input from a broad range of constituents on the highest community development and housing needs. Public meetings were formal public hearings and were noticed in English, Spanish, Vietnamese, Chinese, and Tagalog.

In addition to public meetings, 21 focus group and small stakeholder meetings were held, as well as pop-up tabling at community events. These small format meetings were held to ensure that feedback was obtained from community members who did not feel comfortable taking on-line surveys, or who typically do not come to City-sponsored outreach meetings. Extensive notes were taken at each meeting and for all other community engagement activities.

A community outreach survey asked questions designed to elicit feedback about needs for housing, community facility needs, special needs services, homeless, economic development, and other supportive community programs, and the community's experience with housing discrimination, awareness of tenant housing rights, home lending, housing affordability, and information related to home maintenance and condition. The surveys were open to the public in on-line format from October 25, 2019 to December 26, 2019.

The ConPlan was also informed on priority needs through input the City has received from community stakeholders and homeless service providers who contributed to the forthcoming Community Plan to End Homelessness 2020-25.

To maximize community input and minimize participants' efforts to attend, City staff attended the School of Arts and Culture Fiesta Navideña event at the Mexican Heritage Plaza on December 6, 2019, where they educated community members on the Consolidated Plan and encouraged in-person and online completion of the survey. Staff ensured that large and small outreach meetings were held both on weekdays and weekends, during daytime and evening hours. Virtually all meetings were held outside City Hall – for instance, at an affordable housing complex in the Berryessa neighborhood of San José and at East Side Union High School.

---

<sup>1</sup>Rapid re-housing provides short-term rental assistance and services to persons experiencing homelessness. The goals are to help people obtain housing quickly, increase self-sufficiency, and stay housed. It is offered without preconditions (such as employment, income, absence of criminal record, or sobriety) and the resources and services provided are typically tailored to the needs of the person.

Efforts to reach populations underrepresented in the planning process included discussions regarding the survey with various housing, social service, faith-based, and other organizations that provide services to persons with disabilities and other special needs, lower-income households, and persons experiencing homelessness. The surveys were provided in English, Spanish, Vietnamese, and Chinese.

From November to December of 2019, several stakeholders were consulted during public workshops, over the phone, and in-person at their offices. Such stakeholders included, but were not limited to, housing providers, health and social services groups, organizations representing protected classes, broadband internet providers, and emergency management organizations. The purpose of the consultations was to understand professionals' perspective on affordable housing, homelessness services, potential disproportionate needs of lower-income groups, and barriers to affordable housing.

#### **5. Summary of public comments**

A summary of all comments received can be found in Appendix A: Public Comments.

#### **6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments and views were accepted.

#### **7. Summary**

The City of San José conducted several public meetings and hearings to review and gather input for the 2020-25 ConPlan. In addition, the City held stakeholder meetings with multiple community and regional organizations and agencies providing services to low income and populations experiencing homelessness. The City reviewed several reports to inform the development of this Plan, including the City's Housing Element and "Ending Homelessness: The State of the Supportive Housing System in Santa Clara County 2018." Please see PR-10 for other documentation reviewed.

## The Process

### PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

**1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source**

The following are the agencies/entities responsible for preparing the ConPlan and those responsible for the administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	SAN JOSE	Department of Housing
HOPWA Administrator	SAN JOSE	Department of Housing
HOME Administrator	SAN JOSE	Department of Housing
ESG Administrator	SAN JOSE	Department of Housing

**Table 1 – Responsible Agencies**

#### **Narrative**

#### **Consolidated Plan Public Contact Information**

Robert Lopez  
Development Officer – Grants Management  
City of San José – Housing Department  
200 E. Santa Clara Street, 12th Floor  
San José, CA 95113  
Robert.Lopez@sanjoseca.gov  
408.975.4402

## PR-10 Consultation - 91.100, 91.200(b), 91.215(I)

### 1. Introduction

From November to December of 2019, several stakeholders were consulted during public workshops, over the phone, and in-person at their offices. Such stakeholders included, but were not limited to, housing providers, health and social services groups, organizations representing protected classes, broadband internet providers, and emergency management organizations. The purpose of the consultations was to understand professionals' perspective on affordable housing, homelessness services, potential disproportionate needs of lower-income groups, and barriers to affordable housing.

The Consolidated Planning process and development additionally included collaboration with other jurisdictions in the region:

- Santa Clara County
- San José
- Cupertino
- Gilroy
- Mountain View
- Palo Alto
- Sunnyvale
- Mountain View.

The County of Santa Clara is a key partner in coordinating the work of many agencies and to carry out the strategies and goals of this ConPlan.

**Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).**

The City of San José contracts with the Santa Clara County Housing Authority to administer the Housing Choice Voucher program – there are no public housing units in San José. However, community and stakeholder meetings discussed how to enhance coordination and develop new approaches between housing providers and legal advocates, private and governmental health agencies, mental health service providers, and other stakeholders that use funding for eligible activities, projects, and programs.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness**

The Santa Clara County Office of Supportive Housing administers the regional Continuum of Care (CoC), with whom the City continuously coordinates. The CoC is comprised of stakeholders throughout the County, including governmental agencies, homeless service and shelter providers, homeless persons, housing advocates, affordable housing developers, and various private parties, including businesses and foundations.

Members of the CoC meet monthly to plan programs, identify gaps in homeless services, establish funding priorities, and pursue a systematic approach to addressing homelessness. City staff, including the Housing Policy and Planning Administrator, Senior Development Officer, Development Officer, and/or Analyst, as well as staff of other cities, consult with the County's CoC staff during the quarterly Countywide "CDBG Coordinators Group" meetings, and communicate more frequently via email and/or phone on joint efforts.

The CoC is governed by the CoC Board, which takes a systems-change approach to prevent and end homelessness. This CoC Board is comprised of the same individuals who serve on the Destination: Home Leadership Board, is a public-private partnership that is committed to develop collective impact strategies to end chronic homelessness. Destination: Home is the governing body for the CoC and is responsible for implementing bylaws and operational protocols of the CoC. Over a five-year period, the Destination: Home Plan aims to house 2,518 homeless individuals, 718 homeless veterans, and more than 2,333 children, unaccompanied youth, and homeless individuals living in families.

Regional efforts of the CoC include the development of "The Community Plan to End Homelessness in Santa Clara County 2015-2020," which identified strategies to address the needs of homeless persons in the County, including chronically homeless individuals and families, families with children, veterans, and unaccompanied youth. It also addresses the needs of persons at imminent risk of homelessness. The CoC created a new plan for the next five years, which is now circulating for approvals to cities in the County, and the City of San José was part of leadership team for these efforts.

Service providers and organizations that provide services to people experiencing homelessness and persons at imminent risk of homelessness were also contacted to attend the ConPlan engagement meetings, such as Abode Services, a nonprofit that administers Rapid Re-housing; Destination: Home; and LifeMoves, a shelter and homeless provider in San José and Palo Alto.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies, and procedures for the administration of HMIS**

*Allocating Funds, Setting Performance Standards, and Evaluating Outcomes*

The City uses Emergency Solutions Grant Program (ESG) funds to support programs aimed at ending homelessness. The City will release a Request for Proposals prioritizing outreach and engagement, diversion case management and homeless prevention services in Winter 2021. Subrecipients will be selected to administer the ESG program and implement the programs on a yearly basis. The City, as the County recipient of ESG funds, will continue to coordinate with its public and private partners to ensure that the local Continuum of Care (CoC) meets all requirements under the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH) with respect to ESG funds, including:

- Coordinating with the County to assess the service needs under ESG and avoid duplication.
- Evaluating the outcomes of projects funded under ESG and reporting them to HUD.
- Operating and participating in a coordinated assessment system that provides an initial, comprehensive assessment of the needs of individuals and families for housing and services, including a policy on how its system will address the needs of survivors of domestic violence seeking shelter or services from other service providers.



- Establishing and following standards for providing CoC assistance, including policies and procedures for valuating individuals' and families' eligibility for assistance

With respect to determining and prioritizing which eligible individuals and families will receive transitional housing assistance, the City will continue to:

- Determine and prioritize which eligible individuals and families will receive rapid re-housing assistance.
- Determine what percentage or amount of rent each program participant must pay while receiving rapid re-housing assistance.
- Determine and prioritize which eligible individuals and families will receive permanent supportive housing assistance.
- Plan for the allocation of ESG funds and reporting on and evaluating the performance of ESG subrecipient.

*Operating and Adminstrating Homeless Management Information System (HMIS)*

The Homeless Management Information System (HMIS) collects data on individuals and families staying in shelters. The HMIS of Santa Clara County was administered by Community Technology Alliance (CTA) from 2004 to 2015, after which HMIS transitioned to the County's Office of Supportive Services using Clarity Human Services software. The project meets or exceeds HUD's requirements for the implementation and compliance of HMIS standards.

**2. Describe Agencies, groups, organizations, and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities**

For agencies, groups, organizations, and others who participated in the ConPlan process, please see Table 2, below.

Agency/group/organization	Agency/group/Organization type	What section of the Plan was addressed by Consultation?	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
Destination: Home	Services – Homeless Services – Housing Services – Children	Needs Assessment, Strategic Plan, Homelessness Needs (Chronically homeless, Families with children, Veterans, Unaccompanied youth), Homelessness strategy	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
San José Downtown Association	Business Leaders	Needs Assessment, Economic Development, Non-homeless Special needs, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
Cisco Foundation	Business Leaders	Needs Assessment, Economic Development, Non-homeless Special needs, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
LinkedIn	Business Leaders	Needs Assessment,	Business Leaders
Monterey Corridor Business Association	Business Leaders	Needs Assessment, Economic Development, Non-homeless Special needs, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
Bridge Housing	Housing Services – Housing Regional organization	Needs Assessment, Strategic Plan, Economic Development, Regional Organization, Broadband internet access needs	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
Gilroy	Other government – Local	Needs Assessment, Strategic Plan, Market Analysis, and Economic Development	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
Mountain View	Other government – Local	Needs Assessment, Strategic Plan, Market Analysis, and Economic Development	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
CommUniverCity San José	Services – Education Services – Employment Services – Housing Services – Elderly Persons	Needs Assessment, Economic Development, Non-homeless Special needs, Strategic Plan, Broadband internet access needs	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.

<p>Rebuilding Silicon Valley</p>	<p>Housing</p> <p>Services – Victims of Domestic Violence</p> <p>Services – Health</p> <p>Services – Children</p> <p>Services – Homeless</p>	<p>Needs Assessment, Strategic Plan, and Homeless needs (Families with children, chronically homeless, veterans), Homelessness Strategy</p>	<p>Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.</p>
<p>HealthTrust</p>	<p>Services – Health</p> <p>Services – Children</p> <p>Services – Persons with Disabilities</p> <p>Services – Persons with HIV/AIDS</p> <p>Services – Elderly Persons</p> <p>Health Agency</p> <p>Child Welfare Agency</p> <p>Regional organization</p>	<p>Needs Assessment, Strategic Plan, Lead-based Paint Strategy Non-homeless special needs</p>	<p>Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.</p>
<p>Kaiser Permanente Hospital</p>	<p>Services – Health</p> <p>Services – Children</p> <p>Services – Persons with Disabilities</p> <p>Services – Persons with HIV/AIDS</p> <p>Services – Elderly Persons</p> <p>Health Agency</p> <p>Child Welfare Agency</p> <p>Regional organization</p>	<p>Needs Assessment, Strategic Plan, Lead-based Paint Strategy Non-homeless special needs</p>	<p>Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.</p>

East Side Union High School District	Services – Education  Publicly Funded Institution/System of Care	Needs Assessment, Economic Development, Non-homeless Special needs, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
Spectrum Equity	Business Leaders	Needs Assessment, Broadband internet needs, Economic Development, Non-homeless Special needs, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
County of Santa Clara- Office of Supportive Housing	Other government – Regional  Continuum of Care	Needs Assessment, Housing, Non-homeless Special needs, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
Youth and Families Work Group	Services – Children  Services – Education  Services – Homeless	Needs Assessment, Economic Development, Non-homeless Special needs, Homelessness Needs (Chronically homeless, Families with children, Veterans, Unaccompanied youth), Homelessness Strategy, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
David and Lucile Packard Foundation	Services – Resilience/Hazard mitigation	Needs Assessment, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
Domestic Violence Advocacy Consortium	Services – Children  Services- Homeless  Services- Non-homeless Special Needs	Needs Assessment, Economic Development, Non-homeless Special needs, Homelessness Needs (Chronically homeless, Families with children, Veterans, Unaccompanied youth), Homelessness Strategy, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
South Bay Human Trafficking Coalition	Services – Children  Services- Homeless  Services- Non-homeless Special Needs	Needs Assessment, Non-homeless Special needs, Homelessness Needs (Chronically homeless, Families with children, Veterans, Unaccompanied youth), Homelessness Strategy, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.

Loaves and Fishes	Services – Housing Services – Children Services – Elderly persons	Needs Assessment, Economic Development, Non-homeless Special needs, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
Charities Housing	Housing	Needs Assessment, Strategic Plan, Non-homeless Special needs	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.
San José City Council	Government-Local	Housing Needs targeting neighborhoods, Code Enforcement;	A City Council work session was held to invite Council members to participate in the survey; Council comments were related to housing needs, targeting neighborhoods and Code Enforcement.
Heart of the Valley	Services – Elderly persons Services- Seniors	Needs Assessment, Strategic Plan, Non-homeless Special needs	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.
LifeMoves	Services- Non-homeless special needs Services- Disabled	Needs Assessment, Strategic Plan, Non-homeless Special needs	Representative(s) contributed narrative and data to answer questions relevant to the ConPlan.

**Table 2 – Agencies/Organizations/Types**

**Identify any Agency Types not consulted and provide rationale for not consulting**

Not applicable.

**Other local/regional/state/federal planning efforts considered when preparing the Plan:**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Envision San José 2040	City of San José	The General Plan provides a policy and implementation framework to help the City meet its regional housing allocation needs. This effort aligns with the Strategic Plan's goal to assist in determining areas for investment.
Continuum of Care	Regional Continuum of Care Council	The Continuum of Care addresses homelessness in the community through planning and facilitates collaboration between social service providers. Consultation of this plan aligns with the Strategic Plan's goal to support activities to respond to homelessness in the community.
Comprehensive HIV Prevention & Care Plan for San José	Santa Clara County HIV Planning Council for Prevention and Care	This plan provides a guide for the Santa Clara County HIV Planning Council for Prevention and Care to provide a comprehensive system of HIV prevention and care services. Consultation of this plan aligns with the Strategic Plan's goal to invest in programs that serve special needs populations.
City of San José Housing Element (2014-2023)	City of San José	The Housing Element is one of seven State-mandated elements of the City's General Plan. The Housing Element and provides a policy and implementation framework to help the City meet its regional housing allocation needs. Consultation of this plan aligns with the Strategic Plan's goal to assist in the creation and preservation of affordable housing opportunities.
2018 ENDING HOMELESSNESS: The State of the Supportive Housing System in Santa Clara County	County of Santa Clara	Consultation of this plan aligns with the Strategic Plan's goal to support activities to respond to homelessness in the community.
Community Plan to End Homelessness in Santa Clara County 2015-2020	Destination: Home	The Community Plan to End Homelessness in the County is a five-year plan to guide government, nonprofits, and other community members on best practices regarding funding, programs, priorities and needs. Consultation of this plan aligns with the Strategic Plan's goal to support activities to respond to homelessness and its impacts on the community.

**Table 3 – Other local / regional / federal planning efforts**

**Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(l))**

The Santa Clara County Entitlement Jurisdictions are collaborating on preparation of their 2020-25 Consolidated Plans. The outreach and the regional needs assessment for these jurisdictions was a coordinated effort.

**Narrative (optional)**

Please see above.

## PR-15 Citizen Participation

### 1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Outreach for the City of San José's 2020-25 ConPlan was conducted in several ways: a community outreach survey in both online and paper formats, public meetings, stakeholder interviews, and public hearings. Significant outreach efforts were made to residents, faith-based organizations, educational institutions, housing services, and health and social service organizations, including organizations providing services to people experiencing homelessness, persons with HIV/AIDS, victims of domestic violence, senior citizens, and lower-income populations).

Four community meetings were held in San José on November 12<sup>th</sup>, November 13<sup>th</sup>, November 19<sup>th</sup>, and November 20<sup>th</sup>, and regional meetings were held on November 4<sup>th</sup>, November 7<sup>th</sup>, November 12<sup>th</sup>, November 13<sup>th</sup>, and November 20<sup>th</sup> of 2019. The community and regional meetings were designed to solicit public input. The meetings in San José were legally noticed in the San José Mercury News newspaper in English, Spanish, Vietnamese, and Chinese. To reach more non-English speaking audiences the meetings were also noticed in *El Observador*, *Vietnam Daily News*, *World Journal*, and *Philippine News* newspapers. Translator services were provided at all noticed meetings for persons requiring Spanish, Vietnamese, and Chinese language translation. Engagement activities at the meetings were used to gather input on the highest community and housing needs. For regional meetings, see Appendix C, County of Santa Clara, 2020-25 Consolidated Plan, Community Engagement Summary.

Public meetings in San José were held at the following locations:

Seven Trees Community Center  
3590 Cas Drive,  
San José, CA 95111

Hillview Branch Library  
1600 Hopkins Drive,  
San José, CA 95122

Bascom Community Center  
1000 S Bascom Ave.,  
San José, CA 95128

Roosevelt Community Center  
901 E Santa Clara Street,  
San José, CA 95116

A community outreach survey was publicized through public notice in the San José Mercury News and nextdoor.com. The survey asked questions designed to elicit feedback about needs for housing, community facility needs, special needs services, homeless, economic development, and other supportive community programs, and the community's experience with housing discrimination, awareness of tenant



housing rights, home lending, housing affordability, and information related to home maintenance and condition. The surveys were open to the public from October 25, 2019 to December 26, 2019. See Appendix B for Community Engagement and Survey Results.

Efforts to reach populations underrepresented in the planning process included discussions regarding the survey with various housing, social service, faith based, and other organizations that provide services to the disabled and others with special needs, lower-income households, and persons experiencing homelessness. The surveys were provided in English, Spanish, Vietnamese, and Chinese.

**Citizen Participation Outreach**

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meetings	Broad community outreach to all members of the public and targeted outreach to service providers, beneficiaries and grant recipients.	A total of 37 people attended four forums held on the following dates. A total of 35 individuals attended the community meetings held in San José in November 2019.	See PR-10 & 15	All comments were accepted.	See Appendix x
2	Survey	Broad community outreach to members of the public and interested stakeholders.	A total of 1,718 Regional Needs Surveys were collected during the open period.  The paper and online survey was available in Spanish and English.	See PR-15	All comments were accepted.	See Appendix x

**Table 4 – Citizen Participation Outreach**

## Needs Assessment

### NA-05 Overview

#### Needs Assessment Overview

The primary source of data used in this needs assessment are the HUD Comprehensive Housing Affordability Strategy (CHAS) special tabulations created through the U.S. Census' American Community Survey (ACS), which incorporate HUD-specified criteria relating to housing needs, HUD-defined income limits and household types. This needs analysis predominantly uses data drawn from ACS' most recent data sets (for example, 2011-2015 or 2012-2016).

The data in this section include basic information about households by income as well as the number of renters and homeowners who experience various types of housing distress at various income levels. The following outlines income categories used in this report:

- Area median income (AMI):
  - Extremely Low-income: 0-30% AMI
  - Very Low-income: 30-50% AMI
  - Low-income: 50-80% AMI
  - Moderate-income: 80-120% AMI
  - Median Income: 100% AMI
  
- HUD-adjusted median family incomes (HAMFI):
  - Extremely low-income: 0-30% HAMFI
  - Very low-income: 30-50% HAMFI
  - Low-income: 50-80% HAMFI
  - Middle-income: 80-100% HAMFI
  - Upper income 100% HAMFI and above

Note: Area Median Income (AMI) and HUD-Adjusted Median Family Income (HAMFI) are functionally the same when referring to lower-income populations. However, HUD uses HAMFI to determine Fair Market Rents, which guides eligibility for many of its programs including Housing Choice Vouchers (i.e. Section 8). AMI is an industry term used more generally, but often refers to income limits for income-restricted affordable housing. The use of each term is noted throughout the ConPlan.

#### *Household Type*

Small families – defined by HUD as households with four or fewer persons -- represent just under 50 percent of all households, while large families (five or more persons) represent about 14 percent of the total households. In addition, senior households (with at least one person 62 years old or older) make up 29 percent of the City's total number of households. Lastly, there are 52,305 households with one or more child aged six or younger, representing 17 percent of households. All told, there are about 314,300 households in San José.

### *Income Level*

Of the total number of households, 45 percent earn lower incomes (below 80 percent of median):

- 18 percent extremely low income
- 13 percent very low income
- 14 percent low income
- 9 percent middle income
- 46 percent median income and above

### *Household Type*

According to CHAS 2011-2015, there is a total of 314,289 households in San José of which 18 percent are extremely low income; 13 percent are very low income; and 14 percent are low income. Forty-five percent of households in San José earn between 0 to 80 percent of the area median income. Small family households represent the largest share of extremely low-income households, accounting for 36 percent in the income category and 6 percent of total households.

### *Housing Problems*

Cost burden (households spending more than 30 percent of gross income on housing costs) is experienced by 42,244 households earning less than the median, representing 13 percent of total households in the City. Severe cost burden (cost burden greater than 50 percent of income) is experienced by 45,335 lower-income households representing 15 percent of total households.

In terms of overcrowding, there are about 15,830 below-median income households that experience 1.01-1.5 people per room, representing five percent of total households in the City, while 8,340 households earning below median experience severe overcrowding, defined as more than 1.51 people per room. All rooms are counted in these metrics.<sup>2</sup> For example, a dwelling unit with two bedrooms, a living room and a kitchen has four rooms; therefore, if five persons live in this unit, it is considered overcrowded (1.25 persons per room). This represents about three percent of all households in the City; however, other standards – such as the persons-per-bedroom metric – may not consider this overcrowding.

### *Housing Problems by Tenure*

Of households earning less than median income, renters experience housing problems more than owners: in terms of sheer numbers, renters with housing problems account for 63 percent of all households below median with some housing problem (substandard housing, overcrowding, or rent burden). Renters experience severe overcrowding four times more than owners, and of those renter households experiencing severe overcrowding, 43 percent extremely low income.

Overcrowding is the third-highest housing problem experienced among households below the median. Overcrowding among renters is 1.8 times that of owners. Overall, renters at 80 percent AMI and below account for 66 percent of all overcrowded households.

---

<sup>2</sup>According to the US Census Bureau, 'Rooms' refers to enclosed areas within a private dwelling which are finished and suitable for year-round living. The number of rooms in a private dwelling includes kitchens, bedrooms and finished rooms in the attic or basement. The number of rooms in a private dwelling excludes bathrooms, halls, vestibules, and rooms used solely for business purposes.

As compared to other housing problems, severe cost burden—housing costs greater than 50 percent of income—is experienced more equally between renters and owners at or below 100 percent AMI. Renters’ rates of severe cost burden exceed owners’ by about 38 percent.

## NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Demographics	Base Year: 2009	Most Recent Year: 2015	% Change
Population	945,942	1,000,865	6%
Households	299,464	314,295	5%
Median Income	\$78,660.00	\$84,647.00	8%

**Table 5 - Housing Needs Assessment Demographics**

**Data Source:** 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

According to Census data, the population of San José grew 6 percent between 2009 and 2015, during which time the median income increased by 8 percent. The increase in households compared to population suggests that household sizes increased during this period, from about 3.16 persons per household in 2009 to 3.18 in 2015.

### Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	56,485	41,395	42,755	29,724	143,930
Small Family Households	20,245	17,655	18,795	13,854	85,275
Large Family Households	6,710	7,005	8,080	5,095	15,735
Household contains at least one person 62-74 years of age	11,430	8,415	9,785	6,569	24,400
Household contains at least one person age 75 or older	10,775	6,240	4,815	2,640	7,564
Households with one or more children 6 years old or younger	10,920	9,400	8,920	6,260	16,805

**Table 6 - Total Households Table**

**Data Source:** 2011-2015 CHAS

There are nearly 140,635 households in San José earning lower incomes, that is, earning less than 80 percent of median income, representing 45 percent of total households. Overall, small households represent the largest group of households at 50 percent of the total. More than 20,000 households with one or more children aged six or younger earn less than 50 percent of median income (very low-income). In addition, large family households (five or more people) represent more than 40 percent of all households earning lower incomes.

## Housing Needs Summary Tables

### 1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Substandard Housing - Lacking complete plumbing or kitchen facilities	1,115	480	200	155	1,950	105	100	105	30	340
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	2,985	1,755	1,655	565	6,960	225	265	485	405	1,380
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	4,710	3,575	2,165	1,175	11,625	505	1,005	1,560	1,135	4,205
Housing cost burden greater than 50% of income (and none of the above problems)	20,315	5,525	1,235	100	27,175	8,795	6,065	3,400	1,345	19,605
Housing cost burden greater than 30% of income (and none of the above problems)	4,950	9,145	7,320	3,289	24,704	2,125	3,630	6,475	5,310	17,540
Zero/negative Income (and none of the above problems)	1,800	0	0	0	1,800	1,075	0	0	0	1,075

**Table 7 – Housing Problems Table**

Data 2011-2015 CHAS  
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Having 1 or more of four housing problems	29,125	11,340	5,255	1,995	47,715	9,630	7,435	5,545	2,915	25,525
Having none of four housing problems	9,400	12,180	15,190	10,349	47,119	5,455	10,440	16,765	14,460	47,120
Household has negative income, but none of the other housing problems	1,800	0	0	0	1,800	1,075	0	0	0	1,075

**Table 8 – Housing Problems 2**

Data 2011-2015 CHAS  
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>								
Small Related	13,590	9,150	4,595	27,335	3,655	4,065	5,080	12,800
Large Related	5,085	3,045	1,190	9,320	995	1,850	2,200	5,045
Elderly	7,685	2,165	710	10,560	5,225	3,675	2,265	11,165
Other	6,845	4,230	2,895	13,970	1,665	925	1,355	3,945
Total need by income	33,205	18,590	9,390	61,185	11,540	10,515	10,900	32,955

**Table 9 – Cost Burden > 30%**

Data 2011-2015 CHAS  
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>								
Small Related	11,305	2,900	620	14,825	3,060	2,630	1,625	7,315
Large Related	4,150	715	105	4,970	880	1,005	435	2,320
Elderly	5,120	835	160	6,115	3,925	2,160	1,010	7,095
Other	5,805	1,745	435	7,985	1,445	630	510	2,585
Total need by income	26,380	6,195	1,320	33,895	9,310	6,425	3,580	19,315

**Table 10 – Cost Burden > 50%**

Data 2011-2015 CHAS  
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Single family households	6,620	4,270	2,570	1,225	14,685	570	745	935	730	2,980
Multiple, unrelated family households	955	1,015	1,125	375	3,470	155	530	1,115	805	2,605
Other, non-family households	240	160	165	155	720	15	4	4	10	33
Total need by income	7,815	5,445	3,860	1,755	18,875	740	1,279	2,054	1,545	5,618

**Table 11 – Crowding Information – 1/2**

Data 2011-2015 CHAS  
Source:

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	9,085	6,695	5,340	21,120	1,415	2,430	3,325	7,170

**Table 22 – Crowding Information – 2/2**

Data 2012-2016 CHAS  
Source:



**Describe the number and type of single person households in need of housing assistance.**

There are 62,645 householders living alone, accounting for 20 percent of total households (319,558), according to the 2013-2017 American Community Survey (ACS) 5-year estimates; of these, 29,250 are male, and 33,395 are female. San José also has a large share of seniors living alone: of the total number of households, 7 percent (22,637) are seniors (persons 65 years and older). In the 15 to 34 age group, three percent (10,240 persons) live alone. The age cohort with the highest number living alone is 35 to 64 years, totaling nine percent of households, or 29,768 persons.

Of those householders living alone, three percent (10,562) are living below the federal poverty line, as reported by the 2013-2017 ACS five-year estimates. Of non-family households over 65 years, 1,346 males and 3,892 females lived below the poverty level. Of seniors, 15,860, or 13.3 percent have a disability (ACS, 2013-2017).

**Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault, and stalking.**

The City of San José Point-In-Time (PIT) Count 2019 counted 98 homeless families on the night of the count, a decrease from the 2017 count of 104 families. In addition to the count, the Homeless Survey was conducted from January 29 to February 28, 2019 and resulted in 925 complete and valid surveys collected in the City of San José. Homeless survey findings for 2019 reported that five percent of all survey respondents reported currently experiencing domestic/partner violence or abuse (the report does not indicate whether these respondents were sheltered or unsheltered). When asked about experiences of ever being physically, emotionally, or sexually abused by a relative, or another person they have stayed with (spouse, partner, sibling, parent) in their lifetime, 28 percent indicated that they have been.

In 2017, Local Domestic Violence-shelter based programs served over 6,500 domestic violence survivors and families but had to turn away over 2,000 people seeking shelter due to lack of capacity. The Intimate Partner Violence in Santa Clara County in June of 2017 identified housing as an important unmet need in services, safety, and survival. As a result, the Board of Supervisors approved \$1.6 million in funding for housing and shelter services as part of its implementation of the Blue-Ribbon report. The Office of Supportive Housing leveraged this County funding to receive \$1 million in new federal funds for fiscal year 2019.<sup>3</sup>

In 2018, there were seven domestic violence-related deaths, including four murder victims, a suicide victim and two perpetrators who committed suicide. But 2018's number of domestic violence-related deaths is less than the average occurring in Santa Clara County over the last 22 years- an average of 11 domestic violence-related deaths every year.<sup>4</sup>

---

<sup>3</sup> County of Santa Clara News, "County of Santa Clara Receives over \$21 Million in Federal Funding for Homeless Housing Programs," under Newsroom, <https://www.sccgov.org/> [accessed February 27, 2020].

<sup>4</sup> Campbell Patch, "Domestic Violence Deaths Dropping in Santa Clara County," <https://patch.com/california/campbell/domestic-violence-deaths-dropping-santa-clara-county-d>, [accessed February 7, 2020].

### **What are the most common housing problems?**

The most common housing problem is severe cost burden (cost burden greater than 50 percent of income) and is experienced by 46,780 in the 0-100 percent AMI households, representing 15 percent of total households in the City. Cost burden (households spending more than 30 percent of gross income on housing costs, including utilities) is experienced by 42,244 in the 0-100 percent AMI households, representing 13 percent of total households.

About 15,830 households earning less than median income experience overcrowding, defined as 1.01- 1.5 people per room, representing 5 percent of all households in the City, while 8,340 below median-income households experience severe overcrowding (more than 1.51 people per room) representing 3 percent of all households in the City. In terms of households with children present, more than 21,000 lower-income renter households and nearly 7,200 lower-income owner households are overcrowded.

As noted above, all rooms are counted in these metrics.<sup>5</sup> For example, a dwelling unit with two bedrooms, a living room and a kitchen has four rooms; therefore, if five persons live in this unit, it is considered overcrowded (1.25 persons per room). However, other standards – such as the persons-per-bedroom metric – may not consider this overcrowding.

Substandard housing is experienced by 2,290 households earning less than median, representing 0.7 percent of total households in the City.

### **Are any populations/household types more affected than others by these problems?**

See the discussion previous to this section.

**Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance**

Total households with one or more children 6 years old or younger and earning lower incomes account for 9 percent of households in the City. These households – especially those that are extremely low-income -- are vulnerable to becoming homeless because of insufficient incomes and potential unforeseen financial challenges—a significant cause of homelessness. Many households are one paycheck away from being homeless because they lack sufficient discretionary income to remain stably housed.

In Santa Clara County, 1,420 households were served by Rapid Re-housing in 2018; 883 of 1,297 clients who exited rapid rehousing programs that year went on to obtain permanent housing.<sup>6</sup> There are 159 rapid re-housing units in San José and 67 more in the County of Santa Clara.

---

<sup>5</sup>According to the US Census Bureau, 'Rooms' refers to enclosed areas within a private dwelling which are finished and suitable for year-round living. The number of rooms in a private dwelling includes kitchens, bedrooms and finished rooms in the attic or basement. The number of rooms in a private dwelling excludes bathrooms, halls, vestibules, and rooms used solely for business purposes.

<sup>6</sup> Ending Homelessness, The State of the Supportive Housing System in Santa Clara County 2018.

**If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

The City does not have a working definition of at-risk of homelessness.

**Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

As mentioned above, households that are most vulnerable to becoming homeless because of insufficient incomes and potential unforeseen financial challenges—a significant cause of homelessness. Many of these households include children. According to the Homeless Survey from the City of San José's Homeless Census, survey respondents stated the primary events or conditions that led to homelessness are as follows:

- 30 percent-Lost Job
- 25 percent-Alcohol or Drug Use
- 16 percent-Divorce/Separation/Breakup
- 14 percent-Eviction
- 12 percent-Argument with Family/Friend
- 12 percent-Incarceration

#### **Discussion**

See discussion above.

## NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

**Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.**

### Introduction

A key task of the Consolidated Plan is identification of racial or ethnic groups that may experience a disproportionately greater extent of housing problems in the community. A disproportionately greater housing problem or need exists when the numbers of a racial or ethnic group at a given income level experience housing problems at a rate greater than 10 percent or more than the income level as a whole.

HUD identifies four housing problems:

1. Housing unit lacking complete kitchen facilities
2. Housing unit lacking complete plumbing facilities
3. Overcrowded with more than 1 person per room not including bathrooms, porches, foyers, halls, or half-rooms.
4. Cost burdened, with household paying more than 30 percent of income toward housing costs (including utilities)

To enable an analysis of “Disproportionately Greater Need”, a baseline has been established to show the percent of households in the community experiencing housing problems. The number of households that have one or more of the four housing problems in the jurisdiction as a whole, divided by the total number of people in that jurisdiction as a whole (Tables 13–16) was used to establish baseline percentages for those experiencing housing problems by income category. These baseline percentages are:

- 85 percent for 0–30 percent of AMI
- 76 percent for 30–50 percent of AMI
- 58 percent for 50–80 percent of AMI
- 45 percent for 80–100 percent of AMI

These baseline percentages have been used to assess whether any racial-ethnic group shown in the following Disproportionately Greater Need Tables (Tables 13–16) are experiencing disproportionately greater housing problems/needs. As previously indicated, the greatest contributor to the City’s documented housing problems relates to lack of affordable housing and high cost burden.

**0%-30% of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	45,830	7,785	2,875
White	10,905	2,315	1,025
Black / African American	2,390	140	185
Asian	13,255	3,230	950
American Indian, Alaska Native	140	0	0
Pacific Islander	205	10	0
Hispanic	17,735	2,005	670

**Table 13 - Disproportionally Greater Need 0–30% AMI**

Data 2011-2015 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30 percent

**30%-50% of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	31,555	9,840	0
White	9,245	4,115	0
Black / African American	1,295	275	0
Asian	6,885	2,405	0
American Indian, Alaska Native	34	50	0
Pacific Islander	115	25	0
Hispanic	13,370	2,825	0

**Table 34 - Disproportionally Greater Need 30–50% AMI**

Data 2011-2015 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30 percent

### 50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	24,595	18,160	0
White	6,405	6,750	0
Black / African American	845	720	0
Asian	7,540	4,315	0
American Indian, Alaska Native	50	150	0
Pacific Islander	80	100	0
Hispanic	9,100	5,755	0

**Table 15 - Disproportionally Greater Need 50–80% AMI**

Data 2011-2015 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30 percent

### 80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	13,514	16,215	0
White	4,430	5,830	0
Black / African American	535	655	0
Asian	4,319	4,790	0
American Indian, Alaska Native	0	45	0
Pacific Islander	89	50	0
Hispanic	3,805	4,385	0

**Table 16 - Disproportionally Greater Need 80–100% AMI**

Data 2011-2015 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30 percent

## Discussion

Disproportionate need regarding housing problems was found in the extremely low-income category, as well as in the middle-income category. American Indian/Alaska Native and Pacific Islander extremely low-income households have disproportionate housing problems at rates of 100 percent and 95 percent, respectively. It should be noted, however, the number of households is quite small: 140 and 215, respectively.

With respect to the middle-income category, 64 percent of Pacific Islander have disproportionate housing problems, compared with 45 percent for the jurisdiction as a whole; however, as in the extremely low-income category, the absolute number of households disproportionately impacted is quite small: just 89 households.

Housing Problems	0%-30% of AMI	30%-50% of AMI	50%-80% of AMI	80%-100% of AMI
Jurisdiction as a whole	85%	76%	58%	45%
White	82%	69%	49%	43%
Black / African American	94%	82%	54%	45%
Asian	80%	74%	64%	47%
American Indian, Alaska Native	100%	40%	25%	0%
Pacific Islander	95%	82%	44%	64%
Hispanic	90%	83%	61%	46%

**Table 17 - Disproportionally Greater Need – Housing Problems**

Data 2011-2015 CHAS  
Source:

Although only three race/ethnic categories fall within the strict definition of disproportionate need – 10 percentage points above the average for the jurisdiction as a whole – there are several categories that warrant ongoing review to ensure these groups do not have rising rates of disproportionate need.

## NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

HUD identifies the four severe housing problems:

1. Housing unit lacking complete kitchen facilities
2. Housing unit lacking complete plumbing facilities
3. Overcrowded with more than 1.5 person per room not including bathrooms, porches, foyers, halls, or half-rooms.
4. Cost burdened, with household paying more than 50 percent of income toward housing costs (including utilities)

### 0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	38,755	14,855	2,875
White	9,120	4,090	1,025
Black / African American	2,025	505	185
Asian	10,295	6,190	950
American Indian, Alaska Native	109	30	0
Pacific Islander	115	100	0
Hispanic	16,030	3,705	670

**Table 48 – Severe Housing Problems 0–30% AMI**

Data 2011-2015 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50 percent

This table shows that both extremely low-income American Indian/Alaska Native households (115) and Hispanic households (16,030) have a disproportionate need in terms of severe housing problems. Although the Black/African American households' (2,025) severe housing problems did not rise to the strict standard of disproportionate need, they should be monitored, as this category had a need that was 6 percent higher than the jurisdiction as a whole.



### 30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	18,775	22,620	0
White	4,930	8,430	0
Black / African American	770	800	0
Asian	4,505	4,785	0
American Indian, Alaska Native	30	55	0
Pacific Islander	50	90	0
Hispanic	8,150	8,045	0

**Table 59 – Severe Housing Problems 30–50% AMI**

Data 2011-2015 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50 percent

According to the table above, no race/ethnic group earning very low incomes had a disproportionate need, and no groups had needs more than 5 percent higher than the jurisdiction as a whole.

### 50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	10,800	31,955	0
White	2,265	10,895	0
Black / African American	160	1,410	0
Asian	3,495	8,365	0
American Indian, Alaska Native	34	175	0
Pacific Islander	54	130	0
Hispanic	4,650	10,205	0

**Table 20 – Severe Housing Problems 50–80% AMI**

Data 2011-2015 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50 percent

According to the table above, no race/ethnic group earning very low incomes had a disproportionate need, but Hispanic households (4,650) had needs 6 percent higher than the jurisdiction as a whole.

**80%-100% of Area Median Income**

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	4,910	24,809	0
White	870	9,395	0
Black / African American	135	1,060	0
Asian	1,585	7,529	0
American Indian, Alaska Native	0	45	0
Pacific Islander	85	60	0
Hispanic	2,145	6,040	0

**Table 21 – Severe Housing Problems 80-100% AMI**

Data 2011-2015 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50 percent

The table above shows that both Pacific Islander (85) and Hispanic households (2,145) have a disproportionate need in terms of severe housing problems. Further, no groups had needs more than 5 percent higher than the jurisdiction as a whole.

**Discussion**

The following table highlights in red those categories with disproportionate needs as defined by HUD, while the categories of households in yellow should be monitored.

Severe Housing Problems	0%-30% of AMI	30%-50% of AMI	50%-80% of AMI	80%-100% of AMI
Jurisdiction as a whole	69%	45%	25%	17%
White	64%	37%	17%	8%
Black / African American	75%	49%	10%	11%
Asian	59%	48%	29%	17%
American Indian, Alaska Native	79%	35%	16%	0%
Pacific Islander	53%	36%	29%	59%
Hispanic	79%	50%	31%	27%

**Table 22 – Disproportionately Greater Need: Severe Housing Problems**

Data 2011-2015 CHAS  
Source:

## NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction:

Housing costs have the potential to cause housing problems in a community. If housing costs are high relative to household income, there will be a higher incidence of cost burden and, potentially overcrowding. This section determines whether a racial/ethnic group experiences cost burden disproportionately.

### Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	186,910	67,828	56,390	3,160
White	76,330	22,354	16,790	1,090
Black / African American	4,755	2,440	2,810	200
Asian	63,069	20,064	15,420	1,050
American Indian, Alaska Native	455	85	160	0
Pacific Islander	655	235	135	0
Hispanic	37,280	20,985	19,495	790

**Table 23 – Greater Need: Housing Cost Burdens AMI**

Data Source: 2011-2015 CHAS

### Discussion:

Disproportionate need was found only in the category of severe cost burden. Twenty-eight percent of Black/African American households experience severe cost burden, which is more than 10 percent above the rate for the jurisdiction as a whole (see red highlight, below). In addition, while not strictly disproportionately cost burdened according to HUD requirements, Hispanic households (yellow) should be monitored.

Housing Cost Burden	<=30%	30-50%	>50%
Jurisdiction as a whole	60%	22%	18%
White	66%	19%	15%
Black / African American	48%	24%	28%
Asian	64%	20%	16%
American Indian, Alaska Native	65%	12%	23%
Pacific Islander	64%	23%	13%
Hispanic	48%	27%	25%

## **NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)**

**Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?**

Disproportionate need regarding housing problems was found in the extremely low-income and middle-income brackets. With respect to extremely low-income households, percentages of two racial groups exceed the baseline percentage of 85 percent for the jurisdiction as American Indian/Alaska Native and Pacific Islander households are disproportionately impacted. With respect to the middle-income category, Pacific Islander have disproportionate housing problems. However, for both income brackets, the absolute number of households disproportionately impacted is quite small.

Disproportionate need was found in the middle-income bracket only: 59 percent of Pacific Islander households have a severe housing problem, compared with 17 percent of the jurisdiction as a whole. However, and as was illustrated previously, the absolute number of households impacted is quite small – just 85 households.

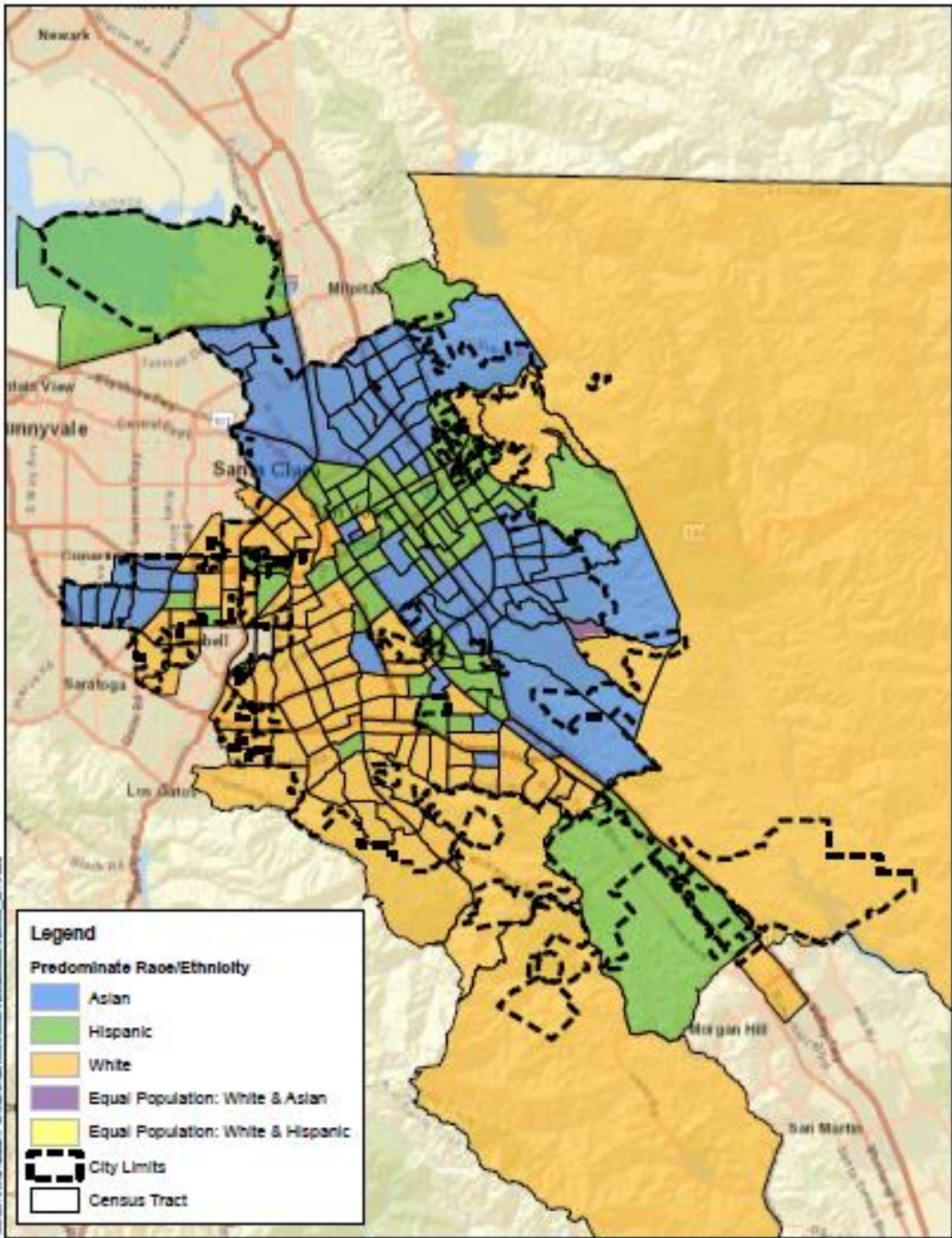
In the extremely low-income category, 81 percent of the Hispanic households experience severe housing problems as compared to 72 percent of the jurisdiction as a whole; however, this is less than the 10 percent difference required to constitute a disproportionate impact.

**If they have needs not identified above, what are those needs?**

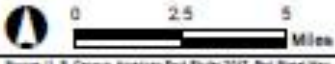
Not applicable.

**Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?**

As shown in Map 1, below, minority concentrated tracts are located in central, north, and in the most western part of the City. Map 2 shows the locations of racially and ethnically concentrated areas of poverty in San José.



Michael Baker  
INTERNATIONAL



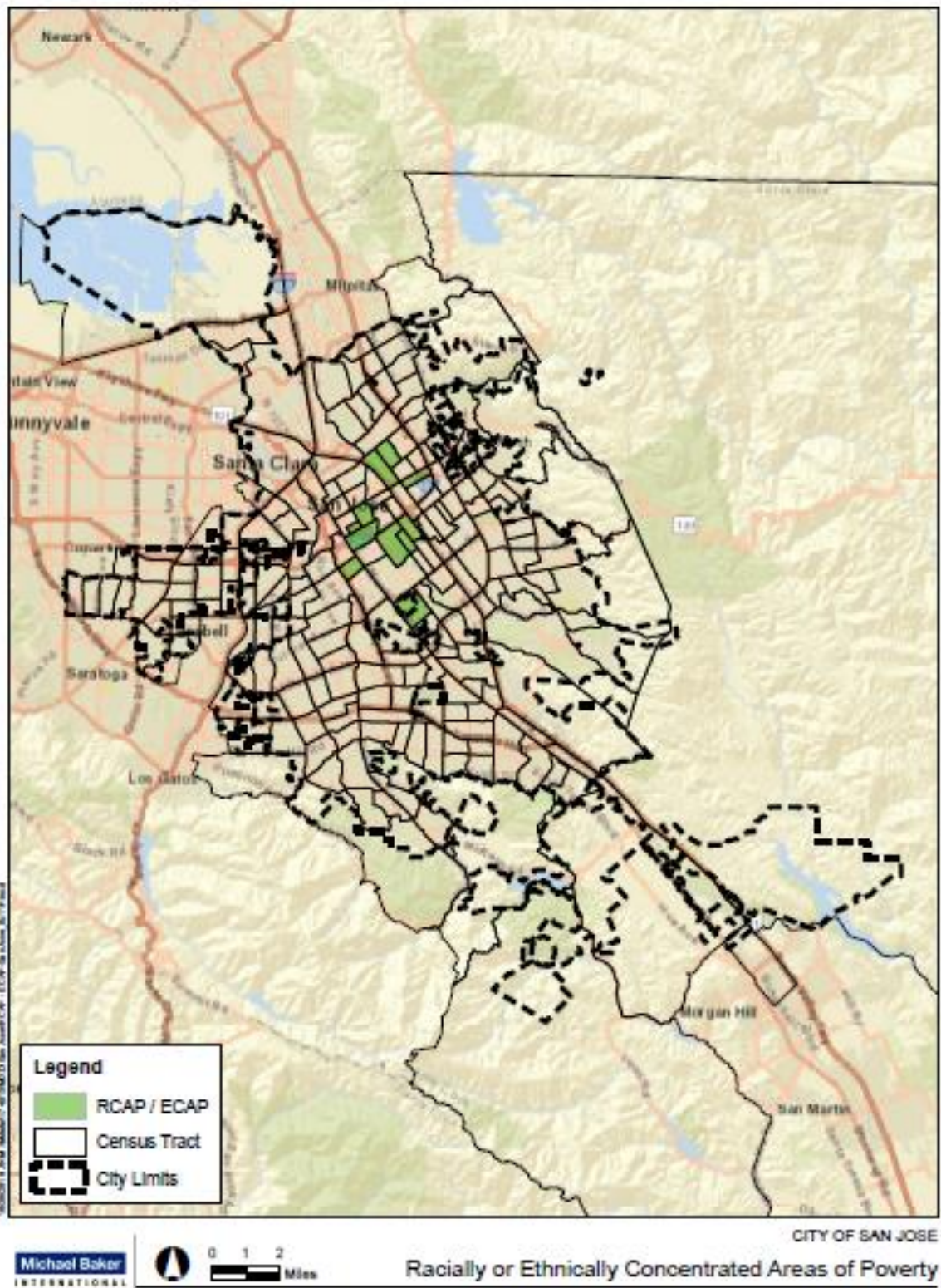
Source: U. S. Census, American Fact Finder 2017, Perl Street Map

CITY OF SAN JOSE  
Minority Population Census Tract

Figure



Map 1: Minority Concentrations. Source: Source: U. S. Census, American Fact Finder 2017, Esri Street Map.



*Map 2: Racially and Ethnically Concentrated Areas of Poverty. Source: Source: HUD Open Data Exchange 2018, U.S Census Tract 2010, Esri Street Map.*

## **NA-35 Public Housing – 91.205(b)**

### **Introduction**

The Santa Clara County Housing Authority (SCCHA) assists households through public housing as well as Section 8 Housing Choice Voucher program. The Section 8 waiting list contains 5,909 households, which is estimated to be a 6-year wait. SCCHA also develops, owns, and manages more than 2,700 affordable rental housing properties throughout the County. SCCHA's programs are targeted toward LMI households, and more than 80 percent of client households are extremely low-income families, seniors, veterans, persons with disabilities, and formerly homeless individuals.

In 2008, SCCHA was selected by HUD to become a Moving to Work (MTW) agency. This federal demonstration program allows greater flexibility to design and implement innovative approaches for providing housing assistance. The goals of the MTW program are to 1) Decrease administrative costs and increase cost-effectiveness in housing program operations, 2) Promote participants' economic self-sufficiency, and 3) Expand participants' housing choices.

Additionally, SCCHA has used Low Income Housing Tax Credit financing for the development of most of its housing portfolio. The agency is an active developer of affordable housing and has either constructed, rehabilitated, or assisted with the development of more than 30 housing developments that service a variety of households, including special needs households.



**Totals in Use**

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
<b># of units vouchers in use</b>	N/A	31	N/A	5,969	781	5,188	N/A	N/A	N/A

**Table 24 - Public Housing by Program Type**

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: Santa Clara County Housing Authority, December 20, 2019.

**Characteristics of Residents**

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	
<b>Average Annual Income</b>	N/A	\$10,047	N/A		\$9,792	\$11,471	\$13,802	\$15,755	
<b>Average length of stay</b>	N/A	14.0 yrs	N/A		4.5 years	14.9 years	3.1 years	6.0 years	
<b>Average Household size</b>	N/A	2.4	N/A		1.6	2.3	1.5	3.6	
<b># Homeless at admission</b>	N/A	0	N/A	1,747	66	1,681	731	11	
<b># of Elderly Program Participants (&gt;62)</b>	N/A	10	N/A	5,718	624	5,094	279	0	
<b># of Disabled Families</b>	N/A	11	N/A	6,111	530	5,581	221	8	
<b># of Families requesting accessibility features</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
<b># of HIV/AIDS program participants</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
<b># of DV victims</b>	N/A	N/A	N/A	N/A	N/A	27	2	N/A	

**Table 25 – Characteristics of Public Housing Residents by Program Type**

Data Source:

Santa Clara County Housing Authority, December 20, 2019.

**Race of Residents**

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled
White	0	6	0	12,457	559	11,898	588	204	76
Black/ African American	0	0	0	3,980	116	3,864	328	28	22
Asian	0	49	0	10,850	874	9,976	92	28	70
American Indian/Alaska Native	0	0	0	428	46	382	25	15	6
Pacific Islander	0	0	0	165	8	157	53	0	4
Other	0	0	0	0	0	0	0	0	0

**Table 26 – Race of Public Housing Residents by Program Type**

Data Source:

Santa Clara County Housing Authority, December 20, 2019.

**Ethnicity of Residents**

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	N/A	6	N/A	9,971	404	9,567	241	176	61
Not Hispanic	N/A	49	N/A	17,894	1,198	16,696	845	97	117

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

**Table 27 – Ethnicity of Public Housing Residents by Program Type**

Data Source:

Santa Clara County Housing Authority, December 20, 2019.

**Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:**

Not applicable. SCCHA does not have any public housing units located in San José.

**Most immediate needs of residents of Public Housing and Housing Choice voucher holders**

Depending on program type, as shown in Table 25, households have an average income between \$9,792 and \$15,755; this presents the economic hardship that most program participants endure. Housing Choice Voucher programs are administered in Santa Clara County through the Moving to Work HUD program and are designed to increase housing choices and facilitate self-sufficiency through education and employment opportunities.

**How do these needs compare to the housing needs of the population at large**

A great need exists for San José lower-income residents that do not live in public housing or use the Housing Choice Voucher program, especially because of possible rent fluctuations and housing cost burdens. According to CHAS 2011-2015, there is a total of 314,289 households in San José, of which 18 percent are extremely low income; 13 percent are very low income; and 14 percent are low income. Households using housing choice vouchers only account for four percent of total households in San José.

**Discussion**

See above.

## NA-40 Homeless Needs Assessment – 91.205(c)

### Introduction:

The Santa Clara County Continuum of Care receives approximately \$26 million annually in federal funding from the US Department of Housing and Urban Development (HUD). It is required that CoCs who are recipients of HUD funding to report on the number of individuals and families experiencing homelessness within their communities. On January 29<sup>th</sup> and 30<sup>th</sup> of 2019, a PIT count was conducted in Santa Clara County. The PIT count is conducted every two years. The number of homeless in Santa Clara County increased to 9,706 in 2019 from 7,394 in 2017, a 31 percent increase. In addition to the PIT count of the homeless population, surveys of persons experiencing homelessness were taken to contribute to a more comprehensive data collection to determine needs. To collect data regarding individuals staying in shelters throughout the County, data was obtained from the HMIS system administrators for Santa Clara County.<sup>7</sup>

The total of 9,706 persons experienced homelessness in Santa Clara County as described in the 2019 PIT count, of which 63 percent were counted in San José. Most homeless services and shelters are located in San José, which in part accounts for the majority of persons experiencing homelessness located in San José.

Families experiencing homelessness in San José alone account for over one-third of those in the County as a whole; however, as reported at the County level, 76 percent of homeless families are sheltered, which is contrary to other homeless populations. As for race and ethnicity, San José's numbers are proportionate to the County's count of homeless by race, for example, with the Latinx/Hispanic ethnicity accounting for approximately 41 percent of the homeless population in the City, and 43 percent in the County. Veterans who are homeless account for 8 percent of the homeless population in the City, again, a number similar to the Countywide count of homeless veterans at 7 percent, with more unsheltered in the County, 68 percent, than the City, 61 percent.

**If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):**

**Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.**

The subpopulation of "Families" is defined by HUD as, "a household with at least one adult member (persons 18 or older) and at least one child member (persons under 18). The PIT counted 269 families with 921 members as homeless in the County—76 percent were sheltered, and 24 percent were unsheltered. In the City of San José, 98 families and 313 individual family members were counted, a slight decrease from 2017's count of 104 and 340, respectively. It should be noted that the Santa Clara County Office of Education street count of Kindergarten through 12<sup>th</sup> grade students and their families was also conducted for a count of unsheltered homeless students and their families, numbers that are included in the count.

---

<sup>7</sup> Santa Clara County, *Homeless Census & Survey Comprehensive Report, 2019*, Applied Survey Research.

**Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.**

Respondents to the surveys also reported racial and ethnic demographic data. When asked what race a respondent was, the top four responses were 44 percent White, 24 percent multi-racial, 19 percent Black, and 8 percent said they were American Indian or Alaskan Native. Forty-three percent of respondents reported they were of Latinx/Hispanic ethnicity.

For San José alone, the numbers were like the County’s. See the following tables for Racial and Ethnic makeup among the chronically homeless, homeless veterans, and homeless youth populations for San José.

<b>Chronic Homelessness by Race</b>		
	<b>Chronic</b>	<b>Non-Chronic</b>
American Indian/Alaska Native	10%	8%
Asian	3%	4%
Black/African American	17%	20%
Native Hawaiian/Other Pacific Islander	1%	2%
White	39%	37%
Hispanic/Latino	40%	41%
Multi-Racial/Other	31%	28%
* Chronic N = 225; Non-Chronic N = 622		

**Table 28 – Chronic Homelessness by Race**

**Data Source:** City of San José Point-In-Time Count 2019, City of San José 2019 Homeless Census and Survey, <http://www.sanjoseca.gov/DocumentCenter/View/85898>.

<b>Veterans Experiencing Homelessness By Race</b>		
	<b>Veterans</b>	<b>Non-Veterans</b>
American Indian/Alaska Native	8%	9%
Asian	0%	4%
Black/African American	20%	19%
Native Hawaiian/Other Pacific Islander	2%	2%
White	58%	36%
Hispanic/Latino	29%	
Multi-Racial/Other	12%	31%
* Veterans N = 59; Non-Veteran N = 782		

**Table 29 – Chronic Homelessness by Race**

**Data Source:** City of San José Point-In-Time Count 2019, City of San José 2019 Homeless Census and Survey, <http://www.sanjoseca.gov/DocumentCenter/View/85898>.

Young and Youth Experiencing Homelessness By Race	
American Indian/Alaska Native	10%
Asian	5%
Black/African American	29%
Native Hawaiian/Other Pacific Islander	3%
White	35%
Hispanic/Latino	45%
Multi-Racial/Other	18%
* 2019 N = 1,386	

**Table 30 – Chronic Homelessness by Race**

**Data Source:** City of San José Point-In-Time Count 2019, City of San José 2019 Homeless Census and Survey, <http://www.sanjoseca.gov/DocumentCenter/View/85898>.

The table above provides data on the number of young people experiencing homelessness. Nearly 1,400 youth were counted, of which the majority were persons of color. The 2015-2020 Community Plan to End Homelessness notes that youth, children and families need systems of care that target their specific needs, as the typical homeless system is designed to meet adult needs. An improved system of care would provide robust prevention programs to keep families from becoming homeless in the first place.

**Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.**

The total of persons experiencing homelessness in Santa Clara County in the 2019 PIT count was 9,706— 18 percent sheltered and 82 percent unsheltered. The total for San José accounts for 63 percent of the total homeless in the County, or 6,097 persons. San José, as the largest City in Santa Clara County, has the majority of homeless services and shelters in the County. The table below illustrates the trend of sheltered versus unsheltered homeless in the City of San José, which has fluctuated over the years; however, the increase of 58 percent between 2017 and 2019 highlights the severity of the homelessness problem. Persons experiencing chronic homelessness account for 85 percent of all persons.

Point-In-Time Homeless Population by Shelter Status							
	2009	2011	2013	2015	2017	2019	2017-2019 Net Change
Sheltered	1,081	977	1,110	1,253	1,119	980	-12
Unsheltered	3,112	3,057	3,660	2,810	3,231	5,117	58
<b>Total</b>	<b>4,193</b>	<b>4,034</b>	<b>4,770</b>	<b>4,063</b>	<b>4,350</b>	<b>6,097</b>	<b>40</b>

**Table 31 – Chronic Homelessness by Race**

**Data Source:** City of San José Point-In-Time Count 2019, City of San José 2019 Homeless Census and Survey, <http://www.sanjoseca.gov/DocumentCenter/View/85898>.

Population Experiencing Chronic Homelessness			
	2015	2017	2019
<b>Unsheltered</b>	87%	89%	85%
<b>Sheltered</b>	13%	11%	15%

**Table 32 – Chronic Homelessness by Race**

**Data Source:** City of San José Point-In-Time Count 2019, City of San José 2019 Homeless Census and Survey, <http://www.sanjoseca.gov/DocumentCenter/View/85898>.

**Discussion**

To assist populations experiencing homelessness in San José and counteract the impacts on the community, the City of San José's Housing Department developed the Homelessness Response Framework, which uses a Coordinated Assessment System, beginning with an Outreach Team that serves as the first point of entry for those who are unsheltered into the system. At the outset of outreach, obtaining basic needs are facilitated. Individuals experiencing homelessness are then added to the Coordinated Assessment System and matched with the appropriate housing program.

## NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

### Introduction

The City of San José accepts funding on behalf of the metropolitan statistical area under the HOPWA program. This section describes the housing and supportive service needs of low-income persons with HIV/AIDS and their families. In addition, this section describes the needs of Special Needs populations including seniors (62 years and older), the frail elderly, persons with disabilities (including developmental disabilities), as well as victims of domestic violence.

### HOPWA

Current HOPWA formula use:	County of Santa Clara	City of San José
Cumulative cases of AIDS reported	4,886	3,075
Rate of new AIDS cases* per 100,000 population in 2018	3.3	3.6
Number of new cases prior year (3 years of data)	178	108
Rate per population (3 years of data)	3.1	3.5
Current HIV Surveillance Data:	County of Santa Clara	City of San José
Number of Persons living with HIV (PLWH)	3,419	2,370
Area Prevalence (PLWH 100,000 population)	175.5	227.3
Number of new HIV cases reported in 2018	167	110

**Table 33 – HOPWA Data**

**Note:**

\* Include AIDS patients who were previously reported as HIV only (not AIDS) to County of Santa Clara Public Health Department

† Include people diagnosed with HIV infection with or without AIDS

**Data** County of Santa Clara, Public Health Department, eHARS, data as of May 1, 2019. State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2011-2019, with 2010 Census Benchmark.  
**Source:** Sacramento, California, May 2019.

### HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant-based rental assistance	655
Short-term Rent, Mortgage, and Utility	0
Facility Based Housing (Permanent, short-term or transitional)	0

**Table 34 – HIV Housing Need**

**Data** HealthTrust, January 2020.

**Source:**

### Describe the characteristics of special needs populations in your community:

#### *HIV/AIDS*

Acquired immunodeficiency syndrome (AIDS) is a chronic, potentially life-threatening condition caused by the human immunodeficiency virus (HIV). By damaging the immune system, HIV interferes with the body's



ability to fight the organisms that cause disease.<sup>8</sup> As of December 31, 2017, a total of 6,357 individuals diagnosed with HIV had been reported to the County of Santa Clara. Of these, 4,837 (76 percent) were diagnosed with AIDS. A cumulative number of 2,557 (40 percent) persons were known to have died, including 2,498 with a diagnosis of AIDS.<sup>9</sup> While the County has seen improvements in survival rates and care for people living with HIV, as well as stabilization of the overall epidemic, disparities that negatively affect Lesbian, Gay, Bisexual, Transgender and Queer or Questioning (LGBTQ) populations and people of color not only persist but have worsened.

Persons with HIV/AIDS sometimes face biases and misunderstanding about their illness that affect their access to housing. In addition, persons with HIV/AIDS may also be targets for hate crimes, which include crimes committed because of hatred directed toward an assumed sexual orientation. The National Commission on AIDS states that up to half of all Americans with AIDS are either homeless or at imminent risk of becoming homeless because of illness, lack of income or other resources, or a weak support network. According to the 2018 HIV Epidemiology Annual Report, the highest rates of HIV/AIDS cases reside in areas with high concentrations of poverty, low educational attainment, and high rates of unemployment.

#### *Senior Population*

Because of the high birth-rate during the mid-20th century and improved healthcare, seniors are living longer and are becoming a larger portion of the population everywhere. An expansion in the senior population creates the special need of scaled-down housing size, ADA accessibility, and other amenities that give seniors access in the community.

Senior persons (those aged 62 years or older) often have special housing needs for three main reasons: fixed, relatively low incomes, high health care costs, and physical disabilities. According to the 2013-2017 ACS, 95,242 seniors lived in San José comprising 10 percent of the total population. Seniors living with a disability totaled 16,900, or 18 percent. Additionally, and as mentioned earlier, of non-family households over 65, 1,346 males and 3,892 females lived below the poverty level; of seniors with a disability, 15,860, or 13.3 percent have a disability (ACS, 2013-2017).

According to the City's Housing Element for 2014-2023, San José contains some 200 Residential Care Facilities for the Elderly (RCFEs) with a total licensed capacity of nearly 2,500 persons. RCFEs are distributed throughout the City and account for two-thirds of all RCFEs in Santa Clara County.

#### *Disabled Population*

According to the 2013-2017 ACS 5 Year Estimates, 80,299 persons over the age of 18 years had a disability, comprising 8 percent of San José's population. As age increases, the incidence of disability increases. Persons with disabilities often face limited earning potential as the result of their disabilities. In addition to housing affordability problems, people with disabilities experience other difficulties obtaining adequate housing because of discrimination and a lack of housing with accessibility features and adequate support services. In addition, persons with self-care and mobility limitations may require special housing design features such as wheelchair ramps, holding bars, special bathroom designs, and wider doors.

---

<sup>8</sup> <https://www.mayoclinic.org/diseases-conditions/hiv-aids/symptoms-causes/syc-20373524>

<sup>9</sup> <https://www.sccgov.org/sites/phd/hi/hd/Documents/hiv-report-2017.pdf>

Most (79 percent) of the more than 7,700 developmentally disabled individuals living in San José are residing in the home of a guardian or are living independently with support. According to the 2014-2023 San José Housing Element, of developmentally disabled individuals in the City, 16 percent, or 1,270 live in Community Care or Intermediate Care Facilities. Many of these facilities are operated with State funding at the County level.

The City of San José tracks affordability restrictions for supportive housing units in Santa Clara County. Deed restricted supportive housing units include approximately 22 percent of units that are set aside for seniors and 2 percent is set aside for developmentally disabled individuals.<sup>10</sup>

### *Survivors of Domestic Violence*

As noted in NA-10, in 2017, local domestic violence-shelter based programs served over 6,500 domestic violence survivors and families but had to turn away over 2,000 people seeking shelter due to lack of capacity. Although many people who suffer domestic violence either are, or become, homeless because of their abuse, there are others who continue to live with their perpetrator. In 2018, there were seven domestic violence-related deaths, including four murder victims, a suicide victim and two perpetrators who committed suicide. The City and County continue to identify housing as an important unmet need in services, safety, and survival.

### *Single Female Heads of Household*

Female heads of households typically have lower incomes and live more in poverty than do male heads of household. According to ACS 2018 data, 6 percent of all households in San José fall below the federal poverty level. In contrast, for female-headed households, this figure is 17 percent, while only 8 percent of male-headed households experience poverty. This figure climbs to 30 percent for women when related children are present. In total, there are about 6,300 female-headed households that are under the poverty level.

## **What are the housing and supportive service needs of these populations and how are these needs determined?**

Rent for a home in Santa Clara County is costly for special needs populations, who often are lower income. Persons living with HIV/AIDS experience difficulties keeping their jobs and paying for their high cost medications and housing costs with an average paying job. Many clients of agencies are on fixed incomes or working part time jobs.

In January of 2020, a regional stakeholder meeting was held in the City of Cupertino where members from the community could attend and voice opinions on the housing and supportive service needs of persons living with AIDS/HIV and their families. Participants noted the following:

- Fix housing ordinances – Currently, housing ordinances favor landlords, and there is no enforcement when landlords disregard the rules. Policies that allow exemptions for affordable housing, and loopholes for landlords, should be removed.
- Increase access to adequate legal assistance – Individuals who suffer from HIV/AIDS are often discriminated against by landlords. Providing them with legal assistance in these situations can help these individuals

---

<sup>10</sup> 2014-2023 Housing Element, January 27, 2015.

avoid becoming homeless. Case workers should also receive training on housing laws, and what they can do to enforce these policies/ordinances/laws.

- Increase contact between case workers and their clients – Clients often have difficulty getting in contact with their case workers. In some cases, clients only hear from their case workers twice per year, which is not enough to make a difference. Case worker’s availability, and their ability to follow-up with clients need improvement.
- Increase coordination between service providers – There is reportedly a lack of coordination between various HIV/AIDS service providers, and they often have trouble getting into contact with each other. Improving the communication between these agencies to form a cohesive effort to address the needs of individuals with HIV/AIDS is essential to improving supportive services overall.

**Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:**

The County of Santa Clara’s Public Health Department reported in December of 2018 that 6,524 individuals had been diagnosed with HIV since the first diagnosis in 1983. Since then, 2,605 persons with HIV and AIDs have died. In 2018, the total living with HIV in the County was 3,419, the result of new case reported within the County, and by persons with HIV moving into the area.

For new cases, 167 were reported in 2018, most of which are male (89 percent). Increasingly, there is a racial disparity between this population and the population at large because most new cases are from non-white populations. The highest number of cases is also among people between 45 and 64 (348.7 per 100,000 people) and twice the overall rate of that age range in the county (174.7).

Characteristics	People living with AIDS		People living with HIV (not AIDS)	
	Number	%	Number	%
<b>Age</b>				
<50	825	35%	1016	65%
>=50	1524	65%	554	35%
<b>Race/ethnicity</b>				
African American	269	11%	141	9%
Asian/Pacific Islander	233	10%	209	13%
Hispanic/Latino	961	41%	601	38%
White	825	35%	574	37%
Other/Unknown	61	3%	45	3%
<b>Total</b>	<b>2349</b>	<b>100%</b>	<b>1570</b>	<b>100%</b>

**Table 35 - Characteristics of people living with AIDS, and people living with HIV (not AIDS) in Santa Clara County, 2018**

Source: County of Santa Clara, Public Health Department, eHARS, data as of May 1, 2019.

State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2011-2019, with 2010 Census Benchmark. Sacramento, California, May 2019.

**Discussion:**

Traditionally, the City has funded two Tenant-Based Rental Assistance (TBRA) programs: one funded by HOME dollars, and another by HOPWA funds. The HOME TBRA Program is matched with local funds to increase capacity in the Rapid Rehousing System. The program will continue to provide housing subsidies

and case management services to employed or employable homeless populations, including families with children, domestic violence survivors, and persons with HIV/AIDS.

The goal of the City's Rapid Rehousing Program is to help up to 200 households at any given time to locate and secure appropriate rental housing, assist with time-limited subsidies based on the rent of the identified unit and help the participants increase their income so they graduate and pay the rent in full.

## NA-50 Non-Housing Community Development Needs – 91.215 (f)

### **Describe the jurisdiction's need for Public Facilities:**

Community members were given a chance to speak about what they think should be the top priorities over the next five years. With respect to public facilities, residents made note of the need for additional homeless facilities, with suggestions how to improve them, such as creating communal, shared spaces in order to be able to house more people. Another comment suggested that facilities be located near transit stops so that it would be more convenient for persons experiencing homelessness.

Residents who completed the survey were able to assign a priority value of low, medium, or high to 14 different public facility types. The three highest-ranked facility types were:

1. Mental health care facilities
2. Facilities for children who are abused, abandoned and/or neglected
3. Homeless facilities (temporary housing and emergency shelters)

### **How were these needs determined?**

Residents of San José were able to complete a needs survey and/or attend community meetings to give input on community needs. These responses were collected and analyzed to determine the needs described above. Please see Appendix B for more detail.

### **Describe the jurisdiction's need for Public Improvements:**

Residents expressed the desire to have more parks and open spaces for the community. They want clean parks where they can walk their dogs, play with their kids, get fresh air, and exercise. They also expressed the need for additional parking around San José. Often all the inexpensive parking spots are full, leaving expensive spots that they cannot afford.

Residents who completed the survey were able to assign a priority value of low, medium, or high to 15 different public improvement types. The three improvement types that were ranked as the highest priority were:

1. Cleanup of contaminated sites
2. Street improvements
3. Lighting improvements

### **How were these needs determined?**

Residents of San José were able to complete a needs survey and/or attend community meetings to give input on community needs. These responses were collected and analyzed to determine the needs described above. Please see Appendix B for more detail.

**Describe the jurisdiction's need for Public Services:**

One of the public service needs that was expressed at the community meetings was for more youth after school programs. Currently, such programs are first come first serve, which means that some students are not able to participate. It is important for youth to have somewhere safe to go to do homework and socialize. These programs also give some parents peace of mind because they often must work late into the evenings.

Residents who completed the survey were able to assign a priority value of low, medium, or high to 24 different public service types. The three service types that were ranked as the highest priority were:

1. Mental health services
2. Services for children who are abused, abandoned and/or neglected
3. Neighborhood cleanups (trash, graffiti, etc.)

**How were these needs determined?**

Residents of San José were able to complete a needs survey and/or attend community meetings to give input on community needs. These responses were collected and analyzed to determine the needs described above. Please see Appendix B for more detail.

## Housing Market Analysis

### MA-05 Overview

#### Housing Market Analysis Overview

Silicon Valley, of which San José is a part, is home to one of the country's five most expensive residential markets.<sup>11</sup> The most recent market data shows that renters must earn about \$53/hour (\$110,360/year) to afford the average monthly rent for a 2-bedroom apartment of \$2,759.<sup>12</sup> The median single-family home price is currently \$1,075,000.<sup>13</sup> Buyers must earn \$102/hour (\$212,710/year) to afford a median priced single family home.<sup>14</sup>

The City has issued approximately 1,869 residential building permits for 2019; of total residential building permits issued, 134 have been for affordable housing.<sup>15</sup> According to the City's Housing Element, the Association of Bay Area Governments (ABAG) estimates that the City is projected to accommodate approximately 20 percent of the Bay Area's regional housing growth, or almost 130,000 housing units by 2040.<sup>16</sup>

In 2015, Santa Clara County implemented the Community Plan to End Homelessness and has since made significant progress toward the central goal of creating 6,000 new affordable housing opportunities for individuals and families experiencing homelessness: as of December of 2018, 2,056 new units were constructed, and 842 more units were in the pipeline.<sup>17</sup>

---

<sup>11</sup> How California Became America's Housing Market Nightmare by Noah Buhayar and Christopher Cannon, November 6, 2019, Bloomberg, <https://www.bloomberg.com/graphics/2019-california-housing-crisis/> [accessed 12/05/2019].

<sup>12</sup> Based on October 2019 Costar average rents; income calculation assumes rents are 30% of income, 40 hour work week and a single income household, City of San José, [accessed 12/05/2019].

<sup>13</sup> Santa Clara County Association of Realtors (SCCAOR) September 2019.

<sup>14</sup> Based on SCCAOR, September 2019 median prices; income calculation assumes monthly payments are 30% of income, 20% down, 61% interest rate, 1.1% property tax, 40-hour work week and a single income household.

<sup>15</sup> Housing Market Quarterly Reports, <https://www.sanjoseca.gov/your-government/departments/housing/data/housing-market>, [accessed 12/12/2019].

<sup>16</sup> City of San José, 2014-2023 Housing Element, January 27, 2015, III-2.

<sup>17</sup> County of Santa Clara, Ending Homelessness, 2018, The State of the Supportive Housing System in Santa Clara County, 3.

## MA-10 Number of Housing Units – 91.210(a)&(b)(2)

### Introduction

The City of San José is a mostly built-out city.<sup>18</sup> More than half of housing stock, 54 percent, is made up of detached, single-family units. The second-largest housing type in the City is multifamily of 20 or more units, representing 14 percent of total housing stock. The other 32 percent is made up of attached units, smaller multi-family housing, and a significant number of mobile homes, but which represent only 3 percent of the total number of units.

Areas where new development is likely to occur include the Downtown, North San José, Planned Communities (planned areas within the City designed to facilitate infill residential development/redevelopment)<sup>19</sup>, and other locations such as the Diridon Station Plan area and approved Urban Village Plan areas; These areas have environmental clearance at the level of zoning and development standards with near-term infrastructure impacts and mitigation measures already identified within environmental clearance documents.<sup>20</sup> San José’s Specific Plan areas include “Planned Communities” that are designed to accommodate residential infill development.

Residential development types currently underway are primarily multi-family (approximately 89 percent of recent development) and Accessory Dwelling Units (ADUs), which have seen a 63 percent increase in permits issued since 2018.<sup>21</sup> Only 11 percent of development in 2018 consisted of detached single-family units.<sup>22</sup> There are currently several multifamily and mixed-use residential projects both proposed and approved by the City. According to the 2013-2017 ACS 5-Year estimates, there are an additional 11,952 vacant units for rent in the City.

### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	175,540	54%
1-unit, attached structure	35,195	11%
2-4 units	22,875	7%
5-19 units	34,675	11%
20 or more units	45,860	14%
Mobile Home, boat, RV, van, etc.	11,110	3%
<b>Total</b>	<b>325,255</b>	<b>100%</b>

**Table 36 – Residential Properties by Unit Number**

Data Source: 2011-2015 ACS

<sup>18</sup> 2014-2023, City of San José Housing Element.

<sup>19</sup> Ibid, V-5.

<sup>20</sup> Ibid, IV-37.

<sup>21</sup> City of San José, Housing Market Update, Third Quarter 2019.

<sup>22</sup> City of San José, “Residential Construction-New Units by Type,” under Permit Statistics, <https://www.sanjoseca.gov/> [accessed January 10, 2020].



## Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	950	1%	8,570	6%
1 bedroom	3,485	2%	37,380	28%
2 bedrooms	28,579	16%	48,905	36%
3 or more bedrooms	146,794	82%	39,634	29%
<b>Total</b>	<b>179,808</b>	<b>101%</b>	<b>134,489</b>	<b>99%</b>

Table 37 – Unit Size by Tenure

Data Source: 2011-2015 ACS

### Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

The City contracts with the Santa Clara County Housing Authority (SCCHA) to administer San José's Section 8 Housing Choice Voucher Program. This is SCCHA's largest rental assistance program with about 17,000 participants Countywide. By law, the Housing Authority must provide 75 percent of the vouchers to applicants whose incomes do not exceed 30 percent of the area median income (extremely low income).

In addition to the Section 8 Housing Choice Voucher Program, in San José there are 230 affordable housing developments that contain a total of 19,567 units. These units are income-restricted, and the breakdown is listed in the following table.

Category	ELI Units (0-30% AMI)	VLI Units (30-50% AMI)	LI Units (50-80% AMI)	Mod Units (80- 120% AMI)	Res. Mgr Units	Other HUD Units	Total Affordable Units
Under Construction	178	378	117	-	-	-	<b>673</b>
Family Housing	651	5,265	4,858	947	12	1,284	<b>13,017</b>
Senior Housing	926	2,293	852	1	4	349	<b>4,425</b>
Special Needs Housing	747	597	104	1	3	-	<b>1,452</b>
<b>Total</b>	<b>2,502</b>	<b>8,533</b>	<b>5,931</b>	<b>949</b>	<b>19</b>	<b>1,633</b>	<b>19,567</b>

Table 38 – Affordable Units

Source: Affordable Apartments in San José as of 9/12/2019, City of San José.

### Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

The table below from the 2014-2023 Housing Element for the City of San José lists the dates that affordable units are expected to convert to market rate. According to the table below, units at risk of conversion to market rate within the next five years include 162 low-income and 287 very low-income units. Units at risk of conversion are highlighted in green.

Project Name	Assisted Units	30% AMI	50% AMI	80% AMI	120% AMI	Senior Units	Owner/ Sponsor	Owner Type	Funding Source	Additional Funding Source(s)	Earliest Expiration Date	City AR Expire Date
Guadalupe Apts.	23		12	11			First Community Housing	Nonprofit	TCAC	TCAC	4/26/2004	9/18/2019
Dent Avenue Commons	23			23			Housing for Independent People Inc.	Nonprofit	TCAC	TCAC	8/29/2004	3/6/2021
Timberwood Apartments	108			108			MidPen Housing	Nonprofit	TCAC	Bond	1/20/2005	1/20/2005
Capitol Manor	33			33			Capital Manor Inc.	Nonprofit	HUD-8	No	6/1/2011	6/1/2011
Homebase	12			12			Homebase Homes, Inc.	Nonprofit	Disabled	RDA	6/7/2011	9/28/2020
Town Park Towers	216				216		No. Calif. Presbyterian Homes and Services, Inc.	Nonprofit	HUD-8	No	1/1/2014	1/1/2014
The Grove	40		27	13			Community Housing Developers	Nonprofit	RDA	No	9/23/2014	9/23/2014
Mayfair Golden Manor	210			210			Mayfair Golden Manor, Inc.	Nonprofit	HUD-8	No	9/30/2014	10/1/2065
Emmanuel Terrace	18			18			Emmanuel Terrace LLC	Nonprofit	HUD-8	No	2/28/2015	3/1/2015
Casa De Los Amigos	24	24					Casa de Los Amigos, Inc.	Nonprofit	HUD-202-811	RDA	7/31/2015	8/1/2015
Chai House II	70	13		57		70	Chai House Inc.	Nonprofit	HUD-202-811	RDA	11/27/2015	3/4/2063
Chai House I	70	13		57		70	Chair House Inc.	Nonprofit	HUD-202-811	No	11/30/2015	
Fuji Towers	28			28			Fuji Towers	Nonprofit	HUD-236 RAP	No	2/1/2016	2/18/2016
Commercial Street Inn	55	55					InnVision of Santa Clara	Nonprofit	RDA	No	1/30/2019	1/30/2019
1713 Ross	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
1726 Ross	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
1731 Ross	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Calvin	1			1			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Curtner	1			1			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Donna	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Minnesota	1			1			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Barker	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Branham	2			2			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Homeport	15			15			Homeport, Inc.	Nonprofit	Disabled	RDA	9/28/2020	9/28/2020
Bridgeport(Bridgeport Court)	14			14			Community Housing Developers	Nonprofit	RDA	No	8/15/2021	8/15/2021
Cape Cod Court	28		8	20			Community Housing	Nonprofit	RDA	No	8/15/2021	8/15/2021

Project Name	Assisted Units	30% AMI	50% AMI	80% AMI	120% AMI	Senior Units	Owner/ Sponsor	Owner Type	Funding Source	Additional Funding Source(s)	Earliest Expiration Date	City AR Expire Date
							Developers					
Cambrian Center	150				150	150	Cambrian Inc.	Nonprofit	HUD-202-8	No	9/14/2021	9/15/2021
Paula Street	21		10	11			First Community Housing	Nonprofit	RDA	No	11/27/2021	11/27/2021
Hoffman - 5629	4		4				HIP	Nonprofit	RDA	No	10/28/2022	10/28/2022
Hoffman - 5668	4		4				HIP	Nonprofit	RDA	No	10/28/2022	10/28/2022
Hoffman - 5684	4		4				HIP	Nonprofit	RDA	No	10/28/2022	10/28/2022
Rincon De Los Esteros	246		135		111		First Community Housing	Nonprofit	TCAC	TCAC	7/26/2023	7/26/2023
YWCA Villa Nueva	62		62				Bridge Housing Corp.	Nonprofit	RDA	No	8/31/2023	8/31/2023
Lexington Apartments	32			32			KDF Communities - Lexington, LLC	Profit Motivated	TCAC	Bond	7/25/2006	7/25/2006
Almaden Garden Apartments	36			36			Chuck Davidson	Profit Motivated	HUD-8	No	9/1/2011	9/1/2011
San José Apartments	216			216			Chuck Davidson	Profit Motivated	HUD-8	No	9/12/2011	9/12/2011
Moreland Apartments	160				160		Chuck Davidson	Profit Motivated	HUD-8	No	1/31/2014	2/1/2014
Thornbridge Apartments (The Gardens)	115			115			FF Development L.P.	Profit Motivated	TCAC	Bond	5/12/2014	5/12/2014
Almaden Lake Village	50		50				Almaden Lake Village Associates, Ltd.	Profit Motivated	TCAC	Bond	3/29/2015	3/29/2015
Arbor Apts	122				122		Chuck Davidson	Profit Motivated	HUD-8	No	8/31/2015	9/1/2015
Vendome Apartments/San Pedro Square Apts.	32			7	25		The Farmers Union	Profit Motivated	INCL	No	8/5/2018	8/5/2018
Las Casitas	168				168		Chuck Davidson	Profit Motivated	HUD-8	No	2/28/2021	3/1/2021
Foxchase Drive Apartments	29		29				Unknown	Profit Motivated	Bond	No	2/26/2024	2/26/2024
Fairway Glen	29		29				Unknown	Profit Motivated	Bond	No	12/14/2024	12/14/2024
Kimberly Woods Apartments	42			42			Unknown	Profit Motivated	Bond	No	12/29/2024	12/29/2024
St. Claire	26		2		24		Lyles Diversified, Inc.	Profit Motivated	INCL	No	5/23/2025	5/23/2025
Villa Torino	85				85		Sobrato Development Company	Profit Motivated	INCL	No	9/1/2025	9/1/2025
<b>Totals:</b>	<b>2,645</b>	<b>105</b>	<b>376</b>	<b>1,103</b>	<b>1,061</b>	<b>290</b>						

**Table 39 – Affordable Units**

Source: Affordable Apartments in San José as of 9/12/2019, City of San José.

**Does the availability of housing units meet the needs of the population?**

No. According to CHAS 2011-2015, there is a total of 314,289 households in San José. Of total households, 18 percent are extremely low income; 13 percent are very low income; 14 percent are low income. In San José, 45 percent of households earn between 0 to 80 percent of the area median income. The family type that experiences extremely low income the most are small family households, accounting for six percent of total households. Elderly households make up nine percent of total households in the City.

Based on the data in Table 38, there is a total of 19,567 assisted units for low-income households, 673 of which are under construction. Additionally, housing data available from the Santa Clara County Housing Authority indicates that the agency administers 6,025 Section 8 Housing Choice Vouchers in the City of San José. Together, these units would make up 8 percent of total housing stock, not nearly enough to accommodate the 45 percent of households in San José that earn between 0 to 80 percent of the area median income.

In addition, the table below shows the 2015 to 2023 Regional Housing Need Allocation of units permitted to date. Only 11 percent of the allocation in the very low-income category has been permitted, 4 percent for low income, 25 percent for moderate incomes, and 83 percent for incomes above moderate, indicating that market forces favor the development of above-market housing.

Income Level	2015 to 2023 RHNA Allocation	Permitted to Date (as of 2018)	Total Remaining RHNA by Income Level
Very Low	9,233	995	8,238
Low	5,428	231	5,197
Moderate	6,188	1,585	4,603
Above Moderate	14,231	11,827	2,404
Total	35,080	14,638	20,442

**Table 40 - Regional Housing Needs Allocation Progress Permitted Units Issued by Affordability**

Source: ANNUAL ELEMENT PROGRESS REPORT, Housing Element Implementation, 2018.

Income Level	2015 to 2023 RHNA Allocation	Permitted to Date (as of 2019)	Total Remaining RHNA by Income Level
Very Low	9,233	1,126	8,107
Low	5,428	0	5,428
Moderate	6,188	2,304	3,884
Above Moderate	14,231	9,450	4,781
Total	35,080	12,880	22,200

**Table 40 - Regional Housing Needs Allocation Progress Permitted Units Issued by Affordability**

Source: ANNUAL ELEMENT PROGRESS REPORT, Housing Element Implementation, 2019.

**Describe the need for specific types of housing:**

More than half (54 percent) of the property types in the City are single-family detached structures; the second highest (14 percent) are multi-unit structures with 20 or more units. Other property types are spread somewhat evenly across single-family attached, 2-4 units, and 5-19 units (Table 36). Owners represent more than 57 of all occupied units. In addition, 83 percent of 3-bedroom units are owner occupied, while only 29 percent of 3-bedroom units are renter occupied.

There is a need for assisted affordable housing for lower-income households in San José, including larger units for families and small units to accommodate the aging population. Households experiencing the most need are in the extremely low-income bracket. Of the 314,289 households in San José, 18 percent (56,572) are extremely low income. Table 38 shows there 2,502 assisted units in the city that are affordable to households in this income bracket; however, there are 40,857 very low-income households and only 8,533 assisted units in the city are affordable to them. There are 44,046 low-income households and 5,931 assisted units are affordable to these households. Further, the most common household type in the extremely low-income bracket (accounting for six percent of total households) are small family households, indicating a need for larger, 2- to 3- bedroom units. Elderly households in the extremely low make up seven percent of total households in the City, indicating a need for smaller 1-bedroom and studio units.

**Discussion**

See above.

## MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

### Introduction

If housing costs are high, relative to household income, there will be higher instances of cost burden and, potentially, overcrowding. According to HUD, households that pay more than 30 percent of income on housing are considered cost burdened and may have difficulty affording other necessities such as food, clothing, transportation and medical care. This section analyzes the cost of housing in the City.

### Cost of Housing

	Base Year: 2009	Most Recent Year: 2015	% Change
Median Home Value	\$645,700	\$609,500	(6%)
Median Contract Rent	\$1,212	\$1,491	23%

**Table 41 – Cost of Housing**

Data Source: 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	11,575	8.6%
\$500-999	16,290	12.1%
\$1,000-1,499	41,660	31.0%
\$1,500-1,999	33,960	25.3%
\$2,000 or more	31,004	23.1%
<b>Total</b>	<b>134,489</b>	<b>100.0%</b>

**Table 42 - Rent Paid**

Data Source: 2011-2015 ACS

### Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	11,125	No Data
50% HAMFI	28,955	6,470
80% HAMFI	70,630	14,060
100% HAMFI	No Data	24,920
<b>Total</b>	<b>110,710</b>	<b>45,450</b>

**Table 43 – Housing Affordability**

Data Source: 2011-2015 CHAS

## Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	1,952	2,316	2,839	3,829	4,394
High HOME Rent	1,611	1,728	2,074	2,389	2,645
Low HOME Rent	1,281	1,372	1,646	1,902	2,122

**Table 44 – Monthly Rent**

Data Source: HUD FMR and HOME Rents, 2019.

### Is there sufficient housing for households at all income levels?

No. Data indicate that there is not adequate housing affordable to LMI households, especially for extremely low- and very low-income households. For example, according to the CHAS 2011-2015 data, there are approximately 56,485 extremely low-income households; however, there are only 11,125 rental units available that are affordable to these households (no data is available on homeowner units). Further there are an additional 4 1,395 very low-income households, but only 35,425 units total available at that income level.

### How is affordability of housing likely to change considering changes to home values and/or rents?

The median single-family home price saw a steady increase from \$400,000 in 2008 to a peak of just under \$1.5 million in 2018. However, prices have decreased by quarterly since 2018, resulting in a seven percent decrease in median home value between 2018 and 2019. During this same period, rents decreased about eight percent. The home value trend is currently declining due to households leaving the Bay Area for more affordable markets.<sup>23</sup>

Median Home Value and Average Rent			
	2018	2019	% Change
Median Home Value	\$1,150,000	\$1,075,000	-7%
Average Rent	\$2,705	\$2,501	-8%

**Table 45 – Median Home Value and Average Rent**

Data Source: Median Home Value, Santa Clara County Association of Realtors September 2019. Average Rent, Costar October 8, 2019.

### How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

The median gross rent for San José, according to the 2013-2017 American Community Survey 5-Year Estimates, was \$1,822. The HUD Fair Market Rent for a two-bedroom, \$2,839, is higher than the average rent in the City, as shown by the Santa Clara County Association of Realtors in the table above, which was \$2,501 in 2019. Building permit activity peaked in 2014 at approximately 1,422 permits per quarter but

<sup>23</sup> Home Prices Expected to Decline in Bay Area This Year: Experts, NBC Bay Area staff and Bay City News, January 3, 2020.

has since declined to approximately 600 permits per quarter in 2019, 134 of which were for affordable multifamily housing units.

According to the number of units available to low- to moderate-income households, there is a substantial need to develop additional affordable units. HUD defines cost burdened families as those who spend 30 percent or more of their income on housing costs, including utilities. Affordable rent for a family of four, earning 80 percent of the median family income would be \$2,597. The average rent for a three-bedroom in San José in the third quarter of 2019 was \$3,378, which further supports the need for affordable units.<sup>24</sup>

### **Discussion**

See above.

---

<sup>24</sup> Average Rent, Costar October 8, 2019.



# MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

## Introduction

The following section describes the conditions of the housing stock in the City. HUD defines housing “conditions” identifies four areas that address housing conditions:

1. More than one person per room
2. Cost Burden greater than 30 percent
3. Lack of complete plumbing
4. Lack of complete kitchen facilities

## Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	60,759	34%	64,144	48%
With two selected Conditions	3,205	2%	12,985	10%
With three selected Conditions	55	0%	340	0%
With four selected Conditions	4	0%	8	0%
No selected Conditions	115,784	64%	57,010	42%
<b>Total</b>	<b>179,807</b>	<b>100%</b>	<b>134,487</b>	<b>100%</b>

Table 46 - Condition of Units

Data Source: 2011-2015 ACS

The City’s Municipal Code identifies a more detailed list of conditions that constitute substandard housing. As defined in the Code, housing includes buildings, structures, or portions thereof used or designed or intended to be used for human habitation or the property on which such building is located. Any housing in which there exists any of the following listed conditions is deemed to be substandard housing:

- A. Inadequate Sanitation/Ventilation/Space Requirements
- B. Structural Hazards
- C. Hazardous Wiring
- D. Hazardous Plumbing
- E. Hazardous Mechanical Equipment
- F. Faulty Weather Protection
- G. Fire Hazard/Inadequate Fire Protection
- H. Faulty Materials of Construction
- I. Hazardous or Unsanitary Premises
- J. Inadequate Maintenance
- K. Unhealthy Conditions
- L. Inadequate Exits
- M. Improper Occupancy

### Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	15,405	9%	18,740	14%
1980-1999	38,875	22%	36,479	27%
1950-1979	110,700	62%	68,065	51%
Before 1950	14,830	8%	11,210	8%
<b>Total</b>	<b>179,810</b>	<b>101%</b>	<b>134,494</b>	<b>100%</b>

**Table 47 – Year Unit Built**

Data Source: 2011-2015 CHAS

### Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	125,530	70%	79,275	59%
Housing Units build before 1980 with children present	23,835	13%	11,205	8%

**Table 48 – Risk of Lead-Based Paint**

Data Source: 2011-2015 ACS (Total Units) 2011-2015 CHAS (Units with Children present)

### Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units			
Abandoned Vacant Units			
REO Properties			
Abandoned REO Properties			

**Table 49 - Vacant Units**

### Need for Owner and Rental Rehabilitation

San José’s housing stock is relatively new, with approximately 80 percent of the stock built in 1960 and after<sup>25</sup>. As a result, the number of homes in San José considered “substandard” is quite small, with 0.6 percent of all units having incomplete plumbing and one percent having incomplete kitchen facilities, some of which may be located in the same unit.<sup>26</sup> In 2010, the City identified 2,700 severely deteriorated housing units and another 9,500 moderately deteriorated units within City boundaries<sup>27</sup>. However, over the course of the 2015-2019 Consolidated Plan Cycle, 1,217 units of homeowner housing was rehabilitated with CDBG funding.

The data show that there is a need for rehabilitation of renter and owner households in the City of San José. Based on the HUD’s definition of the four housing conditions, more than one-half of renters (58

<sup>25</sup> City of San José 2014-2023 Housing Element.

<sup>26</sup> Ibid.

<sup>27</sup> City of San José, Housing Department, 2019.

percent), and more than one-third of owners (36 percent) experience one or more of these conditions. In addition, as units continue to age, they will continue to deteriorate and therefore add to the number of units that will be considered substandard housing.

### **Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards**

In order to estimate the number of housing units in San José that are occupied by low-moderate income families with lead-based paint (LBP) hazards, the age units should be taken into consideration. Although the use of LBP in residential units was prohibited after 1978, for the purposes of this ConPlan, the number of units built before 1980 will be used to determine how many low-moderate income households may be at risk of LBP hazards.

The 2011-2015 American Community Survey (ACS) shows that approximately 204,805 units in San José were built before 1980, and data from the 2011-2015 Comprehensive Housing Affordability Strategy (CHAS) show that 44.7 percent of total households are occupied by low- to moderate-income persons. This means 91,548 households may have an LBP risk.

### **Discussion**

Lead-based paint (LBP) hazards are particularly dangerous for children ages 6 or younger, as they are the most susceptible to exposure, whose effects include damage to the nervous system, decreased brain development, and learning disabilities. The 2011-2015 CHAS data show that there are approximately 35,040 housing units built before 1980 that have children present, putting them at risk of LBP hazards. Lower-income families with children are particularly vulnerable to LBP hazards, partly because of a lack of disposable income to make repairs.

## MA-25 Public and Assisted Housing – 91.210(b)

### Introduction

As previously noted, the Santa Clara County Housing Authority (SCCHA) assists approximately 17,000 households through Section 8. Approximately 10,635 housing vouchers are in use Countywide. The Section 8 waiting list contains 5,909 households, which is estimated to be a 6-year wait.

The following tables display the housing assistance maintained by SCCHA in the City of San José. SCCHA has four two-bedroom family public housing units in its portfolio; they are located in the City of Santa Clara. Specific SCCHA data on the number of units or vouchers available is only available for the City of San José (through the Housing Authority of the City of San José, administered by SCCHA) and the County as a whole.

### Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project based	Tenant based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	N/A	31	N/A	5,969	781	5,188	N/A	N/A	N/A
# of accessible units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

**Table 50 – Total Number of Units by Program Type**

Data Source: PIC (PIH Information Center)

### Describe the supply of public housing developments:

Not applicable. There are no public housing developments in the City of San José.

### Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

Not applicable. There are no public housing developments in the City of San José.

**Public Housing Condition**

Public Housing Development	Average Inspection Score
N/A	N/A

Table 51 - Public Housing Condition

**Describe the restoration and revitalization needs of public housing units in the jurisdiction:**

Not applicable. There are no public housing developments in the City of San José.

**Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:**

Not applicable. There are no public housing developments in the City of San José.

**Discussion:**

Not applicable. There are no public housing developments in the City of San José.

## MA-30 Homeless Facilities and Services – 91.210(c)

### Introduction

Numerous Santa Clara County agencies and other organizations provide services to persons and families experiencing homelessness, and those at risk of homelessness. Services provided by the County include but are not limited to rental housing, healthcare, food, benefits to recipients of Supplemental Security Income (SSI), school assistance services to school aged children (such as transportation and school supplies), counseling, drug and alcohol rehabilitation, youth programs, financial assistance to veterans and their families for medical and housing, and legal assistance for eviction and other housing-related issues. Various nonprofit organizations provide services including but not limited to shelter services, supportive housing, and transitional housing.

### Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year-Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds		Current & New	Under Development
Households with Adult(s) and Child(ren)	59	571	144	466	n/a
Households with Only Adults	437	n/a	441	3,041	n/a
Chronically Homeless Households	n/a	n/a	n/a	n/a	n/a
Veterans	n/a	n/a			n/a
Unaccompanied Youth	12	n/a	0	0	n/a

**Table 52 - Facilities and Housing Targeted to Homeless Households**

Data Source: 2017 Santa Clara County Housing Inventory Count.

### Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

The County of Santa Clara is updating its 2015-2020 Community Plan to End Homelessness. The County, local cities, nonprofit advocacy groups, service providers, philanthropic organizations, elected officials, universities, and people with lived experience of homelessness have partnered together to leverage a coordinated system to effectively assist homeless populations.

Because permanent supportive housing—housing that provides rent subsidy, medical and behavioral healthcare, and other supportive services—is the most effective strategy for ending homelessness for persons with disabilities and a long history of being homeless, much of the work of the partnership has been housing-focused. Since the plan’s implementation, 6,937 households have been placed in permanent housing. To ensure residents do not return to homelessness, the goal has been to provide funding to tenants so they may receive proper case management, health care, employment programs, and other services necessary to remain housed.

The supportive housing system is monitored for progress and includes:

- Affordable housing-rent subsidy in housing owned by a housing program, market-rate housing, or apartments for persons and families exiting homelessness
- Case management-staff working closely with formerly homeless supportive housing tenants to help them retain housing
- Medical services to address mental health and substance use
- Supportive services-assistance with obtaining public benefits such as legal services, childcare, and employment programs

Primary partners in the 2015-2020 Community Plan to End Homelessness include:

- Abode Services
- City of San José
- Destination: Home
- Goodwill Silicon Valley
- HomeFirst Services of Santa Clara County
- Santa Clara County Housing Authority
- County of Santa Clara Office of Supportive Housing
- Sunnyvale Community Services
- The Health Trust
- US Department of Veterans Affairs
- Veterans Resource Centers of America
- Veterans Voices of Santa Clara County

Regional programs that demonstrate mainstream service connections for the homeless population include:

- The Valley Homeless Healthcare Program (VHHP) is part of the Santa Clara Valley Medical Center and provides medical services to homeless individuals, including primary care and urgent care. VHHP also manages a Medical Respite program for homeless individuals discharged from hospitals as well as a Backpack Homeless Health Care Program for those in encampments.
- The County's Social Services Agency expedites the review process of homeless households' CalFresh applications so that they may receive benefits within three days.
- The County's Behavioral Health Services Department (BHS) coordinates multiple programs to connect homeless individuals with housing or shelter assistance. BHS also treats those going through behavioral health crises.
- The County's Reentry Resource Center (RRC) provides services to those who have been previously incarcerated and to individuals who are homeless upon release. Services include referrals to drug treatment, housing assistance, food assistance, counseling, and other benefits.
- The County's Office of Supportive Housing's (OSH) mission is to increase the supply of housing and supportive housing that is affordable and available to extremely low income and/or special needs households. OSH supports the County mission of promoting a healthy, safe, and prosperous community by ending and preventing homelessness.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

There are 298 Adult Residential facilities in San José with the capacity to accommodate 4,689 individuals. There are 237 Residential Elder Care Facilities with the capacity to accommodate 3,477 individuals. The National Alliance on Mental Illness (NAMI) Santa Clara County provides local listings (all located in San José) of available licensed and unlicensed group homes, listings of emergency and mental health supportive housing agencies, resources for finding affordable single and family housing, homeless resources, and information on other housing related programs, services, and issues (such as resident and/or tenant rights).<sup>28</sup>

The City of San José and the County provide an array of facilities, programs, and services to assist individuals and families experiencing homelessness. Services include, but are not limited to:

- Housing for Families with Children
- Domestic Violence, Family & Children Issues
- Drop-In Day Time Service Centers
- Housing for Single Men & Women
- Rental & Other Assistance
- Medical, Mental Health & Recovery Programs
- Veterans Services
- Legal Referrals
- Food & Meals
- Youth Services
- Employment/Vocational Services
- VTA Services
- Homeless Outreach

---

<sup>28</sup> National Alliance on Mental Illness, Santa Clara County, <https://namisantaclara.org/>.



## MA-35 Special Needs Facilities and Services – 91.210(d)

### Introduction

In total, there are 610 Special Need Facilities in the County, with a total of 11,218 beds available. These include 298 Adult Residential Facilities that provide non-medical care for adults, 42 group homes that service children or adults with chronic disabilities, and 311 Residential Care facilities for the Elderly.

### HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	655
PH in facilities	0
STRMU	0
ST or TH facilities	0
PH placement	0

Table 53– HOPWA Assistance Baseline

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

**Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs**

#### *Elderly/Frail Elderly*

The population of persons 65 years and over accounts for 119,446 persons, or 12 percent of the City’s population, according to the 2013-2017 American Community Survey. Of the City’s population over 65 years, 35 percent are disabled. Further, 27 percent of seniors age 65 years and over live below the poverty level. As discussed in NA-10, elderly households in the lower-income categories make up 23 percent of total households experiencing cost burden and 25 percent of total households experiencing severe cost burden.

Senior populations have a wide range of housing needs that include daily care-provider assistance to assisted living various types of care facilities. However, surveys show that the many seniors prefer to “age in place” and services are provided with the City and County that assist seniors to remain in their home for as long as possible.

Residential Care Facilities for the Elderly (RCFE) are regulated by the California Community Care Licensing Division (CCLD) of the Department of Social Services. It provides services to persons 60 years and over. RCFEs are assisted living facilities, retirement homes, and board and care homes. According to the City’s geocoding and analysis of CCLD data, San José contains some 200 RCFEs with a total licensed capacity of nearly 2,500 persons.<sup>29</sup>

---

<sup>29</sup> San José Housing Element (2014-2023), City of San José.

### *Persons with Disabilities*

Federal nondiscrimination laws define a person with a disability to include any (1) individual with a physical or mental impairment that substantially limits one or more major life activities; (2) individual with a record of such impairment; or (3) individual who is regarded as having such an impairment.<sup>30</sup> A physical or mental impairment includes, but is not limited to, conditions such as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, Human Immunodeficiency Virus (HIV), developmental disabilities, mental illness, drug addiction, and alcoholism.

As discussed in NA-45, approximately eight percent of the City’s population has a disability. Persons with disabilities often face limited earning potential as the result of their disabilities and often experience discrimination. Additionally, some persons with disabilities may have self-care and mobility limitations that require special housing design features such as wheelchair ramps, holding bars, special bathroom designs, wider doors, and other design features.

Most (79 percent) of the more than 7,700 developmentally disabled individuals living in San José are residing in the home of a guardian or are living independently with support; of developmentally disabled individuals in the City, 16 percent, or 1,270, live in Community Care or Intermediate Care Facilities; several of these facilities are operated by the County with State funding.<sup>31</sup> The California Department of Developmental Services currently provides services to persons with developmental disabilities through a statewide system of 21 regional centers, 4 developmental centers, and 2 community-based facilities. The San Andreas Regional Center serves four counties, including Santa Clara County.

According to information from the Regional Center, there are 8,713 persons with developmental disabilities in Santa Clara County, or approximately 0.5 percent of the County’s population. According to the City’s Housing Element, the City of San José ensures housing units remain affordable for a portion of the supportive housing units for persons with disabilities in Santa Clara County. Deed restricted supportive housing units include approximately 22 percent of units that are set aside for seniors and two percent are set aside for developmentally disabled individuals.

<b>Affordable Deed Restricted Housing Units in San José for Special Need Households</b>	
Seniors	4,114
Developmentally Disabled	433
Physically Disabled	138
People with HIV/AIDS	24
<b>TOTAL IN-SERVICE PROJECTS</b>	<b>4,709</b>

**Table 54– Affordable Deed Restricted Housing Units in San José for Special Need Households**

**Data Source:** San José Housing Element (2014-2023), City of San José, 2014

### *HIV/AIDS*

---

<sup>30</sup> HUD.GOV, *Disability Overview*, [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/disability\\_overview#\\_Who\\_Is\\_a](https://www.hud.gov/program_offices/fair_housing_equal_opp/disability_overview#_Who_Is_a).

<sup>31</sup> City of San José, 2014-2023 Housing Element, III-27.

The overall fatality rate for persons with HIV/AIDS has declined since 1995: many people with the disease are living longer lives because of advances in treatment, and therefore require assistance for a longer period than in the early years of the epidemic. Consequently, subsidies are turning over less frequently, and demand for services outstrips the supply. Longer waits for assistance are especially dire for individuals who are lower-income or homeless, have more mental health and substance abuse issues, or require basic services.

HIV/AIDS Services, a program of The Health Trust’s Chronic Disease Services, assists persons living with HIV/AIDS in the County. It receives and administers contract funding for its housing subsidy program (Housing for Health) from HOPWA and HOPWA-Permanent Supportive Housing (HOPWA-PSH) from the City of San José (grantee) and Santa Clara County General Funds through the Public Health Department. In addition to tenant-based rental assistance (TBRA), these contracts include placement and support services provided by Case Managers, Registered Nurses and Master’s prepared Social Workers for the more medically acute clients. Housing clients are also eligible for additional services provided by Ryan White Care Act funding.

While most effort is placed on helping subsidized clients remain permanently housed (including required annual re-certifications and inspections, and advocating with landlords), support is also provided to clients not receiving a subsidy in order to keep them stably housed. The main goals of HIV/AIDS Services case management are to assist clients in: (1) accessing medical care, (2) accessing benefits and income, and (3) attaining and maintaining stable housing. This HOPWA contract specifically funds the provision of TBRA, Permanent Housing Placement, and Support Services to achieve those goals.

**Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

Facility Type	Number of Facilities	Facility Capacity
Adult Residential	298	4,689
Residential Elder Care	237	3,477

**Table 55– Licensed Care Facilities**

**Data Source:** California Department of Social Services, Care Licensing Programs.

As previously noted, there are 298 Adult Residential facilities in San José with capacity to accommodate 4,689 individuals, and an additional 237 Residential Elder Care Facilities with the capacity to accommodate 3,477 individuals. The National Alliance on Mental Illness (NAMI) Santa Clara County provides local listings (all located in San José) of available licensed and unlicensed group homes, listings of emergency and mental health supportive housing agencies, resources for finding affordable single and family housing, homeless resources, and information on other housing related programs, services and issues (such as resident and/or tenant rights).<sup>32</sup> In addition, the City has 29 unlicensed adult residential homes, and 11 unlicensed sober living homes.

<sup>32</sup> National Alliance on Mental Illness, Santa Clara County, <https://namisantaclara.org/>.

**Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

As described above, 79 percent of the more than 7,700 developmentally disabled individuals living in San José reside in the home of a guardian or live independently with support; 16 percent of developmentally disabled individuals in the City, live in Community Care or Intermediate Care Facilities. Several of these facilities are operated by the County with State funding.

In addition to tracking the supply of supportive housing in San José, the City continues to work with the Health Trust and other agencies supportive of the housing needs of persons with HIV/AIDS and support these agencies with the grant the City receives from HOPWA.

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

Please see discussion above.

## MA-40 Barriers to Affordable Housing – 91.210(e)

### Negative Effects of Public Policies on Affordable Housing and Residential Investment

#### *Introduction*

While San José has experienced encouraging economic improvements, many San José residents continue to face a lack of affordable housing, and some lower-income households experience displacement from their communities due to market forces. There is a substantially greater demand for housing than the supply, which drives up costs in all of Silicon Valley, including San José. Average income increases have not kept pace with rising rents. The median family income for a family of four in Santa Clara County, one of the top five in the nation, is at \$131,400. Between 2010 and 2015, Santa Clara County added roughly 171,000 jobs and just 29,000 housing units.<sup>33</sup>

Many studies and articles have sought to explain the contributors to California's housing crisis. A notable analysis was conducted by California's Department of Housing and Community Development (HCD) in a report titled "[California's Housing Future: Challenges and Opportunities Final Statewide Housing Assessment 2025](#)". In it, HCD laid out five core challenges facing the State's housing market:

1. Housing supply continues to not keep pace with demand.
2. High housing growth is expected in communities with environmental and socio-economic disparities.
3. Unstable funding for affordable home development is impeding the ability to meet California's housing needs, particularly for lower-income households.
4. People experiencing homelessness and other vulnerable populations, including lower income families with children, face additional barriers to obtaining housing.
5. Affordable housing has far-reaching policy impacts that benefit the quality of life in California, including health, transportation, education, the environment, and the economy.

Each of these challenges incorporates several related policy issues. Listed below are the factors that most clearly affect San José's housing market. Public policies that affect the local housing market's affordability and accessibility are also discussed in the City's Analysis of Impediments to Fair Housing Choice report.

#### *Market Forces*

**Funding.** The lack of funding is by far the biggest barrier to developing more affordable housing. The dissolution of Redevelopment Agencies (RDAs) in 2011 to fill State budget deficits continues to have an impact on the local housing market. By using tax increment financing, RDAs were often the single largest and most reliable local revenue sources for affordable housing. In Bakersfield, the annual revenue it generated has not been replaced.

The level of investment from the federal government also does not meet the demand for affordable housing. For instance, the overall funding for the CDBG and HOME programs has decreased over time, from over a combined \$1 billion in 2003 to just over \$486 million in 2016, marking a 55 percent decrease.<sup>34</sup>

---

<sup>33</sup> *Room for More*, SPUR, 2017.

<sup>34</sup> "California's Housing Future: Challenges and Opportunities Final Statewide Housing Assessment 2025," page 44, California Department of Housing and Community Development, February 2018.

With the passage of Senate Bill 2 in 2017 and an increased investment in the Low-Income Housing Tax Credit program in 2019, the State has made efforts in recent years to increase the amount of money dedicated to affordable housing. Voters have also recently approved numerous Statewide bond measures that raise money for affordable housing. Besides the permanent revenue sources established through SB 2, however, many of the State's actions are one-time investments and generally cannot be relied on in the long-term.

Development costs. The cost of developing housing -- inclusive of land, material, and labor costs -- has outpaced inflation in recent years. There are many negative consequences to this, especially since fewer units can be constructed with funds from the public sector. In addition, privately funded housing projects may be rendered financially infeasible or must increase rents to cover costs. Each of these affect the local housing market's affordability.

Development fees, often referred to as impact fees, also contribute to the increased cost of development and are gaining more attention as a barrier to construction. On behalf of the State legislature and HDC, the Turner Center for Housing Innovation conducted an analysis of development fees and their impact. While Bakersfield's fees aren't onerous relative to other cities, and such fees are normal practice across the country, the Turner Center found that California's fees are especially high. This is due in part to Proposition 13, which caps property tax increases, and the decreased federal investment in housing. These factors compel cities to seek alternative revenue sources, like development fees, for infrastructure and parks.<sup>35</sup>

#### *NIMBYism - Opposition to Siting of Affordable Housing*

Despite efforts made by the City, developers, and other stakeholders to demonstrate the need for and value of new affordable housing, there is still opposition to affordable housing in neighborhoods throughout the City. Community opposition limits the ability for the City to develop additional affordable housing to address the severe affordable housing shortage. Existing residents may see high-density affordable housing as a threat to home values, believing it to increase unwanted traffic congestion and crime, as well as a reduction in quality of life.

#### *City Policies*

##### General Plan

Using General Plan policies that include Focused Growth, Urban Villages, Destination Downtown, and Plan Horizons/Periodic Major Review strategies, much of the City's zoning allows for residential in-fill development in areas that are "walkable" and located near transit. The City's first Horizon Plan included the residential capacity to meet the City's Regional Housing Need Allocation. The policies directing development are reviewed annually by the City Council, or more frequently if amendments are needed to meet changing federal and State laws. San José has traditionally been known as a bedroom community. In response, the City's General Plan has a jobs focus, a City effort to induce local job growth to provide a job to unemployed or underemployed residents in City households.<sup>36</sup>

---

<sup>35</sup> Hayley Raetz, David Garcia, and Nathaniel Decker, "Residential Impact Fees in California," Turner Center for Housing Innovation, August 5, 2019.

<sup>36</sup> General Plan, Envision 2040, City of San José.

## Zoning

High-density residential development is allowed in Mixed-Use Neighborhoods, Mixed-Use Commercial, Urban Residential, Transit Residential, Transit Employment Residential Overlay, Urban Village, and Downtown zones. Rezoning can be time-consuming requiring amendments to the Zoning Ordinance and a lengthy approval process. About, 94 percent of San José residential land is zoned for single-family homes.<sup>37</sup>

## Infrastructure and Impact Fees

Impact fees are charged to housing developers to pay for city infrastructure that will support the project, pay for parks, or other city services that protect the welfare of City residents. However, research reports that increases of impact fees over time is one factor feeding the expensive residential development in the Bay Area, which ranks the most expensive nationally.<sup>38</sup> Construction costs, permitting fees, and impact fees are passed on to the consumer, driving up the cost of housing at all income levels.

## Environmental Review

Environmental review can be a long, expensive process. If a developer is applying to rezone an area or parcel, an amendment to the General Plan or Zoning Ordinance is required, which is considered a project under the California Environmental Quality Act (CEQA). The City completed program-level EIRs for many of its priority planned development areas in order to expedite the process, which helps reduce the overall cost.<sup>39</sup>

## *Displacement*

In addition to the stakeholder, and other gathered for the Consolidated Plan, community and housing needs were also identified through the City's research and development of its report on displacement-Ending Displacement in San José, January 2020 Community Strategy Report. The report was written by a local team of government and nonprofit staff who participated in the PolicyLink Anti-Displacement Network (ADPN), a 14-month learning cohort of 10 U.S. cities working to address urban displacement. The report centers on the values, lived experiences, and solutions requested by residents most impacted by displacement in San José. The ADPN team assessed the gaps in San José's current housing policies, studied new anti-displacement tools, and facilitated meaningful listening sessions in the community with impacted households.

According to the report, research shows that from 2010-2016, 1.5 million residents moved out of the Bay Area. Further, for every one high-income resident that moved out of the Bay Area, six low-income residents moved out. Studies in the report also found that where high-income out-movers tended to have access to a wide range of large cities, low-income out-movers, however, tended to move to other areas of California such as the Central Valley, that had fewer options for employment, education, and access to health care as where they had previously lived. Studies also found that displacement can also lead to living in areas with higher poverty and crime.

The report finds that causes of displacement (when a household must move out of their home for reasons outside of their control) include the following:

---

<sup>37</sup> Urban Footprint, <https://urbanfootprint.com/resources/urban-planning-blog/>.

<sup>38</sup> "San José ahead of new push to disclose housing development fees," Katie Lauer, October 28, 2019, <https://sanjosespotlight.com/san-jose-ahead-of-new-push-to-disclose-housing-development-fees/> [accessed 12/20/2019].

<sup>39</sup> Room for More, SPUR, 2017.

- Gentrification, defined as the process through which low-income populations are replaced by higher-income populations in a historically disinvested neighborhood
- A legacy of segregation and displacement that continues to today caused by redlining (a practice based on racial discrimination and exclusion in more affluent residential areas) and a lack of fair housing law enforcement

The report notes that this legacy, combined with a long-term regional housing shortage and a booming economy, has resulted in displacement and harm for many vulnerable groups, including lower income families with children. There is evidence that some racial minority groups are disproportionately hurt by the changing market, examples of which include out-of-reach home prices; evictions for non-payment as rent increases far outpace incomes; severe overcrowding; displacement; and homelessness. These factors reinforce the City's priority to fund anti-displacement strategies, homelessness prevention, affordable housing production, and to ensure housing access is available to all groups.



## MA-45 Non-Housing Community Development Assets – 91.215 (f)

### Introduction

The City of San José is committed to boosting its community and economic development through services, policies, and incentives that help new, as well as already established, companies grow and thrive. It is dedicated to supporting a competitive economy that assists in increasing prosperity for residents and businesses through catalyzing job creation, private investment, revenue generation, and talent attraction. The City's Economic Development department provides four core services:

1. Business Development
2. Regional Workforce Development
3. Real Estate Services
4. Cultural Affairs

The business development services help companies locate, expand, and thrive in San José. Regional workforce development provides services to business and job seekers in San José and Santa Clara County. Real estate services help to manage the City's real estate assets to support City projects and generate revenue. The office of cultural affairs promotes and develops the arts in San José and manages outdoor and special events.

Although the 2011-2015 ACS data shows the unemployment rate of San José at 8.54 percent, this data is at least five years old. While San José experienced unemployment rates as low as 2 percent in recent years, current statistics show a substantial increase in unemployment since the beginning of the COVID-19 pandemic. The State Department of Employment Development estimates that unemployment in San José hit 12.4 percent in June. The unemployment rate for the County as a whole is estimated at 10.7 percent.

The following tables, which were previously provided by HUD, contain statistics that are now significantly out of date. Any discussion of the meaning of these data should be considered in light of the pandemic's effect on the economy; for example, although the Business Activity table on the following page indicates a robust economy with many jobs in a variety of sectors, some of these sectors have been impacted substantially, including retail.

## Economic Development Market Analysis

### Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	4,191	635	1	0	-1
Arts, Entertainment, Accommodations	49,472	41,120	11	11	0
Construction	22,010	21,389	5	6	1
Education and Health Care Services	67,156	53,541	16	15	-1
Finance, Insurance, and Real Estate	18,251	15,214	4	4	0
Information	20,770	13,049	5	4	-1
Manufacturing	69,869	55,464	16	15	-1
Other Services	14,272	11,357	3	3	0
Professional, Scientific, Management Services	62,123	43,663	14	12	-2
Public Administration	1	0	0	0	0
Retail Trade	43,015	43,912	10	12	2
Transportation and Warehousing	8,160	7,537	2	2	0
Wholesale Trade	19,329	17,951	4	5	1
Total	398,619	324,832	--	--	--

**Table 56 - Business Activity**

Data Source: 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs)

### Labor Force

<b>Total Population in the Civilian Labor Force</b>	<b>531,931</b>
<b>Civilian Employed Population 16 years and over</b>	<b>486,515</b>
Unemployment Rate	8.54
Unemployment Rate for Ages 16-24	21.10
Unemployment Rate for Ages 25-65	6.09

**Table 57 - Labor Force**

Data Source: 2011-2015 ACS

Occupations by Sector	Number of People
Management, business and financial	152,114
Farming, fisheries and forestry occupations	18,694
Service	50,350
Sales and office	103,723
Construction, extraction, maintenance and repair	35,935
Production, transportation and material moving	26,080

**Table 58 – Occupations by Sector**

Data Source: 2011-2015 ACS

**Travel Time**

Travel Time	Number	Percentage
< 30 Minutes	263,350	58%
30-59 Minutes	155,314	34%
60 or More Minutes	37,095	8%
<b>Total</b>	<b>455,759</b>	<b>100%</b>

**Table 59 - Travel Time**

Data Source: 2011-2015 ACS

**Education:****Educational Attainment by Employment Status (Population 16 Years and Older)**

Educational Attainment	In Labor Force		
	Civilian Employed	Unemployed	Not in Labor Force
Less than high school graduate	54,475	6,675	26,135
High school graduate (includes equivalency)	66,305	7,625	22,865
Some college or Associate's degree	109,703	9,800	28,335
Bachelor's degree or higher	185,370	9,915	31,385

**Table 60 - Educational Attainment by Employment Status**

Data Source: 2011-2015 ACS

### Educational Attainment by Age

	Age				
	18–24 yrs.	25–34 yrs.	35–44 yrs.	45–65 yrs.	65+ yrs.
Less than 9th grade	1,845	7,880	12,420	25,375	19,273
9th to 12th grade, no diploma	9,164	11,435	10,775	19,390	9,475
High school graduate, GED, or alternative	24,300	25,910	26,220	44,685	23,270
Some college, no degree	40,610	29,930	24,870	49,134	19,359
Associate's degree	4,470	11,480	9,890	22,604	7,470
Bachelor's degree	10,730	42,034	40,115	55,633	21,023
Graduate or professional degree	1,305	24,395	27,828	36,725	12,634

**Table 61 - Educational Attainment by Age**

Data Source: 2011-2015 ACS

### Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	21,943
High school graduate (includes equivalency)	30,131
Some college or Associate's degree	40,917
Bachelor's degree	138,657
Graduate or professional degree	142,667

**Table 62 – Median Earnings in the Past 12 Months**

Data Source: 2011-2015 ACS

### Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

The Business Activity table shows that the top employment sectors in San José are Education and Health Care Services, and Manufacturing, which each account for 16 percent of the share of workers, and 15 percent of the share of jobs in the area. These two sectors are followed closely by Professional, Scientific, and Management Services, which accounts for 14 percent of the share of workers, and 12 percent of the share of jobs.

As of 2017, one of the largest employers in San José was Cisco Systems, with approximately 15,700 local employees.<sup>40</sup> Cisco is a technology conglomerate that develops, manufactures, and sells networking hardware, telecommunications equipment, and other high-tech services and products. Other major employers in San José include Adobe Inc., eBay Inc., Lumileds Lighting Co., Maxim Integrated Products Inc., Prime Materials, SAP Center, and Super Micro Computer Inc.<sup>41</sup>

### Describe the workforce and infrastructure needs of the business community:

<sup>40</sup> <https://www.bizjournals.com/sanjose/subscriber-only/2017/07/21/silicon-valley-employers.html>

<sup>41</sup> <https://www.labormarketinfo.edd.ca.gov/majorer/countymajorer.asp?CountyCode=000085>

With two of the largest employment sectors in San José in Education and Health Care Services, and Professional, Scientific, and Management Services, there will be an increasing need for a highly educated workforce. In order to meet the demand for qualified employees to fill these positions, it is important that the City continues to ensure that its schools provide consistent, high-quality education for the residents. The City currently has several business assistance programs that give firms an incentive to keep production facilities in San José. It offers the Industrial Development Bond program that allows eligible manufacturers use low-interest bond proceeds to finance virtually all costs incurred by the company for investment in either tangible or intangible products.<sup>42</sup> The Business Cooperation Program grants a rebate of up to 30 percent on the local portion of the State collected use tax. The Foreign Trade Zone allows companies to delay, reduce, or eliminate customs duties on imported goods.

**Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

The City of San José has several pending development projects that will have an economic impact on the area once completed, including housing units, commercial use property, schools, senior facilities, office space, and public park areas. The addition of this infrastructure to San José will help increase property values, create jobs, generate housing for more employees, and offer opportunities for private investment.

Some examples of projects that have already been approved or are under construction are the Bascom Station (Dick’s Center) Project, Communications Hill, and Starcity–199 Basset St.<sup>43</sup> The Starcity project is unique in that it is San José’s first co-living development, in which tenants have shared spaces such as kitchens and social areas, , while at the same time having private bedrooms and bathrooms. Starcity plans on building about 800 co-living units.

Bascom Station will include the construction of a 200,000 square foot office building, 590 residential units, and an alternative parking arrangement (tandem parking). Communications Hill will be a dense, highly urbanized, pedestrian-oriented residential neighborhood with industrial park uses. The proposed project includes the development of approximately 2,200 residential units, up to 67,500 square feet of commercial/retail uses, 1.44 million square feet of industrial park uses, and other open space.

One of the most notable pending projects is the Downtown West Mixed-use Project (the so-called “Google Project”). If approved and completed, it would have significant implications for the surrounding area. It calls for 6,500,000 to 7,300,000 gross square feet (GSF) of office space, 3,000 to 5,900 new housing units, 300,000 to 500,000 GSF of active uses (retail, cultural, arts, etc.), 100,000 GSF of event space, up to 300 hotel rooms, and up to 800 rooms of limited-term corporate accommodations. The plan also includes infrastructure, utilities, and public space.

---

<sup>42</sup> <https://www.sjeconomy.com/how-we-help/programs-and-services>

<sup>43</sup> <https://www.sanjoseca.gov/your-government/departments/planning-building-code-enforcement/planning-division/projects-of-high-interest>

These projects above fall under the fifth of the twelve major strategies embodied within the Envision San José 2040 General Plan -- the development of urban villages. The villages are walkable, bicycle-friendly, transit-oriented mixed-use settings that provide both housing and jobs.<sup>44</sup>

**How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?**

The data displayed in the “Educational Attainment by Age” table shows the education level of the workforce of San José by age. The percentages by education level for San José residents that are 18 years of age or older are as follows:

- Less than 9<sup>th</sup> grade: 8.8 percent
- 9<sup>th</sup>-12<sup>th</sup> grade, no diploma: 7.9 percent
- High school graduate, GED, or alternative: 18.9 percent
- Some college, no degree: 21.5 percent
- Associate’s degree: 7.3 percent
- Bachelor’s degree: 22.2 percent
- Graduate or professional degree: 13.5 percent

San José is in the heart of Silicon Valley and is a large producer of technology. Due to the technical nature of the work, these companies often require higher education for their employees.

**Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.**

One of San José’s workforce training initiative is called Work2Future, which is the local administrative arm of the Workforce Innovation and Opportunity Act (WIOA) that operates America's Job Center of California One-Stops. Located in San José and Gilroy, these centers serve the areas of San José, Campbell, Morgan Hill, Los Altos Hills, Gilroy, Los Gatos, Saratoga, Monte Sereno, and the unincorporated areas of Santa Clara County.<sup>45</sup> The US Department of Labor is the main funding stream for the centers, but other sources include State, local, other federal grants, and corporate support. Work2Future’s mission is to assist businesses and individuals in meeting the workforce demands and opportunities of a global economy with the goal of strengthening the economic base in San José and Santa Clara County by increasing employment opportunities and job retention for all residents.

Each Work2Future one-stop center offers services and resources that:

- Help job seekers obtain the skills and training they need to find a job
- Assist businesses in meeting their workforce and economic development needs
- Enable youth to jump-start their career with skills training and job search assistance

---

<sup>44</sup> City of San José, “Urban Villages,” under Citywide Planning, <https://www.sanjoseca.gov/your-government/departments/planning-building-code-enforcement/planning-division/citywide-planning/urban-villages>.

<sup>45</sup> Work to Future, <http://www.work2future.biz/>.

One of the ways that Work2Future helps job seekers is by providing talent coaches, who help individuals navigate through the available services to develop an individualized. Businesses receive tools and resources to help them succeed by focusing on four main areas: employment services, business development, access to capital, and industry trends and information. The Youth Employment and Training program helps 18-24year-olds secure employment through intensive case management, training services, educational programs, and supportive services. Work2Future also provides labor market information that gives the community insight into specific industries, occupations, and area employers.

**Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?**

No.

**If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.**

Not applicable.

**Discussion**

Please see above.

## MA-50 Needs and Market Analysis Discussion

### Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

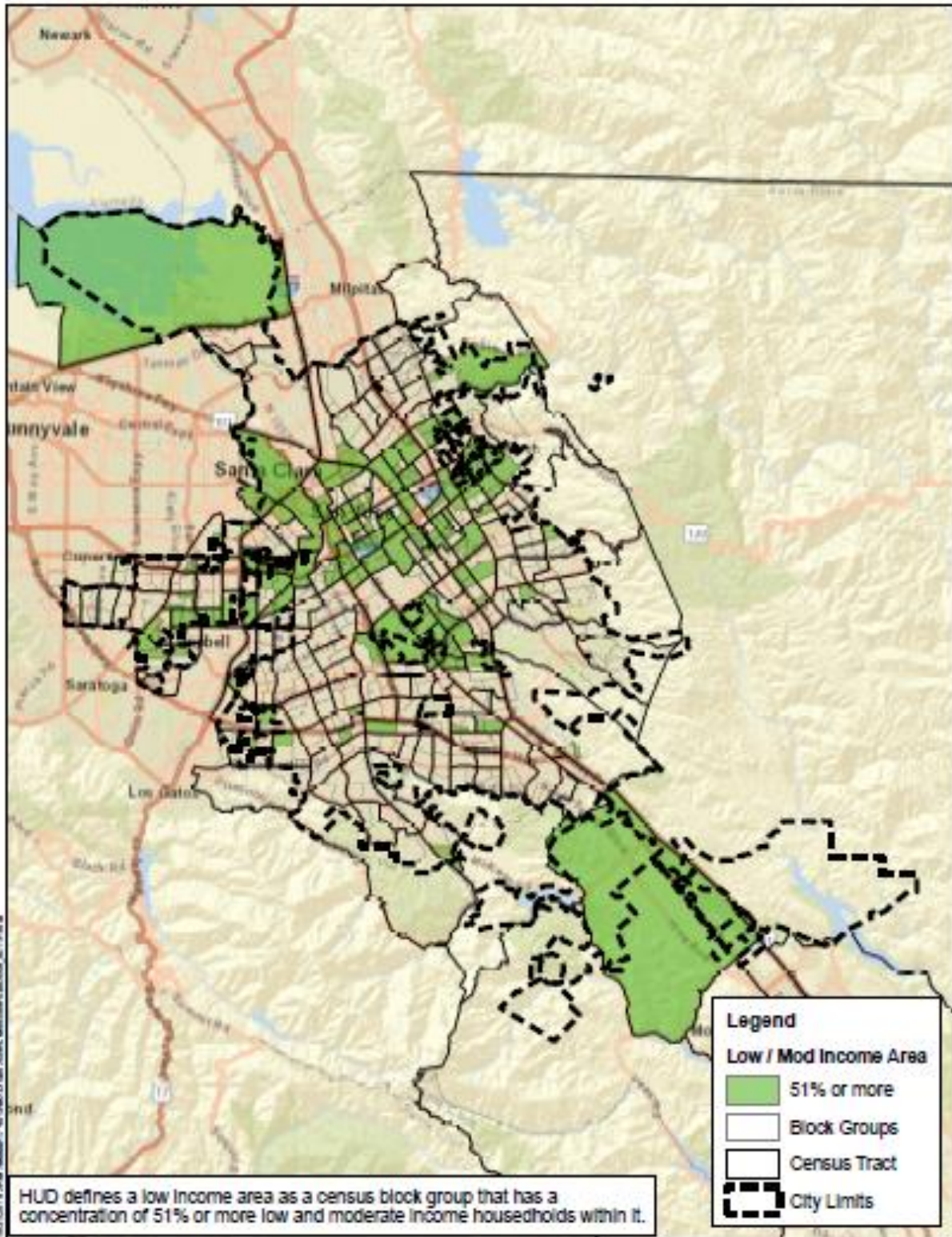
As illustrated in the Needs Assessment, households with higher incomes tend to have fewer housing problems, such as overpayment on housing costs. Households with housing problems are likely occurring in census tracts that are mostly occupied by low- to moderate-income households. Concentration of low- to moderate-income (LMI) households is defined by HUD as census tracts where 51 percent or more of households in the tract earn low to moderate income. See Map 3 below for concentrations of LMI households.

% of Area Median Income	Number of Households Experiencing Housing Problems	Number of Households Experiencing Severe Housing Problems
0-30	45,830	38,755
30-50	31,555	18,775
50-80	24,595	10,800
80-100	13,514	4,910

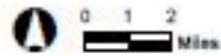
**Table 63 - Housing Problems by Income Category**

Source: 2011-2015 CHAS





Michael Baker INTERNATIONAL



CITY OF SAN JOSE  
 Areas of Low and Moderate Income Concentration

Map 3. Source: Source: Source: U. S. Census, American Fact Finder 2017, Esri Street Map.

**Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

Please see Map 1 of minority concentrations in NA-30, Disproportionally Greater Need discussion. A minority concentration is defined as a non-White population of 51 percent or more. Please see Map 2 for Racially and Ethnically Concentrated Areas of Poverty.

**What are the characteristics of the market in these areas/neighborhoods?**

As previously stated in MA-05, San José is one of the country's most expensive residential markets. According to the 2011-2015 CHAS data, there are 110,710 units that are affordable to households earning between lower incomes, but there 140,635 households earning lower incomes, creating a need of at least 9,395 affordable units.

**Are there any community assets in these areas/neighborhoods?**

Assets in these areas include the following:

1. Community and recreation centers
2. Senior centers
3. Hospitals
4. Fire stations
5. Public libraries
6. Medical facilities
7. Transit centers
8. Parks

**Are there other strategic opportunities in any of these areas?**

There are many commercial high opportunity areas in these neighborhoods including Urban Villages. The Envision San José 2040 General Plan lists Urban Villages as one of 12 major strategies, designed for optimal pedestrian and transit oriented mixed use that also will provide both housing and jobs. The urban village strategy carries out the following<sup>46</sup>:

- Engagement of village area residents in the urban village planning process
- Mixed residential and employment activities that are attractive to an innovative workforce
- Revitalization of underutilized properties that have access to existing infrastructure
- Densities that support transit use, bicycling, and walking
- High-quality urban design

---

<sup>46</sup> Envision San José 2040 General Plan, City of San José.

## MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households- 91.210(a))(4), 91.310(a)(2)

### **Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.**

Wireless broadband is widely available in all of San José according to the Federal Communications Commission's Broadband Availability data.<sup>47</sup> (See Map 4.) All residential areas in the City are served by providers offering download speeds ranging from as low as two Mbps (megabits per second) by VSAT Systems and as high at 1000 Mbps by AT&T. Broadband is the common term used to refer to a very fast connection to the Internet; such connections are also referred to as high-speed.<sup>48</sup>

Accessing Internet service requires a monthly cost that may not be affordable to some households,<sup>49</sup> which was confirmed by survey results. More than 30 percent of respondents to the Community Survey that said they did not feel that low- and moderate-income areas have adequate broadband access. Many survey respondents, 32 percent, said that there are common/pressing broadband internet problems related to unreliable access and slow service. However, according to survey respondents, the primary problem with broadband internet access is that it is too costly.

Some municipal, public facilities, and social service facilities provide free WIFI internet service for the public and/or customers within San José. The City provides free WIFI internet accessible through the City's downtown core area, at the San José Convention Center, and at San José International Airport. The City also collaborated with AT&T to deploy Internet of Things (IoT) technology across 14 San José Parks to provide public Wi-Fi connectivity the City.<sup>50</sup> In 2019, the City approved an expansion of a community wireless network to Overfelt High School in East Side Union High School District (ESUHSD), which will serve students as well as surrounding residents.<sup>51</sup> Additionally, the City is integrating plans to broaden access to basic digital infrastructure to all residents through San José Smart City Vision, a plan that allows City Hall to serve the community by promoting safety, sustainability, economic opportunity, and quality of life through drastic improvements to data management technologies.

---

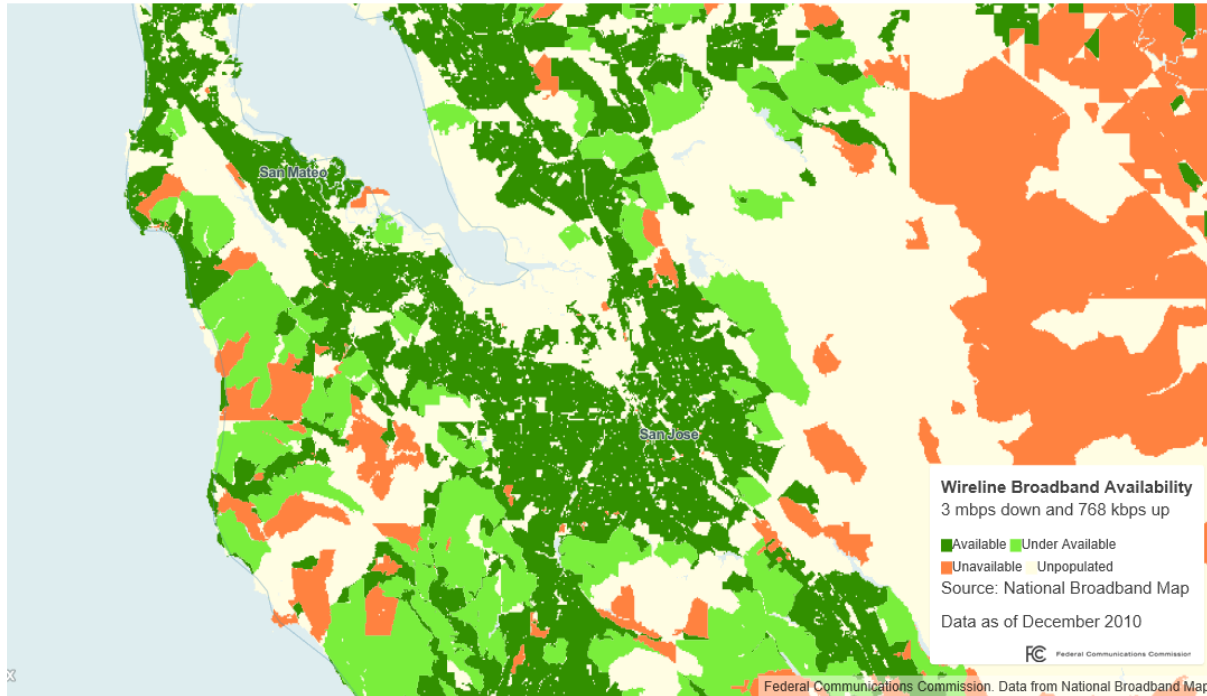
<sup>47</sup> Federal Communications Commission, "Broadband Availability," under "Maps," <https://www.fcc.gov/reports-research/maps/broadband-availability/> [accessed February 10, 2020].

<sup>48</sup> U.S. Department of Housing and Urban Development, "CDBG Broadband Infrastructure FAQs, January 2016," under "Resources," <https://www.hudexchange.info/resource/4891/cdbg-broadband-infrastructure-faqs/> [accessed February 18, 2020].

<sup>49</sup> U.S. Department of Housing and Urban Development, "What types of activities are eligible but may not be feasible?, January 2016," under "CDBG Entitlement FAQs," <https://www.hudexchange.info/faqs/2732/what-types-of-activities-are-eligible-but-may-not-be-feasible/> [accessed February 18, 2020].

<sup>50</sup> City of San José, "AT&T and City of San José Launch Collaboration Valued at More Than a Million Dollars to Help Improve Public Safety and Bridge San José's Digital Divide," under "Office of the Mayor-Latest News," <https://www.sanjoseca.gov/Home/Components/News/News/428/4960?fsiteid=1&npage=2> [accessed February 18, 2020].

<sup>51</sup> City of San José, "Free Community Wi-Fi Expanded for East San José High School," under "Office of the Mayor-Latest News," <https://www.sanjoseca.gov/Home/Components/News/News/567/4960> [accessed February 18, 2020].



**Map 4 Broadband Availability in San José, California. Source: Federal Communications Commission, [fcc.gov](http://fcc.gov).**

**Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.**

San José has several internet providers.<sup>52</sup> Providers include AT&T, Comcast, Etheric Networks, Inc., ViaSat, Inc., Razzo Link, Cruzio Holdings, LLC, AT&T, Inc., and VSAT Systems, LLC. Currently, 100% of San José’s municipal jurisdiction has access to the internet through at least one local provider<sup>53</sup>; many providers offer a range of consumer WiFi internet plans that encompass different speed levels and price points. Regarding competition, according to the Community Survey, many respondents said that broadband access could be improved by lowering rates, improving fiber optics, and breaking up large companies.

<sup>52</sup> Federal Communications Commission, “Fixed Broadband Deployment,” under “Location Summary,” [broadbandmap.fcc.gov](http://broadbandmap.fcc.gov) [accessed February 10, 2020].

<sup>53</sup> Ibid.



## MA-65 Hazard Mitigation- 91.210(a))(5), 91.310(a)(3)

### **Describe the jurisdiction's increased natural hazard risks associated with climate change.**

Wildfires present an immediate risk for the City and its surrounding areas due to increasing temperatures and drought. The North Bay Fires of 2017, one of the largest wildfires on record for the region, is a primary example of increased natural hazards. Additionally, the San José area is also subject to heavy storms as a result of climate change and resulting flooding as occurred in the 2017 Coyote Creek flood. While not directly tied to climate change, earthquakes remain as an increased hazard risk for the area. In response to these traumatic events, the City has developed Emergency Operations Plan (EOP) Support Annexes for the facilitating evacuation, especially for supporting populations lacking access and other functional needs.

### **Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.**

Land development on floodplains is cheaper than in areas devoid of increased risk. Therefore, many LMI families can only afford households with an increased risk of flooding, which also subjects them to high flood insurance costs. The County has this issue in its jurisdictions as well.

The Federal Emergency Management Agency (FEMA) has identified floods as the most common and costly natural disaster. It is estimated that 38,000 parcels in the within San José's jurisdiction that are subject to flooding. The plan in preparation for flooding from Coyote Creek and other water ways. Severe flooding occurred during the 2017 Coyote Creek flood. Coyote Creek runs along Highway 101 and through census tracts with housing occupied by low- and moderate-income on the east side of the City. The Guadalupe River is another waterway with potential for flooding and passes through the area in north and central San José where State Route and Interstate 880 meet and through census tracts with housing occupied by low- and moderate-income. In response, the City of San José and the Santa Clara Valley Water District developed the Joint Emergency Action Plan for Severely Storm and Flood Response in the City of San José. In response to the City's potential for flood hazards, the City of San José and the Santa Clara Valley Water District developed the Joint Emergency Action Plan for Severe Storm and Flood Response in the City of San José.

#### Strategic Plan Overview

The Consolidated Plan allocates federal entitlement dollars according to low- and moderate-income (LMI) census tracts. The City's strategy is focused on leveraged investments to ensure neighborhoods in need receive the most robust assistance available. In the 2015-2020 Consolidated Plan, the City emphasized the importance of neighborhoods and refined its approach by seeking to make high-impact, targeted investments in strategic locations and activities that advance the four goals identified.

Priority needs for this ConPlan were identified based on the data collected, input received at stakeholder and community meetings, and surveys. Priority needs include additional affordable housing, services to address homelessness, and neighborhood strengthening through public facility and infrastructure improvements and public services for underserved areas.

Current market conditions demonstrate that although increases in rental rates have stabilized somewhat in recent years, they are still not affordable to nearly one-third of City residents. Additionally, the market is challenging for special needs populations, including seniors, families with children, persons with disabilities, persons with HIV/AIDS, and others.

Based on all of the input received through the City's community engagement efforts and consistent with the multiple studies and laws noted above, the following are priorities for the Five-Year Consolidated Plan:

1. Prevent and Address Homelessness – Increase housing opportunities and self-sufficiency for homeless populations and assist in the prevention of homelessness for at-risk individuals and families.
2. Create and Preserve Affordable Housing – Create new affordable housing opportunities and preserve existing affordable housing.
3. Promote Fair Housing – Promote fair housing and lowered barriers to housing.
4. Strengthen and Stabilize Communities – Strengthen and stabilize communities' condition and help to improve residents' ability to increase their employment prospects and grow their assets.

Given these four priorities, program activities that could be funded are further detailed in Table 65.

## **SP-10 Geographic Priorities – 91.215 (a)(1)**

### **Geographic Area**

Not applicable. The City has not established specific target areas to focus the investment of funds.

### **General Allocation Priorities**

**Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)**

Not applicable. The City has not established specific target areas to focus the investment of funds.

## SP-25 Priority Needs - 91.215(a)(2)

### Priority Needs

Priority Need	Priority Level	Description	Population	Goal	Basis for Relative Priority
Homelessness	High	Provide mental health services, at-risk youth, substance abuse treatment, Domestic violence support, support services for seniors (meals, transportation), Homeless prevention, one-time rent/utility payments, legal assistance, Homeless services, fair housing education	Homeless: Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/Aids Victims of Domestic Violence Unaccompanied Youth	Increase housing opportunities and self-sufficiency for homeless populations and assist in the prevention of homelessness of at-risk individuals and families.	Input from community and stakeholder outreach and surveys
Affordable Housing	High	Improve housing opportunities for 0-80% AMI households through preservation and rehabilitation of existing affordable housing stock and new construction, improving accessibility (ADA), permanent supportive rental housing Provide first-time homebuyer assistance, tenant-based rental assistance, and Security deposit assistance	Extremely low, very low, and low-income individuals and families Large households, small families, seniors, and disabled household types Emergency shelter, transitional and supportive housing for homeless individuals and families	Construct new and preserve of existing affordable housing	Input from community and stakeholder outreach Input gathered through surveys and community forums supported by data from the Needs Assessment and Market Analysis was evaluated to determine the priority needs



Priority Need	Priority Level	Description	Population	Goal	Basis for Relative Priority
Fair Housing	High	Fair housing represents an ongoing concern in Santa Clara County. Of the 1,472 total survey respondents, 192 (16 percent) said they have experienced some form of housing discrimination. Most respondents (29 percent) who experienced discrimination indicated that race was the primary factor for that discrimination. Additionally, 66 percent indicated they were discriminated against by a landlord or property manager. Interviews with local service providers indicate that many home seekers and landlords are unaware of federal and state fair housing laws.	Extremely low, very low, and low-income individuals and families Large Families Families with Children Elderly Public Housing Residents	Promote fair housing	Input from community and stakeholder outreach and surveys
Strengthen and Stabilize Communities	High	Job training/ employment development programs, Grassroots outreach skills development, Neighborhood leadership development, Broadband infrastructure	City wide	Strengthening Neighborhoods	Input from community and stakeholder outreach Input gathered through surveys and community forums supported by data from the Needs Assessment and Market Analysis was evaluated to determine the priority needs

Table 65 – Priority Needs Summary

**SP-30 Influence of Market Conditions – 91.215 (b)**

Affordable Housing Type	Market Characteristics that will Influence the Use of Funds Available
Tenant Based Rental Assistance (TBRA)	According to the CHAS 2011-2015 data, approximately 56,485 households are extremely low-income yet there are only 11,125 rental units available to such households. Though increases in rental rates have stabilized somewhat in recent years, they are still not affordable to nearly one third of City residents.
Tenant Based Rental Assistance (TBRA)	<p>There are about 3,075 cases of AIDS and 2,370 persons with HIV who live in the City, representing 62 percent and 69 percent of cases in the County, respectively. Persons with HIV/AIDS sometimes face biases and misunderstanding about their illness that affect their access to housing. A survey was administered to 908 unsheltered and sheltered individuals experiencing homelessness in the weeks following the PIT county in January 2019, and 2 percent of respondents reported having HIV.</p> <p>According to the 2013-2017 ACS 5 Year Estimates, 80,299 persons over the age of 18 had a disability, comprising 8 percent of San José’s population. Persons with disabilities often face housing challenges as the result of their disabilities related to earning potential and a lack of accessibility features and support services. Persons with self-care and mobility limitations require housing design features such as wheelchair ramps, holding bars, special bathroom designs, wider doors, and other design features.</p>
New Unit Production	<p>There are 56,485 households who are extremely low-income, but only 11,125 rental units affordable extremely low-income households. The problem is less severe for households earning very low-incomes- there are 41,395 very low-income households, and just 35,425 units affordable to them.</p> <p>According to the City of San José’s Affordable Housing Investment Plan (FY 2016/17 to 2017/18), the City has funded the development of approximately 18,000 affordable rental apartments, mostly subsidized by the now-dissolved redevelopment agency. However, only 2,224 apartments are restricted to extremely low-income households; 42 percent are restricted to very low-income and 29 percent to low income.</p> <p>In addition, the 2015 to 2023 Regional Housing Need Allocation of units permitted to date reflect market forces that favor the development of above-market housing. Only 11 percent of the allocation in the very low-income category has been permitted, 4 percent for low income, 25 percent for moderate incomes, and 83 percent for incomes above moderate.</p>
Rehabilitation	There is a need for rehabilitation of renter and owner households in the City of San José. Based on the provided definition of “conditions”, more than one-half of renters (58 percent), and more than one-third of owners (36 percent) are experiencing one or more of these conditions. The 2011-2015 American Community Survey (ACS) shows that approximately 204,805 units in San José were built before 1980, and data from the 2011-2015 Comprehensive Housing Affordability Strategy (CHAS) shows that 44.7 percent of total households are occupied by low-moderate income persons. This means 91,548 households may have an increased risk of lead-based paint.

Acquisition, including preservation	<p>Severe cost burden is the top housing problem, that is, paying more than 50% of income on housing costs About 45,335 lower-income households experience severe cost burdens, accounting for 14 percent of total households in the City</p> <p>In addition, more than one-half of renters (58 percent), and more than one-third of owners (36 percent) experience one or more housing conditions. Approximately 65 percent of the City’s housing stock was built before 1980, indicating the potential for lead based paint exposure and need of repairs. Of households with substandard housing—lacking complete plumbing or kitchen facilities, 57 percent (1,115 households) are extremely low-income renters and 30 percent (105 households) are extremely low-income owners.</p>
-------------------------------------	---

## SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

### Introduction

The following chart estimates the amount of federal funding to be received over the next five years. Although the exact amounts to be received during the second through fifth year of the Consolidated Plan cannot be known at this time – since entitlements typically fluctuate annually – it is estimated that a total of approximately \$72 million will be allocated to the City in the five years of this Plan.

	FY 20	FY 21	FY 22	FY 23	FY 24	Total
<b>CDBG</b>	\$8,947,319	\$8,947,319	\$8,947,319	\$8,947,319	\$8,947,319	\$44,736,595
<b>HOME</b>	\$3,319,683	\$3,319,683	\$3,319,683	\$3,319,683	\$3,319,683	\$16,598,415
<b>ESG</b>	\$1,440,393	\$1,440,393	\$1,440,393	\$1,440,393	\$1,440,393	\$7,201,965
<b>HOPWA</b>	\$778,209	\$778,209	\$778,209	\$778,209	\$778,209	\$3,891,045
<b>TOTAL</b>	\$14,485,604	\$14,485,604	\$14,485,604	\$14,485,604	\$14,485,604	\$72,428,020

Table 67 – Allocations for 2015 to 2019

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
<b>CDBG</b>	Public Federal	Administration and Planning Acquisition Economic Development Housing Community Development Improvement Program Public Service	<b>\$8,900,000</b>					This program funds various nonprofit agencies and other city departments to implement services that benefit low- and moderate-income persons, including families with children and youth, resolve slum and blight concerns, or address community development needs.
<b>HOME</b>	Public Federal	General Administration (includes Fair Housing activities, and city staff HOME administration activities) Tenant-Based Rental Assistance (project delivery costs and administrative costs) New Construction of affordable Multi-Family Housing	<b>\$3,200,000</b>					This program is designed exclusively to create affordable housing for low-income households.

<b>ESG</b>	Public Federal	Administration Emergency Shelter, Outreach, Homeless Prevention, and HMIS	<b>\$1,270,000</b>	<b>\$0</b>	<b>\$0</b>			This program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help them quickly regain stability in permanent housing.
<b>HOPWA</b>	Public Federal	City Administration and Planning Sponsor Administration Tenant-based Rental Assistance & Supportive Services	<b>\$750,000</b>	<b>\$0</b>	<b>\$0</b>			The program is exclusively dedicated to the housing needs of people living with HIV/AIDS.

**Table 68 - Anticipated Resources**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

*Entitlement Funds*

Leveraging HUD resources allows the City to bring in local, State, and other resources to combine with federal financial resources to maximize the reach and impact of the City's HUD-funded programs. The following are either HUD or City-required matching requirements for the four federal housing and community development programs:

- In both the CDBG and HOPWA programs, the City requires subrecipients to contribute at least 20 percent of the program/activity/service cost from non-federal sources (that is, \$1 of non-federal funds for every \$5 of federal funds).
- In the HOME program, HUD requires entitlement cities to contribute at least 25 percent of the program/activity/service cost from non-federal sources (that is, \$1 of non-federal funds for every \$4 of federal funds).
- In the ESG program, there is a one-to-one match (that is, \$1 of non-federal funds for every \$1 of ESG funds).

Outside of these match requirements, the City pairs other federal programs such as the Neighborhood Stabilization programs (NSP 1 and 2) and the HOPWA Permanent Supportive Housing (PSH) programs to meet San José's housing needs and priorities. Other programs -- such as Section 202 -- also exist.

*State Housing and Community Development Sources*

In addition to federal resources, the State of California has provided funding for affordable housing development, homebuyer programs, transit-oriented development, special needs housing, and infrastructure. However, over the last few years, resources have either been depleted (such as Proposition 1C) or eliminated (such as the former Low- and Moderate-Income Housing Fund as part of former redevelopment agencies). In 2015, a variety of legislative proposals to create affordable housing resources—such as a permanent State funding source and expanding the low-income housing tax credit program—were proposed as the need for affordable housing in California continues to grow.

The following is a list of State funding sources that the City has either accessed in the past or seeks to access in the future:

- Low-Income Housing Tax Credit Program: administers both federal and State programs that encourage private investment in affordable rental housing.
- CalHome: first-time homebuyer down payment assistance, home rehabilitation, homebuyer counseling or mortgage assistance programs.
- Building Equity and Growth in Neighborhoods Program (BEGIN): down payment assistance program
- Infill Infrastructure Grant (IIG): financial assistance for infrastructure improvements to support new infill housing development.
- Transit-Oriented Development Fund: supports dense development and affordable housing near public transportation.
- Affordable Housing and Sustainable Communities (AHSC) Program: funding for transit-oriented affordable housing development and transportation-related infrastructure.

- Veterans Housing and Homelessness Prevention (VHHP) Program: new construction of rental homes as well as supportive services for low-income and homeless veterans.
- Mental Health Services Act (MHSA) funds: State funds administered at the county level to serve low-income mentally ill clients.
- Housing Related Parks Program: Competitive funding for Parks that support affordable housing projects

On September 29, 2017, the Governor of California signed Senate Bill 2 (SB 2), the Building Homes and Jobs Act, provides a “permanent source” of funding for affordable housing by imposing a \$75 fee on each recorded document up to a maximum of \$225 per transaction per parcel, estimated to generate \$200 to \$300 million annually, statewide. The legislation requires that for moneys collected on and after January 1, 2018 until December 31, 2018, that 50 percent of the funds go to local governments, and for money’s collected after January 1, 2019, that 70 percent be provided to local governments.

#### *County and Local Housing and Community Development Sources*

There are a variety of Countywide and local resources that support housing and community development programs. Some of these programs offer assistance to local affordable housing developers and community organizations while others provide assistance directly to individuals. These resources are discussed below:

- Low- and Moderate-Income Housing Asset Fund: Repayments from the Housing Department's \$675 million loan portfolio, originally funded by former redevelopment affordable housing funds, are reused to finance a variety of affordable housing programs for lower-income households. \$40 million in these Low- and Moderate-Income Housing Asset Fund (LMIHAF) funds were made available in a Notice of Funding Availability/Request for Proposals (NOFA/RFP) which was issued jointly on July 21, 2016, with the Housing Authority of the County of Santa Clara and the County of Santa Clara. To date, the City Council awarded \$34.6 million from the joint NOFA, which was designed to identify new developments of special needs housing eligible for both capital commitments and federally funded project-based rental vouchers (PBVs). The City issued another NOFA in 2018.
- The Inclusionary Housing Ordinance, Chapter 5.08 of the San José Municipal Code, was adopted on January 12, 2010. The Inclusionary Housing Ordinance requires that, in market-rate developments of 20 or more units, 15 percent of the units be made affordable to income eligible buyers or renters. Although the Ordinance was operative on January 1, 2013, its implementation was delayed by court challenges.
- The provisions of the Inclusionary Housing Ordinance that apply to rental developments were suspended until the court decision in *Palmer v. City of Los Angeles* was superseded with the passage of Assembly Bill (AB) 1505 effective January 1, 2018. San José’s Inclusionary Housing Ordinance now provides alternative ways that a developer may meet the affordable unit requirement, including but not limited to payment of an In-Lieu Fee and construction of affordable units off-site.
- Prior to AB 1505, rental developments were subject to the Affordable Housing Impact Fee (AHIF) resolution which was adopted on November 18, 2014 by the San José City Council. Since its adoption, approximately \$2.6 million in Affordable Housing Impact Fees have been paid. As a result of Assembly Bill (AB) 1505, rental developments will transition from the current AHIF Program to the Inclusionary Housing Ordinance. Rental development projects submitted after June 30, 2018 are considered under the Inclusionary Housing Ordinance.



- City of San José Housing Trust Fund (HTF): provides ongoing funding for housing and support programs that seek to address homelessness, in part by creating a vehicle eligible to compete for outside funding sources. In FY 2019-2020, it is anticipated that at least \$1 million in HTF will be used to respond to the impacts of homelessness in the community: City staffing and non-personnel costs; Destination: Home administrative and programmatic costs; direct supportive services such as essential services, case management, employment placement, and housing support; and matching funds for federal, State and regional grants.
- Affordable Housing Impact Fee Program: in November 2014, the City established the Affordable Housing Impact Fee Program, to be levied on market-rate rental housing developments, excluding developments that qualify for pipeline status and other exemptions. Implementation of the Affordable Housing Impact Fee (AHIF) Program is successfully underway. As a result of Assembly Bill (AB) 1505, rental developments will transition from the current Affordable Housing Impact Fee (AHIF) Program to the Inclusionary Housing Ordinance. Rental development projects submitted after June 30, 2018 will be considered under the Inclusionary Housing Ordinance.
- City of San José General Fund: The City's General Fund will be providing a fifth year of funding \$1.5 million for ongoing homeless encampment abatement and deterrent services. In 2018-2019, The City's General Fund will fund Destination: Home to continue implementing the Homelessness Prevention System to provide financial assistance and support to families at risk of homelessness.
- City of San José Housing Authority Litigation Award (HALA): The City established a new local funding stream in HALA, which will be used to provide safe and sanitary housing for low income households within the jurisdiction of the Housing Authority. HALA will provide a third year of funding of \$2 million for the Rapid Re-Housing Program.
- Veterans Affairs. OSH is making available services commitments for vulnerable populations, as well as \$8 million in capital funds for developments focusing on the homeless.
- Measure A – Affordable Housing Bond Fund: In November 2016, the voters of Santa Clara County passed Measure A, a \$950 million affordable housing bond measure. Measure A will fund the development of permanent affordable housing for the County's most vulnerable populations, including homeless, veterans, disabled, seniors, foster youth and others. The affordable housing units will be built throughout the County, and the funds will be leveraged to attract matching funds from private, state and federal sources. The spending plan of the bond will allocate \$700 million for Extremely Low-Income housing (below 30 percent of area median income), including Permanent Supportive Housing and Rapid Rehousing; \$100 million for Very Low Income housing (31 to 50 percent of the area median income); up to \$100 million for housing assistance for Moderate Income households; and up to \$50 million for Moderate Income residents who are first-time homebuyers. When funds become available, they will likely be layered with commitments from the City's LMIHAF funds, in order to fund affordable housing developments.
- Mortgage Credit Certificates (MCC) Program: Provides assistance to first-time homebuyers by allowing an eligible purchaser to take 20 percent of their annual mortgage interest payment as a tax credit against federal income taxes. The County administers the MCC Program on behalf of the jurisdictions in the County, including San José.
- The Housing Trust Silicon Valley (HTSV): This nonprofit organization combines private and public funds to support affordable housing activities in the County, including assistance to developers and homebuyers.
- Housing Authority: Acting on behalf of the City of San José Housing Authority, the City contracts with the Santa Clara County Housing Authority (SCCHA) to administer and manage the Section 8

Voucher program and public housing programs within San José. The SCCHA receives federal funding to run the programs below:

- Section 8 Housing Choice Voucher Program: rental assistance to low-income households.
- Family Self-Sufficiency Program: employment assistance program for Section 8 participants.
- Veterans Affairs Supportive Housing (VASH): housing assistance for homeless veterans.
- The Family Unification Program: voucher assistance for families who have been separated due to a lack of adequate housing.
- Non-Elderly Disabled (NED) Vouchers: voucher program to allow non-elderly disabled people to transition out of care-giving institutions.
- Moderate Rehabilitation Program: project-based rental assistances for low-income families.

In January 2008, HUD designated the SCCHA as a “Moving to Work” (MTW) agency through June 30, 2018. The MTW agreement was extended through 2028 in April of 2016. The goal of the MTW program is to increase cost effectiveness, promote self-sufficiency, and expand housing options for low-income families. The MTW designation provides more flexibility in use of funding sources and will support the creation of more efficient programs. The City will continue to partner with the SCCHA to identify MTW activities that may benefit low-income families of the community, especially homeless households.

The SCCHA further plays a direct role in developing affordable housing units. Acting as a nonprofit housing developer, the Housing Authority applies for funds from the City and a variety of state, federal, and private sources for its various development projects. The City also partners with the Housing Authority through Project-based vouchers. Through the July 2016 joint NOFA/RFP, the City teamed with the Santa Clara County Housing Authority and the County of Santa Clara to identify developments that would be eligible for both PBVs and capital awards. PBVs are critical to development feasibility for deeply affordable rental housing, as they augment tenant-paid rents. The higher rents predictably increase rental properties’ cash flow, therefore increasing the size of permanent commercial loans that can be underwritten and, in turn, decreasing the need for public gap subsidy funding. This joint issuance of the NOFA/RFP was the first of its kind in the South Bay.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The City is exploring opportunities to develop affordable housing on public and surplus lands, such as with the Santa Clara Valley Transportation Authority (VTA), which owns land in transit-rich locations. In 2017 the VTA advanced plans to develop three VTA owned sites in San José. The City will make it a priority in the coming years to facilitate development and plan for affordable units at VTA station areas. The City also continues to review opportunities to purchase surplus land from other public agencies to meet its housing and community development goals.

In 2015, the City Council approved the purchase of three properties located at 226 Balbach Avenue, 5647 Mesa/Gallup, and 96 South Almaden Boulevard from the former Successor Agency to the Redevelopment Agency of the City of San José. One of these properties at 96 South Almaden Boulevard was rehabilitated and is currently serving formerly homeless individuals. Regarding 226 Balbach and the Gallup/Mesa properties, the City has identified a development partner for both sites and has initiated the entitlement process.

**Discussion**

See discussion above.

## SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
City of San José Housing Department	Government	Affordable housing— rental and ownership  Homelessness response-Transitional and Supportive housing  Community development: public facilities  Community development: public facility improvements  Community development: public services  Community development: economic development Planning	City wide
County of Santa Clara – Office of Supportive Housing	Continuum of Care	Homelessness	City of San José and County of Santa Clara
Santa Clara County Housing Authority	Public Housing Authority	Section 8 administration	City of San José and County of Santa Clara

**Table 69– Institutional Delivery Structure**

### Assess of Strengths and Gaps in the Institutional Delivery System

#### *Strengths*

The City of San José partners with the business community, other government agencies such as the County of Santa Clara, the Santa Clara County Housing Authority, non-profit organizations that provide housing assistance and public services, faith-based organizations, the Continuum of Care, and collaborates interdepartmentally to carry out goals and strategies of the Consolidated Plan. When possible, the City also uses various means to grant City owned land for the purposes of providing affordable housing units.

In addition, the City has a variety of leveraging sources which include but are not limited to the following:

- Inclusionary Housing Ordinance (IHO)
- Affordable Housing Impact Fee
- The Housing Trust Fund --responds to impacts of homelessness and supports the Continuum of Care
- General Fund
- Santa Clara County Housing Authority

Further, the City has made efforts in the efficiency and improvement of the institutional delivery structure in several ways:

- Regular quarterly meetings between entitlement jurisdictions at the CDBG Coordinators Meeting and Regional Housing Working Group.
- Developing joint jurisdiction RFPs and project review committees, to take advantages of cost and operational efficiency as a result of economy of scales. In 2016, the City released a joint NOFA with the County of Santa Clara for the development of low-income housing.
- Coordination on project management for projects funded by multiple jurisdictions.
- The Housing Department of San José meets with its counterparts in the City of Oakland and the City/County of San Francisco on a regular basis to coordinate policy initiatives and program implementation.

### *Gaps*

Access to multiple services is challenging to many in need. Transportation is a need for individuals and families that must use a variety of services to sustain important necessities for not only their lives, but to obtain and retain housing. Persons in need often get referred to services that are in locations that require access to transportation.

As noted, there is a substantial lack of funding for affordable housing, and there is a significant need for facilities to house people experiencing homelessness. Funding for affordable housing and other needs is primarily sourced from government at the local, State, or federal levels or from philanthropy channeled through non-profit organizations specializing in the construction of affordable housing. However, the City's federal funding allocations fell in fiscal year 2011 by 15 percent and another 22 percent in 2012 (although it has increased since 2013).

Before 2012, Redevelopment Agencies financed capital projects and address blight; 20 percent of redevelopment money was required to be allocated toward affordable housing. At the peak, San José received approximately \$40 million per year to subsidize affordable housing. Due to state budgetary problems, the Governor directed that Redevelopment Agencies throughout the State be dissolved, and most of the remaining funds were taken from local Agencies to fund other State needs. Now the City relies on federal grants and philanthropy to fund affordable housing projects, which falls short of providing enough to cover the need.

There is a continued need for fair housing rights and education and enforcement for renters. Despite ongoing efforts, there is still potential for housing discrimination. A Working with fair housing providers

to provide workshops to educate the public, including landlords, realtors, non-profit agencies, and others about fair housing laws and regulations, continues to be needed.

**Availability of services targeted to homeless persons and persons with and mainstream services**

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
<b>Homelessness Prevention Services</b>			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X		
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
<b>Street Outreach Services</b>			
Law Enforcement	X	X	
Mobile Clinics	X	X	
Other Street Outreach Services	X	X	X
<b>Supportive Services</b>			
Alcohol & Drug Abuse	X	X	X
Child Care	X	X	
Education	X	X	X
Employment and Employment Training	X	X	X
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	X
Mental Health Counseling	X	X	X
Transportation	X	X	X
<b>Other</b>			
Other			

**Table 70 - Homeless Prevention Services Summary**

**Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)**

As discussed above, numerous Santa Clara County agencies and various organizations in the County provide services to individuals and families experiencing homelessness, and those at risk of homelessness. Services provided by the County include but are not limited to housing, healthcare, food, benefits to recipients of Supplemental Security Income (SSI), school assistance services to school aged children (such as transportation and school supplies), counseling, drug and alcohol rehabilitation, youth programs, financial assistance to veterans and their families for medical and housing, legal assistance for eviction and other housing related issues. Various non-profit organizations provide services including but not limited to shelter services, supportive housing, and transitional housing.

In addition to agencies and organizations in place to serve homeless populations, the Continuum of Care (CoC) of the County of Santa Clara is composed of a broad group of stakeholders committed to ending and preventing homelessness. The key CoC responsibilities are ensuring community-wide implementation of planning efforts to end homelessness, as well as ensuring programmatic and smooth effectiveness of the entire system of services available in the region.

The Continuum of Care held the 2019 Point-in-Time homeless census in which data were collected on household status, age, gender, race and ethnicity, veteran status, chronic status, and whether individuals had certain health conditions. Data were collected through the Homeless Management Information System (HMIS), a secure online database that stores data on all homelessness services that are provided in Santa Clara County, which in turn uses this data to improve the ability of local organizations to provide access to housing and services and strengthen our efforts to end homelessness.

**Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above**

A lack of funding to construct much-needed affordable housing is a significant system gap. In addition, there is a lack of enough service providers to address the level of need, which also requires funding. However, significant planning and new funding sources (Measure A, HEAP, and federal funds) will help to counteract such deficiencies. San José partnered with Santa Clara County for the Community Plan to End Homelessness-2015-2020, build strong partnerships across County departments, local governments, the business sector, and non-profit and philanthropy to leverage resources. A new plan is in development for the next five years. The partners will meet to discuss progress over the previous five-year plan to develop new strategies for better outcomes. Additionally, San José adheres to Coordinated Assessment System to connect each individual experiencing homelessness with the appropriate housing as described in the plan.

**Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs**

*Encourage better coordination among service providers to better serve those in need.*

The City benefits from a strong jurisdictional network of housing and community development partners, such as the Regional Housing Working Group, the CoC, and the San José Silicon Valley Workforce Investment Network. To improve intergovernmental and private sector cooperation, the City will continue to participate with other local jurisdictions and developers in sharing information and resources.

The City of San José's Housing Department has developed the Homelessness Response Framework, which uses a Coordinated Assessment System, which begins with an Outreach Team that is the first point of entry for the unsheltered homeless population to the system. At the outset of outreach, obtaining basic needs are facilitated. Individuals experiencing homelessness are then added to the Coordinated Assessment System and matched with the appropriate housing program. Housing programs are coordinated with each other and include client referral to the following:

- Interim Housing, which provides temporary housing and site-based services, and is effective for certain homeless sub-populations.
- Permanent Supportive Housing, which provides long-term rental subsidies and intensive case management for households with disabilities and special needs.

- Rapid Rehousing System, which provides time-limited subsidies and supportive services to households that can achieve economic self-sufficiency within the program term.

*Other Actions to Overcome Gaps in the Institutional Structure and Delivery System*

- Continue to support the maintenance of federal entitlement programs such as the CDBG Program, ESG, HOPWA, HOME, Section 8, Section 202, and Section 811 programs.
- Grow new partnerships with re-entry programs, food programs, legal services, tenant protections, etc.
- Foster existing partnerships with the County of Santa Clara, local governments, the business sector, and non-profit and philanthropic partners to leverage available resources and bring in new funding streams
- Increase funding and resources for supportive and affordable housing, specifically for extremely low-income households and streamline access-funding includes Measure A, HEAP, CDBG, HOME, HOPWA, ESG
- Pilot/invest in alternatives to traditional rental assistance, e.g., shared housing, board and care
- Provide housing subsidies with more flexible eligibility criteria and term of assistance
- Develop programs to address higher needs populations
- Provide more population-specific programs and services that meet their unique needs and programs for people that have difficulty accessing housing and services (e.g. undocumented; criminal history)
- Develop programs that meet the needs of those not prioritized for or not likely to receive a referral to Permanent Supportive Housing (PSH) or Rapid Re-housing (RRH)
- Increase the capacity and diversity of temporary housing options
- More oversight and monitoring of the Coordinated Assessment System
- Provide community education on available resources and services
- Adjust tax and land use policies to increase housing stock and better address affordability of housing
- Modify development rules to permit affordable housing that is less costly and built more efficiently
- Ensure access to adequate income (e.g. living wages) and education through public policy and collaboration with private sectors and partner with schools to provide educational and vocational opportunities and incentivize, support, remove barriers to hiring of people who are unhoused or in housing programs, including in the supportive housing system
- Better coordination, data collection, and data sharing between safety net system and the criminal justice system and the homelessness system of care
- Educate the broader community, including funders and community leaders, about realities of homelessness
- Bring more services to unsheltered people through increased street outreach and mobile services and improve and expand communication about available services and programs to people who are unsheltered



## SP-45 Goals Summary – 91.215(a)(4)

### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Prevent and Address Homelessness	2020	2024	Homelessness Non-Homeless Special Needs	N/A	Homelessness	CDBG: \$4,172,852 HOME: \$3,363,849 ESG: \$3,091,652	Homeless citywide and Downtown outreach, Homelessness prevention programs= 3,500  HMIS data systems support= 3,500  Tenant-based rental assistance (rental coupons) =450  Emergency shelter or interim housing=300
2	Create and Preserve Affordable Housing	2020	2024	Affordable Housing	N/A	Affordable Housing	HOME: \$20,620,335 CDBG: \$2,888,897 HOPWA: \$3,827,019	Affordable housing and infrastructure subsidies =250  Single family and mobile home repair programs=1,445  Enhanced and targeted code enforcement=2,235  Soft story apartment retrofit rebates=130  Support for community-based housing development entities=15
3	Promote Fair Housing	2020	2024	Non-Housing Community Development	N/A	Non-Housing Community Development Non-Homeless Special Needs	CDBG: \$1,600,000 HOME: \$65,000	Education, compliance, and legal assistance with City's Apartment Rent Ordinance, Tenant Protection Ordinance, and Housing Equality Payment Ordinance= 1,295  Fair housing education and legal assistance =1,040

4	Strengthen and Stabilize Communities	2020	2024	Non-Housing Community Development  Non-Homeless Special Needs	N/A	Strengthening Neighborhoods	CDBG: \$23,111,178	Job training/employment development programs=200  Grassroots outreach skills development=1,765  Neighborhood leadership development=1,635  Broadband infrastructure=1,445  Development of childcare facilities=3  ADA/other rehabilitation and tenant improvements of nonprofit commercial spaces=940
---	--------------------------------------	------	------	---	-----	-----------------------------	-----------------------	---

**Table 71 – Goals Summary**

## Goal Descriptions

1	<b>Goal Name</b>	<b>Prevent and Address Homelessness</b>
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Homeless outreach</li> <li>• Homelessness prevention programs</li> <li>• HMIS data systems support</li> <li>• Tenant-based rental assistance (rental coupons)</li> <li>• Emergency shelter or interim housing</li> </ul>
2	<b>Goal Name</b>	<b>Create and Preserve Affordable Housing</b>
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Affordable housing including land acquisition and infrastructure subsidies</li> <li>• Single family and mobile home repair programs</li> <li>• Enhanced and targeted code enforcement</li> <li>• Soft story apartment retrofit rebates</li> <li>• Support for community-based housing development entities</li> </ul>
3	<b>Goal Name</b>	<b>Promote Fair Housing</b>
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Education, compliance, and legal assistance with City’s Apartment Rent Ordinance, Tenant Protection Ordinance, and Housing Equality Payment Ordinance</li> <li>• Fair housing education and legal assistance</li> </ul>
4	<b>Goal Name</b>	<b>Strengthen and Stabilize Communities</b>
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Job training/employment development programs</li> <li>• Grassroots outreach skills development</li> <li>• Neighborhood leadership development</li> <li>• Broadband infrastructure</li> <li>• Development of childcare facilities</li> <li>• ADA/other rehabilitation and tenant improvements of nonprofit commercial spaces</li> </ul>

Table 726 – Goal Descriptions

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

The City of San José’s allocation for HOME grants will assist members from all lower-income categories in several ways: through rental assistance, production of new units, and/or acquisition of existing units over the 2020-2024 Consolidated Planning period. Tenant-Based Rental Assistance will be provided to lower-income residents in need.

Consistent with the City’s goal to assist in the creation and preservation of affordable housing for lower-income and special needs households, the City has the option to use HOME funds for land acquisition and new construction of rental units, and acquisition or rehabilitation of existing rental units for lower-income households and special needs populations, such as families with children and female-headed households, seniors, persons with disabilities, people living with HIV/AIDS, emancipated youth, and other people and families at risk of homelessness.

For any HOME funds used to develop new housing units, the City will comply with the Federal Fair Housing Act and Section 504 of the Rehabilitation Act of 1973. Participation in the HOME Program will enhance the City's funding sources for new construction, while at the same time providing flexibility in the use of funds for an overall gap-financing program.

Projected total assisted: 76

Extremely low income: 53

Low income: 15

Moderate income: 8

## SP-50 Public Housing Accessibility and Involvement – 91.215(c)

### **Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

There are no public housing units in the City of San José. However, two projects were developed by the SCCHA in the City of San José in 2019:

- Villas on the Park will be a Permanent Supportive Housing project in downtown San José, opened in October 2019 with 83 PBVs for the chronically homeless. Villas on the Park was developed with funding made possible through Santa Clara County’s Measure ‘A’ housing referendum, which targeted almost \$1 billion in bonds for the development of affordable housing in the County.
- Renascent Park is another Permanent Supportive Housing project in San José that has been awarded 160 PBVs for the chronically homeless. Construction completed in October 2019.

In addition, SCCHA has conditionally awarded Project Based Vouchers (PBVs) to several other projects under development by its affordable housing partners, which includes 182 PBVs distributed to four projects in San José. These projects are not expected to be completed until FY 2021.<sup>54</sup>

### **Activities to Increase Resident Involvement**

Though there are no public housing units in the City, the SCCHA uses innovative ways to improve the self-sufficiency of its Section 8 Housing Choice Voucher (HCV) holders to move them out of assisted housing programs, as well as ways to move households off the current HCV waiting list and into affordable housing. HUD designated the SCCHA as a “Moving to Work” (MTW) agency In January 2008. The MTW agreement was extended from 2018 through 2028. The MTW program increases cost-effectiveness, promotes self-sufficiency of tenants, and expands housing options for low-income families and benefit homeless populations.

As shown in MA-25, SCCHA received HUD approval for the pilot Focus Forward Program (FFP) to be a voluntary 10-year time-limited self-sufficiency program open to all heads of households on the SCCHA waiting list. FFP is an expanded version of the traditional Family Self Sufficiency program and will support HCV participants in increasing and sustaining a higher level of self-sufficiency. SCCHA is re-proposing the FFP with a more effective case management and ongoing program-incentives component. The enhanced FFP will promote accountability and motivate participants to pursue higher education, develop 21<sup>st</sup> century job skills and set/achieve realistic self-sufficiency goals. If an applicant on the SCCHA waiting list volunteers to participate in the FFP, they will move to the top of the waiting list. The 10-year window provides participants with the opportunity to achieve their individualized goals with the highest degree of available services—and allows the Housing Authority to assist more families in need in the County’s tight housing market.

However, SCCHA will continue its Family Self-Sufficiency program until families currently enrolled are graduated. The Family Self Sufficiency (FSS) program provides case management and advocacy to current program participants in order to help them attain self-sufficiency goals. Families enroll and sign a five-

---

<sup>54</sup> Moving to Work (MTW), Annual Plan FY2020, Santa Clara County Housing Authority, July 1, 2019.

year contract to participate in the program. After enrolling in the program, participants set goals such as finishing their education, obtaining job training, and/or employment.

During the contract term, participants who increase their earned income can receive cash bonuses. When the family reports an increase in earned income, SCCHA calculates a monthly bonus amount that is deposited into an 'escrow' account which the family can receive upon program graduation.

**Is the public housing agency designated as troubled under 24 CFR part 902?**

The public housing agency is not designated as troubled.

**Plan to remove the 'troubled' designation**

Not applicable.

## SP-55 Barriers to affordable housing – 91.215(h)

### Barriers to Affordable Housing

As presented in MA-40, there are several different barriers to affordable housing that are continuing to contribute to the issue. In the private sector, the demand for affordable housing is larger than the supply. There are many more jobs being added to the area than there are housing units being added, further increasing the imbalance between supply and demand. In addition, many of these jobs are in the high-technology sector. These jobs bring in highly skilled, highly paid workers to San José, but even so, income increases have not kept up with rising housing costs. Tech companies have attempted to subsidize housing in the area, but zoning and political resistance hold up the affordable residential development the companies are trying to support.

Although the City has several General Plan policies that allow for residential in-fill development, there has still been a lack of residential development that is affordable to lower-income households. As a “jobs first” general plan, continuing to add jobs without adding an adequate amount of housing could exacerbate existing affordability issues. Many optimal locations in the City are zoned commercial, and the rezoning process can be long and arduous. Much of the area is also zoned for low-density single-family homes, while affordable housing is commonly high density, multi-family units.

When looking at the costs of building affordable housing, there are several factors that deter such projects. Construction costs, permitting fees, and impact fees have been continuing to increase over time, further driving up the overall costs of residential development. The environmental review process -- which can be a long and expensive process -- often greatly slows development. In addition, the dissolution of Redevelopment Agencies, which provided substantial subsidies for affordable housing, has made it even more difficult to develop affordable housing.

### Strategy to Remove or Ameliorate the Barriers to Affordable Housing

#### *Legislation*

The City of San José has a few financing tools in place to encourage the development of affordable housing.<sup>55</sup> They offer multifamily revenue bonds, tax-credit financing, and “gap financing” loans to help finance projects that will increase the availability of affordable housing to those in need.

The State of California has already taken some steps towards enacting policies to help ameliorate the barriers to affordable housing. In 2019, the State signed the following bills into effect:

- California Senate Bill (SB) 330: The Housing Crisis Act of 2019. This bill suspends restrictions on housing developments and provides for expedited permitting for housing construction until January 1, 2025.<sup>56</sup>

---

<sup>55</sup> City of San José, “Bond and tax credit funding,” under Developers, <https://www.sanjoseca.gov/your-government/departments/housing/developers/bond-and-tax-credit-funding>.

<sup>56</sup> U.S. Department of Housing and Urban Development, “California SB 330: the Housing Crisis Act of 2019”, under Regulatory Barriers Clearinghouse, <https://www.huduser.gov/portal/rbc/rbcrecord/3102#results-final>.



- California Assembly Bill (AB) 1763: amending the Density Bonus Law. This bill further refines density bonuses and other concessions and incentives for affordable housing developments.<sup>57</sup>
- California Assembly Bill (AB) 13: amending Section 65852.2 of the Government Code, among others, relating to land use. Revising existing legislation that allows Accessory Dwelling Units (ADU) in residential and mixed-use districts, this bill allows more than one ADU per lot.<sup>58</sup>

In addition, fair housing concerns are at the forefront of many local, regional, and Statewide activities. As housing prices rise, more vulnerable communities face the risk of displacement, sometimes as a result of discrimination. Both landlords and tenants need assistance to understand complex fair housing laws to ensure people remain stably housed. The beginning of 2019 brought the passage of both the City’s new Housing Payment Equality Ordinance as well as new State law that makes it illegal to discriminate against people who hold a Section 8 Housing Choice Voucher or other form of rental subsidy. These laws should help to lower barriers to private housing for lower-income renters holding vouchers. However, the San José team’s anti-displacement work indicates that there are many renters who experience barriers to housing, including large families and those that do not speak English as a first language. These laws and local studies support the need to focus on fair housing as a priority area.

#### *Stakeholder Recommendation*

Based upon input from stakeholder interviews, other ways to remove barriers to affordable housing include:

- Increase affordable housing options and alternatives (varieties are needed in size and income levels, particularly for extremely low and low income, homeless, disabled and elderly) in the County. There is legislation requiring more affordable housing but there is no timetable.
- Fund the building of or rehabilitate of group homes: old nursing/care units, and mobile home parks, particularly near places of employment and transit routes
- Create grant or loan programs for property maintenance
- Develop land acquisition funding programs that purchase land dedicated to new housing. Work with cities to target specific lands.
- Create housing plans that fund and implement housing for working families or “Middle Housing”
- Seek out more County distributed Housing Choice Vouchers

#### *Solutions to Displacement*

The City’s research and development of its report on displacement- Ending Displacement in San José, January 2020 Community Strategy Report,<sup>59</sup> also provides recommendations to address displacement. As discussed in MA-40, the report was written by a local team of government and nonprofit staff who participated in the PolicyLink Anti-Displacement Network (ADPN), a 14-month learning cohort of 10 U.S. cities working to address urban displacement. The report centers on the values, lived experiences, and solutions requested by residents most impacted by displacement in San José. The priority to fund anti-displacement strategies, homelessness prevention, and affordable housing production, and to ensure housing access is available to all groups, is clearly supported by this work.

---

<sup>57</sup> U.S. Department of Housing and Urban Development, “California AB 1763: amending the Density Bonus Law”, under Regulatory Barriers Clearinghouse, <https://www.huduser.gov/portal/rbc/rbcrecord/3100#results-final>.

<sup>58</sup> U.S. Department of Housing and Urban Development, “California AB 13: amending Section 65852.2 of the Government Code, among others, relating to land use”, under Regulatory Barriers Clearinghouse, <https://www.huduser.gov/portal/rbc/rbcrecord/3099#results-final>.

<sup>59</sup> San José Anti-Displacement Policy Network Team, *Ending Displacement in San José*, Community Strategy Report, January 2020.

The report finds an urgent need to address displacement of residents. Low-income residents experience the negatively as compared to higher income households that choose to move out of the area. For everyone high-income resident that moved out of the Bay Area, six low-income residents moved out. Additionally, Latinx and Black residents make up a disproportionately large share of low-income households that move away. Studies in the report found that residential displacement impacts education, job and commute patterns, mental health, and can lead to living in areas with higher poverty and crime. The report’s recommended solutions addressing displacement are broken down by actions for near-term impacts, as well as long-term impacts:

<b>Solutions for Near-Term Impacts (1-2 years)</b>		
<b>Protection</b>		
<b>Action</b>	<b>Lead</b>	<b>Short Description</b>
<b>1.</b> Strengthen, maintain, and expand existing tenant protections	Working Partnerships Other tenant organizations	Limit rent increases to CPI a year and require a cause for eviction for a single family home, duplex, and deed restricted affordable housing renters. Maintain protections in Ellis Act. Provide enforcement for expanded protections.
<b>2.</b> Right to legal counsel for tenants facing evictions	City of San José Legal services & providers Philanthropy	Commission a study of the costs and benefits of implementing a tenant right to legal counsel; Expand existing funding for legal representation of tenants; Establish a tenant right to legal counsel in all eviction cases; Target new State homeless prevention funds (SB 18) toward tenant legal protection and programs.
<b>3.</b> Expand tenant education and neighborhood development programs	City of San José Housing Department Neighborhood-based organizations	Provide capacity-building support for tenant organizations; Invest in neighborhood development; Host more “Know Your Rights” trainings throughout the City
<b>4.</b> Establish a housing resource center	City of San José Housing Department	Provide a central location and hotline for residents to turn for timely assistance when they are facing a housing emergency, when they have questions about their housing rights, or receive referrals to services to help stabilize their housing.
<b>5.</b> Develop targeted strategies for large families, disabled residents, mixed-status and undocumented families, residents with criminal records, and limited English speaking households.	City of San José Housing Department Affordable housing developers and managers Service providers Philanthropy	Reduce and remove unnecessary barriers for specific populations who have difficulty accessing housing because of the housing application process or availability of housing types.

6. Establish tenant preferences for affordable housing	City of San José Housing Department	Work with California HCD to develop a neighborhood-based tenant preference that is broadly applicable to City-funded affordable housing developments and that does not conflict with federal Fair Housing laws.
<b>Preservation</b>		
<b>Action</b>	<b>Lead</b>	<b>Short Description</b>
7. Adopt a preservation ordinance	City of San José Housing Department	Require advance notice of affordable property sales to tenants and provide tenants the first right to purchase the property.
<b>Solutions for Long-Term Impact (2 Years)</b>		
<b>Production</b>		
Idea	Lead	Short Description
8. Establish a new source of funding for affordable housing and anti-displacement	City of San José Santa Clara County Housing advocates	Pursue ways to collect more funding for affordable housing, such as through a revenue measure, commercial linkage fee, or other means.
9. Conduct a public land survey and partner with the State to leverage public land for affordable housing and community preservation	City of San José Housing Department State of California & County of Santa Clara School districts VTA BART CalTrans	Work with the State of California, the County of Santa Clara, VTA, BART, and local school boards to site and prioritize affordable housing on publicly owned land consistent with the City's General Plan.
<b>Preservation</b>		
<b>Idea</b>	<b>Lead</b>	<b>Short Description</b>
10. Preservation strategy	City of San José Housing Department	Develop a strategy to monitor net gain or loss, assess organizational capacity, and find funding to create a building acquisition program.
11. Establish a preservation investment fund	City of Sn José Housing Department Philanthropy	Create a fund that can be used to acquire and rehabilitate deed-restricted or naturally affordable housing to keep as affordable housing in the long-term.
12. Support development and capacity-building for innovative housing solutions including co-ops and community land trusts	City of San José Housing Department Santa Clara County Community-based organizations Philanthropy	Fund a study to assess the feasibility of different strategies such as Community Land Trusts and tenant co-ops in San José.
<b>Protection</b>		
<b>Idea</b>	<b>Lead</b>	<b>Short Description</b>

<p><b>13.</b> Develop landlord incentives and practice equitable code enforcement</p>	<p>City Housing Department Planning, Building, and Code Enforcement Department</p>	<p>Assist landlords with low-cost loans and grants for property improvements to address blight or health and safety issues. Explore receivership of properties that have become health and safety dangers to residents and assist community or non-profit partners to acquire and maintain at-risk properties.</p>
---	--	--

**Table 73 – ADPN Team Solutions List**

**Data Source:** San José Anti-Displacement Policy Network Team, Ending Displacement in San José, Community Strategy Report, January 2020.

*City Developed Strategies*

The City will use strategies and available resources to address the barriers to affordable housing based upon the data gathered, including stakeholder and community input, as well as studies from Ending Displacement in San José, January 2020 Community Strategy Report and the Community Plan to End Homelessness for 2020-25.

Over the five-year 2020-25 ConPlan cycle, the City will work overcome barriers to affordable housing, by using grant funding for the following activities:

- Construct new and preserve existing affordable housing through land acquisition and infrastructure subsidies
- Supporting single family and mobile home repair programs
- Delivering enhanced and targeted code enforcement
- Soft story apartment retrofit rebates
- Providing support for community-based housing development entities

Additionally, the City will continue to promote fair housing, and lower barriers to housing for high-barrier populations by providing:

- Education, compliance, and legal assistance with City’s Apartment Rent Ordinance, Tenant Protection Ordinance, and Housing Equality Payment Ordinance
- Fair housing education and legal assistance

## **SP-60 Homelessness Strategy – 91.215(d)**

### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

As described in MA-30, the City of San José's Housing Department uses the Homelessness Response Framework, a Coordinated Assessment System. The Coordinated Assessment System begins with an Outreach Team that is the first point of entry for the unsheltered homeless population to the system. At the outset of outreach, obtaining basic needs are facilitated. Individuals experiencing homelessness are then added to the Coordinated Assessment System and matched with the appropriate housing program. Housing programs are coordinated with each other and include client referral to the following:

- Interim Housing, which provides temporary housing and site-based services, and is effective for certain homeless sub-populations.
- Permanent Supportive Housing- Provides long-term rental subsidies and intensive case management for households with disabilities.
- Rapid Rehousing System- Provides time-limited subsidies and supportive services to households that can achieve economic self-sufficiency within the program term.

The Santa Clara County Office of Supportive Housing, the Continuum of Care, developed a coordinated assessment that is a consistent, community-wide intake process to match people experiencing homelessness to existing community resources that are best fit for their situation. The County of Santa Clara has been using coordinated assessment for permanent supportive housing and rapid rehousing programs with hopes of expanding to shelter and transitional housing programs as well.

In Santa Clara County's coordinated assessment system, persons experiencing homelessness complete a standard assessment tool (the Vulnerability Index-Service Prioritization Decision Assessment Tool or VI-SPDAT) that considers the household's situation and identifies the best type of housing intervention to address their situation. A community queue of eligible households is generated from the standard assessment. The community queue is used to fill spaces in the permanent housing programs, including permanent supportive housing and rapid rehousing, in the County. This coordinated process reduces the need for people to traverse the county seeking assistance at every service provider separately.

### **Addressing the emergency and transitional housing needs of homeless persons**

The City currently has 1,070 emergency shelter beds and transitional housing beds that serve homeless individuals, families with children, women with children, youth, and victims of domestic violence. The overall number of emergency and transitional beds has recently decreased due to a combination of conversions to permanent housing and the lack of resources to fund emergency and transitional beds. In line with its goal of ending homelessness, the City will continue to focus its funding on programs aimed at permanently housing homeless persons. The Haven is a City-owned emergency shelter for disaster victims that the City will continue to support.

The City will also continue to support emergency and transitional housing options through new one-time funding from the State called the Homeless Emergency Aid Program (HEAP) and the Homeless Housing Assistance and Prevention Program (HHAP). This HEAP Program will support several crisis intervention

efforts, including the addition of emergency shelter beds and safe parking slots. The HHAP program will support the construction and development of over 300 beds of transitional housing at three sites in San Jose. HHAP will also fund homelessness prevention and homeless youth programs. However, the City's focus continues to be on moving people quickly into permanent housing with supportive services as seen in the successful Housing First approach.

The City has historically funded two tenant-based rental assistance (TBRA) programs: one funded by HOME dollars, and another by HOPWA funds. The HOME TBRA Program is matched with local funds to increase capacity in the Rapid Rehousing System. During this five-year ConPlan cycle, the programs will continue to provide housing subsidies and case management services to employed or employable homeless populations, including families with children and domestic violence survivors.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.**

As mentioned, the City uses the Coordinated Assessment System to match homeless households to appropriate housing. Other primary goals include working with property owners and managers to educate them on the social benefits of renting to extremely low income and formerly homeless individuals and families. Another main strategy, due to its effectiveness, is increasing the number of units of permanent supportive housing, a housing type available to homeless people that includes a wraparound services component offering services such as case management to assist in keeping them housed. San José currently has 1,013 supportive housing units in the City. One example is Second Street Studios, completed in May of 2019 for formerly homeless households, offering 134 units with on-site mental health and medical services, and opportunities for social connection and involvement in community life through on-site gardens, inviting community spaces, and other programming.

The City has historically funded two tenant-based rental assistance (TBRA) programs: one funded by HOME dollars, and another by HOPWA funds. The HOME TBRA Program is matched with local funds to increase capacity in the Rapid Rehousing System. In 2019-2020, the program will continue to provide housing subsidies and case management services to employed or employable homeless populations, including families with children and domestic violence survivors.

The goal of the City's Rapid Rehousing Program is to help up to 200 households at any given time to locate and secure appropriate rental housing, assist with time-limited subsidies based on the rent of the identified unit and help the participants increase their income so they graduate and pay the rent in full. The Rental Subsidy Administrators verify income eligibility, assist in housing search and placement, perform housing inspections, and coordinate monthly subsidy payments. The Supportive Services Administrators receive referrals from the CoC's coordinated assessment. Once enrolled, the role of the Supportive Services Administrator is to ensure that by the time the participant's subsidy terminates, they are stable, self-sufficient and do not return to homelessness. The HOPWA TBRA Program targets low-income residents living with HIV/AIDS who are homeless or at-risk of homelessness.

On a regional level, leaders from the City, the County, other government agencies such as the Santa Clara County Housing Authority (SCCHA) and the Santa Clara Valley Water District, service providers, philanthropy, community institutions, and business organizations and those involved with homeless services delivery have contributed to the forthcoming Community Plan to End Homelessness 2020-25. Input from this planning process helped to inform the City's strategy to address homelessness. The Community Plan is developed to enhance the community's work towards ending and preventing homelessness among all homeless persons and families. Input at stakeholder meetings focused on topics including,

- Lived Experience and service provider focus groups,
- Current successes- Measure A, veteran's programs, homeless prevention pilot
- Permanent supportive housing being built
- Prevention through early childhood education and diversion programs
- Temporary solutions- safe parking, street outreach teams that are keeping people engaged and making connections to services
- Coordinated Assessment System
- Growing partnerships, particularly with County safety-net systems such as- jail re-entry programs, behavioral health, social services and other community partnerships such as legal resources and tenant rights

The plan also lays out gaps, needs and tactics by three primary strategies: The first strategy addresses the root causes of homelessness through system and policy changes. This approach would involve having corporations, particularly tech companies, contribute through incentives and development conditions; holding jurisdictions accountable for providing resources for and addressing the issues of housing instability and homelessness; engaging elected officials and policymakers, changes to tax and land use policies, better data collection, changes to zoning and creating supportive policies.

Strategy II expands homelessness prevention and housing programs to meet the need. For example, increase funding and resources for supportive and affordable housing, specifically for extremely low-income households and streamline access; a Pilot/investment in alternatives to traditional rental assistance, for example, shared housing, board and care; housing subsidies with more flexible eligibility criteria and term of assistance; programs to address higher needs populations (special needs) falling through the cracks; increasing housing options; landlord outreach; discrimination, and higher capacity public services.

Finally, Strategy III, improves quality of life for unsheltered and creates healthy neighborhoods for all. This strategy focuses on increasing street-based services, temporary or emergency housing beds and access to behavioral health and substance use programs. Pillar III proposes educating the broad community about homelessness and responds to neighborhood concerns regarding negative impacts of homelessness.

In addition, the Community Plan to End Homelessness in Santa Clara County 2015-2020 notes that many vulnerable populations are just a paycheck or medical emergency away from homelessness. A coordinated effort between local jurisdictions, service providers and other engaged groups over the last decade demonstrates that a Housing First model works in Santa Clara County –it is less expensive to permanently house someone than to continually care for them while they live on the street. The forthcoming Community Plan for 2020-25 has five aggressive goals by 2025:



1. Achieve a 30% reduction in annual inflow of people becoming homeless;
2. House 20,000 people through the supportive housing system;
3. Expand the homeless prevention system and other early interventions to serve 2,500 people a year;
4. Double temporary housing and shelter capacity to reduce the number of people sleeping outside; and
5. Address the racial inequities present among unhoused people and families and track progress towards reducing disparities.

The strategies included in this plan are grounded in evidence-based practices, lessons learned over the past five years, and robust conversation and input from more than 8,000 members of the community; including people with lived experience of homelessness, subject matter experts, key stakeholders, and community members. The Plan for 2020-25 strongly supports the need to prioritize funding for affordable housing development, homelessness strategies, homelessness prevention, and anti-displacement strategies. The Community Plan to End Homelessness 2020-2025 was adopted by the Continuum of Care, in the coming months, the CoC will seek endorsement of the Plan by each jurisdiction in the County.

Measure A, a \$950 million affordable housing bond measure, was passed by Santa Clara voters in November 2016 and is a General Obligation Bond. According to the County, the bond's housing goals aim to create 4,800 units of affordable housing. As of December 31, 2019, Program funds helped finance 30.18 percent of the total housing goal. The status of housing development goals by type of housing are as follows:

- Program funds helped finance over 50.4 percent of the [Permanent Supportive Housing \(PSH\)](#) goal.
- Program funds helped finance over 24.9 percent of the [Extremely Low-Income \(ELI\)](#) housing goal.
- Program funds helped finance 55.0 percent of the [Very Low-Income \(VLI\)](#) housing goal.
- Program funds helped finance over 7.8 percent of the [Rapid Rehousing \(RRH\)](#) goal.
- There are 230 units of [Low-Income \(LI\)](#) housing incorporated into the current housing developments; however, the Program has no stated goal for this category of housing.

The development of permanent affordable housing for the most vulnerable populations, including homeless, veterans, disabled, seniors, foster youth and others will continue to be funded by Measure A. The funding used to develop affordable housing will be leveraged to attract matching funds from private, state and federal sources. Due to a lack of housing affordable for and the higher percentage of Extremely Low-Income households, of the \$950 million, \$700 million will be used for Extremely Low-Income housing (households earning below 30 percent of area median income), including Permanent Supportive Housing and Rapid Rehousing. It is projected that the Bond will fund 120 new affordable housing developments over 10 years.

**Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

The City will continue to support the new Homeless Prevention System, led by Destination: Home, with \$3M in new funding through the State HHAP program. In alignment with the Community Plan to End Homelessness, the Homeless Prevention System's goal is to implement a countywide homelessness



prevention system and prevent all instances of family homelessness. The system will continue to expand families' ability to become quickly connected to prevention services throughout the community, streamline and standardize service delivery, and measure the collective impact of homelessness prevention. Through new State money from both the City and the County, the system will serve hundreds more households over the next five years.

Using ESG funding, the City will fund Bill Wilson Center to provide security deposits, rental assistance, and other services to prevent households from becoming homeless.

## SP-65 Lead based paint Hazards – 91.215(i)

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

Lead-based paint (LBP) testing is conducted on all units built prior to 1978 that receive rehabilitation assistance from the Department of Housing. If a lead hazard is found, steps are taken to properly mitigate that hazard. Housing Department staff are also lead-certified, meaning that they have had official training to learn how to prevent lead paint dust and debris, and minimize exposure to lead paint hazards.

The City has a contract with a private environmental consultant to provide testing and assessment services.

### **How are the actions listed above related to the extent of lead poisoning and hazards?**

There is a total of 204,805 units that were built before 1980 in San José. Since LBP was banned from consumer use in 1978, we can assume these households have the risk of a potential LBP hazard. There are 44.7 percent of households in the City that are LMI, meaning that there are an estimated 91,548 units occupied by an LMI household that may have an LBP risk. Lower-income families with children are particularly vulnerable to LBP hazards, partly because of a lack of disposable income to make repairs.

### **How are the actions listed above integrated into housing policies and procedures?**

All contractors are required to be trained and lead-certified, all units built prior to 1978 are tested for lead and mitigated if necessary, and all services provided for LBP hazard reduction are in compliance with Federal regulations 1012 and 1013 of Title X.

## SP-70 Anti-Poverty Strategy – 91.215(j)

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

The City, in its continuing effort to reduce poverty, will prioritize funding to agencies that provide direct assistance to the homeless and those in danger of becoming homeless. Additionally, the City has made a commitment to improve the communication and service delivery capabilities of agencies and organizations that provided programs to assist the homeless, including a job training program. The City-supported homeless programs also work with individuals and families to increase their self-sufficiency by providing employment readiness assistance or help with applying for State or federal benefits.

A key component of the City's other efforts to reduce the number of poverty-level families is Work2Future, the local administrative arm of the Workforce Innovation and Opportunity Act of 2013. Work2Future operates one-stop centers that serve the areas of San José, Campbell, Morgan Hill, Los Altos Hills, Gilroy, Los Gatos, Saratoga, Monte Sereno, and the unincorporated areas of the County. The Department of Labor is the main funding stream for the centers. Other sources include state, local, and federal grants and corporate support. Strategically positioned within the Office of Economic Development, Work2Future addresses the workforce and economic development needs of the local area in collaboration with small and large businesses, educational institutions and community-based organizations.

### **How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan**

The City uses CDBG funding to support the Home-Grown Talent project in East San José, which provides safety net services and economic development opportunities for low-income residents. The services include referrals and support to meet food, housing, financial, immigration and health needs of participants, as well as viable economic opportunities that tap into the local assets of the community. Economic opportunities include childcare owner/provider training, artist training, and urban agriculture training. Last year, 272 families with a total of 956 children under the age of 18 benefited from this program.

## SP-80 Monitoring – 91.230

**Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

### *Monitoring CDBG, HOME, HOPWA and ESG*

The City continues to follow the grantee monitoring requirements outlined by HUD for the use of federal funds. The City has also standardized policies and procedures for use City-wide, which incorporate many of the HUD requirements. City staff continues to participate in the Grants Management Working Group that brings together all City departments that provide grants to the community. The Working Group shares best practices and discusses program performance of the grantees that each City department funds.

A major element of the monitoring process is the tracking of grantee performance. The Department of Housing uses the Citywide Webgrants database system. This database tracks programmatic and financial performance and allows potential applicants to apply for funds electronically.

The intent of the monitoring process is to identify any potential red flags and, if necessary, provide the necessary technical assistance so that subrecipients can successfully implement their projects. If a significant problem is discovered, City staff meets with project staff to discuss and resolve any issues.

Examples of such problems include:

- Services are not documented
- Goals are not being met
- Project files are not in order
- Lack of fiscal controls and/or documentation
- Required reports are not being submitted in a timely manner
- Expense reporting does not adhere to regulations or policies

For CDBG, HOME, ESG and HOPWA programs, service providers are required to submit monthly Reimbursement Requests and Reconciliation Reports to document expenses and ensure that both line item budgets and total project budgets are not over-expended. Monthly review of reimbursement requests enables the City to ensure that all costs incurred by subrecipients are eligible and documented as required by the applicable federal regulations. Additionally, service providers are required to submit quarterly performance reports and a cumulative annual report. Review of these reports allows staff to determine whether corrective measures are necessary and provide a basis for monitoring procedures.

In addition, the Housing Department staff reviews financial documentation of its subrecipients, who are required to establish and maintain a system of accounts that is in conformance with generally accepted principles of accounting for budgeted funds. This system of accounts is subject to review and approval by the City. In addition, subrecipients are required to submit an annual agency audit. Financial monitoring is based on the program budget that is incorporated in the grant agreement between the City and the subrecipient. Subrecipients are required to submit to the City the name of a fiscal agent, if any, who is responsible for the financial and accounting activities of the project, including the receipt and disbursement of project funds. In addition to the review of quarterly progress reports and financial

documents, the City conducts onsite visits with subrecipients at least every two years. Programmatic monitoring visits include a review of documentation of national objective and eligibility, client intake documentation, income eligibility, staffing levels, recordkeeping, and outcome measures tracking. Financial monitoring visits involve a review of invoices and all backup documentation including staff timesheets, receipts, and proof of payment documentation on file. If deficiencies are identified, the City determines whether corrective action, technical assistance, or both are needed.

## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

On an annual basis, the City receives an allocation from the U.S. Department of Housing and Urban Development’s Community Development Block Grant (CDBG), the HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Services Grant (ESG). The Annual Action Plan provides a summary of the actions and activities that will be funded by the four federal grants as well as the non-federal resources that will be used in the fiscal year (FY) 2020-2021 to address priority needs and goals identified by the Consolidated Plan.

The FY 2020-2021 allocation amount for each of the federal housing and community development programs is broken down as follows:

- Community Development Block Grant (CDBG) - \$8,947,319
- HOME Investment Partnerships Program (HOME) - \$3,319,683
- Housing Opportunities for Persons with AIDS (HOPWA) - \$1,440,393
- Emergency Services Grant (ESG) - \$778,209
- Emergency Services Grant (ESG) CARES - \$32,936,036

In addition to the FY 2020-2021 allocation for CDBG and HOME, total program resources for the two programs will be higher than the allocation amount due to estimated program income (e.g., repayments of federally funded loans) and prior year balance. The prior year’s CDBG balance consists of unused balances from previous year’s projects. The “Prior Year Balance” of HOME funds consists of previous year’s funds that were left uncommitted, funds committed to the Tenant Based Rental Assistance (TBRA) program that were unspent (which will be rolled over into the new program year), program income, and CHDO funds set-aside but not committed to a specific project. The prior year balance in the HOPWA program consists of unused funds from previous year projects.

	2020-2021 Funding Allocation	Prior Year Balance	Estimated FY 2019-2020 Program Income	Total Estimated Resources
CDBG	\$8,947,319	\$979,795	\$400,000	\$10,327,114
HOME	\$3,319,683	\$4,356,359	\$750,000	\$8,426,042
HOPWA	\$1,440,393	\$0	\$0	\$1,440,393
ESG	\$778,209	\$0	\$0	\$778,209
ESG CARES Act	\$32,936,036			\$32,936,036
<b>Total</b>	<b>\$47,421,640</b>	<b>\$5,336,154</b>	<b>\$1,150,000</b>	<b>\$53,907,794</b>

Table 74 – FY 2020-2021 Summary of Funding

Category	CDBG Activities	Funding
PS	Senior Services	\$200,000
PS	Neighborhood Engagement and Leadership Training	\$235,000
PS	Services for Homeless Populations	\$402,098
PS	Citywide Legal Services for Low-Income Tenants and Landlords	\$565,000
PS	Childcare Services	\$850,000
PS/Admin	Fair Housing	\$200,000
CDI	Acquisition, Rehabilitation, and Infrastructure for Affordable Housing Sites and Public Facilities	\$247,213
CDI	Community Infrastructure Projects	\$2,100,000
CDI	Targeted Code Enforcement	\$1,258,339
CDI	Minor Home Repair	\$1,650,000
CDI	Job Training for Homeless and Low-income Individuals	\$950,000
Admin	Grants Management	\$1,669,463
<b>Total</b>		<b>\$10,327,113</b>

**Public Service Programs**

Service Type	Agency	Program	Funding
Senior Services	The Health Trust	Meals On Wheels – Senior Services	\$125,000
Senior Services	Portuguese Organization for Social Services Opportunities	Senior Access and Health Support	\$75,000
Neighborhood Engagement	SOMOS Mayfair	Home Grown Talent Project	\$150,000
Neighborhood Engagement	CommUniverCity	Community Leadership Development	\$85,000
Homeless Services	HomeFirst	Citywide Outreach	\$402,098
Legal Services	San José Housing Rights Consortium	Legal Services for Low-income Tenants & Landlords	\$500,000
Fair Housing	Law Foundation of Silicon Valley – Four-agency Consortium includes Project Sentinel, Asian Law Alliance, Senior Adults Legal Assistance, and Law Foundation as lead agency	Fair Housing Services	\$65,000
Childcare Services	City of San José Library with First 5 of Santa Clara County and Santa Clara County Office of Education	Childcare for Low-income Families for COVID relief	\$850,000
<b>Total</b>			<b>\$2,252,098</b>

**Community Development Investment Projects**

<b>Project</b>	<b>Description</b>	<b>Funding</b>
Acquisition, Rehabilitation, and Infrastructure for Affordable Housing Sites and Public Facilities	Funding available for prospective projects that include the acquisition, rehabilitation, and infrastructure for affordable housing sites and public facilities.	\$247,213
Yerba Buena Community Wireless Network	Install WiFi networks in the Oak Grove and Independence High Schools' neighborhoods	\$2,100,000
Enhanced Code Enforcement	Enhanced Code Enforcement in Project Hope neighborhoods through PBCE inspectors	\$1,258,339
Minor & Emergency Repair	Single family home repair programs	\$1,650,000
<b>Total</b>		<b>\$5,255,552</b>

**CDBG Administration**

<b>Agency</b>	<b>Program</b>	<b>Funding</b>
Housing Department	Grant Planning and Oversight	\$1,641,420
City Attorney's Office	Legal Staffing	\$21,298
Planning Department	Environmental Reviews	\$6,745
Law Foundation of Silicon Valley – Four-agency Consortium	Fair Housing*Services	\$200,000
<b>Total</b>		<b>\$1,869,463</b>

*\*Note: Fair Housing services will be funded from \$200,000 in CDBG Administrative funds and \$65,000 in CDBG Public Services funds, for a total amount recommended of \$265,000 in CDBG.*

**Community Development Investment Projects**

<b>Project</b>	<b>Description</b>	<b>Funding</b>
Acquisition, Rehabilitation, and Infrastructure for Affordable Housing Sites and Public Facilities	Funding available for prospective projects that include the acquisition, rehabilitation, and infrastructure for affordable housing sites and public facilities.	\$247,213
Yerba Buena Community Wireless Network	Install WiFi networks in the Oak Grove and Independence High Schools' neighborhoods	\$2,100,000
Enhanced Code Enforcement	Enhanced Code Enforcement in Project Hope neighborhoods through PBCE inspectors	\$1,258,339
Minor & Emergency Repair	Single family home repair programs	\$1,650,000
<b>Total</b>		<b>\$5,255,552</b>



**HOME Activities**

<b>Project</b>	<b>Allocated Amount</b>
New Affordable Housing Development (including project delivery & CHDO set-aside)	\$4,356,359
Tenant-Based Rental Assistance (TBRA)	\$2,678,500
Program Administration – TBRA contracts	\$521,000
Program Administration - City	\$173,920
Fair Housing Services	\$135,000
<b>Total HOME</b>	<b>\$7,864,779</b>

**HOPWA Activities**

<b>Project</b>	<b>Allocated Amount</b>
Rental Assistance and Supportive Housing	\$1,347,182
Grantee Administration	\$50,000
City Administration	\$43,211
<b>Total HOPWA</b>	<b>\$1,440,393</b>

**ESG Activities**

<b>Service Type</b>	<b>Agency</b>	<b>Program</b>	<b>Funding</b>
Homeless Services	People Assisting the Homeless (PATH)	San José Outreach and Engagement	\$439,844
Homeless Services	Bill Wilson Center	Homeless Prevention Program for Youth and Families	\$130,000
Homeless Services	County of Santa Clara	Homeless Management Information System (HMIS)	\$150,000
Administration	City	ESG Administration	\$58,365
		<b>Total ESG:</b>	<b>\$778,209</b>

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan	Narrative Description
			Annual Allocation	Program Income	Prior Year Resources	Total		
CDBG	Public Federal	<ul style="list-style-type: none"> <li>• Admin and Planning</li> <li>• Acquisition</li> <li>• Economic Development</li> <li>• Housing</li> <li>• Public Improvements</li> <li>• Public Service</li> </ul>	\$8,947,319	\$400,000	\$979,795	\$10,327,114	\$14,120,666	This program funds various nonprofit agencies and other city departments to implement services that benefit low- and moderate-income persons and neighborhoods or address community and economic development needs. Groups benefiting from funding include, but are not limited to, seniors, persons with disabilities, youth, and families.
HOME	Public Federal	<ul style="list-style-type: none"> <li>• Acquisition</li> <li>• Multifamily Rental New Construction</li> <li>• Multifamily Rental Rehab</li> <li>• TBRA</li> <li>• Fair Housing Activities</li> <li>• Program Administration</li> </ul>	\$3,319,683	\$750,000	\$4,356,359	\$8,426,042	\$9,807,398	This program is designed exclusively to create affordable housing for low-income households.
HOPWA	Public Federal	<ul style="list-style-type: none"> <li>• Permanent Housing in Facilities</li> <li>• Permanent Housing Placement</li> <li>• STRMU</li> <li>• Short Term or Transitional Housing Facilities</li> <li>• Supportive Services</li> <li>• TBRA</li> </ul>	\$1,440,393	\$0	\$0	\$1,440,393	\$1,397,182	The program is exclusively dedicated to the housing needs of people living with HIV/AIDS.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan	Narrative Description
			Annual Allocation	Program Income	Prior Year Resources	Total		
ESG	Public Federal	<ul style="list-style-type: none"> <li>• Conversion and Rehab for Transitional Housing</li> <li>• Financial Assistance</li> <li>• Overnight Shelter</li> <li>• Outreach</li> <li>• Rental Assistance Services</li> <li>• Transitional Housing</li> <li>• Homeless Prevention</li> <li>• HMIS</li> </ul>	\$778,209	\$0	\$0	\$778,209	\$719,844	This program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness and provide the services necessary to help them quickly regain stability in permanent housing.
ESG CARES	Public Federal	<ul style="list-style-type: none"> <li>• Motel/Hotel vouchers</li> <li>• Emergency shelters</li> <li>• Enhanced services to encampments</li> <li>• Shelter operations</li> <li>• Homeless prevention and Rapid Re-housing</li> </ul>	\$32,836,036					This funding is intended to address the COVID-19 crisis and its impact on persons experiencing homelessness

**Table 79 - Expected Resources – Priority Table**

**\*Note: The Expected Amount Available Remainder of Con Plan includes the estimated allocation for years 2020-2021 plus the estimated program income, minus the amount the City expects to expend on Admin.**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

*Entitlement Funds*

Leveraging HUD resources allows the City to bring in local, state, and other resources to combine with federal financial resources to maximize the reach and impact of the City's HUD-funded programs. The following are either HUD or City-required matching requirements for the four federal housing and community development programs:

- In both the CDBG and HOPWA programs, the City requires sub-recipients to contribute at least 20 percent of the program/activity/service cost from non-federal sources (that is, \$1 of non-federal funds for every \$5 of federal funds).
- In the HOME program, HUD requires entitlement cities to contribute at least 25 percent of the program/activity/service cost from non-federal sources (that is, \$1 of non-federal funds for every \$4 of federal funds).

In the ESG program, there is a one-to-one match (that is, \$1 of non-federal funds for every \$1 of ESG funds).

The City pairs other federal programs such as the and the HOPWA Permanent Supportive Housing (PSH) programs to meet San José's housing needs and priorities. The Section 202 program is also used in the City.

*State Housing and Community Development Sources*

In addition to federal resources, the State of California has provided funding for affordable housing development, homebuyer programs, transit-oriented development, special needs housing, and infrastructure. However, over the last few years, resources have either been depleted (such as Proposition 1C) or eliminated (such as the former Low- and Moderate-Income Housing Fund as part of former redevelopment agencies). Also, legal challenges to inclusionary zoning have blocked the ordinance from providing affordable housing. In 2015, a variety of legislative proposals to create affordable housing resources—such as a permanent State funding source and expansion of the low-income housing tax credit program— have been proposed as the need for affordable housing in California continues to grow. The following is a list of State funding sources that the City has either accessed in the past or seeks to access in the future:

- Low-Income Housing Tax Credit Program: administers both federal and State programs that encourage private investment in affordable rental housing.  
CalHome: first-time homebuyer down payment assistance, home rehabilitation, homebuyer counseling or mortgage assistance programs.
- Building Equity and Growth in Neighborhoods Program (BEGIN): down payment assistance program
- Infill Infrastructure Grant (IIG): financial assistance for infrastructure improvements to support new infill housing development.
- Transit-Oriented Development Fund: supports dense development and affordable housing in close proximity to public transportation.

- Affordable Housing and Sustainable Communities (AHSC) Program: funding for transit-oriented affordable housing development and transportation-related infrastructure.
- Veterans Housing and Homelessness Prevention (VHHP) Program: new construction of rental homes as well as supportive services for low-income and homeless veterans.
- Mental Health Services Act (MHSA) funds: State funds administered at the county level to serve low-income mentally ill clients.
- Housing Related Parks Program: Competitive funding for Parks that support affordable housing projects
- On September 29, 2017, the Governor signed SB 2, the Building Homes and Jobs Act, provides a “permanent source” of funding for affordable housing by imposing a \$75 fee on each recorded document up to a maximum of \$225 per transaction per parcel, estimated to generate \$200 to \$300 million annually, statewide. The legislation requires that for moneys collected on and after January 1, 2018 until December 31, 2018, that 50 percent of the funds go to local governments, and for money’s collected after January 1, 2019, that 70 percent be provided to local governments.
- Homeless Emergency Aid Program (HEAP): Authorized by SB850 in 2018, provided one-time block grant funds to address the homeless crisis through services, shelters, capital projects and homeless prevention.
- Homeless Housing Assistance and Prevention (HHAP) signed into law in 2019 is a one-time block grant program to expand local capacity to address homelessness. Funds can be used for rental assistance, prevention, landlord incentives, creation of permanent affordable housing, and homeless services.
- 

#### *County and Local Housing and Community Development Sources*

There are a variety of countywide and local resources that support housing and community development programs. Some of these programs offer assistance to local affordable housing developers and community organizations while others provide assistance directly to individuals. These resources are discussed below:

- Low- and Moderate-Income Housing Asset Fund: Repayments from the Housing Department's \$675 million loan portfolio, originally funded by former redevelopment affordable housing funds, are reused to finance a variety of affordable housing programs for lower-income households. \$40 million in these Low- and Moderate-Income Housing Asset Fund (LMIHAF) funds were made available in a Notice of Funding Availability/ Request for Proposals (NOFA/RFP) which was issued jointly on July 21, 2016, with the Housing Authority of the County of Santa Clara and the County of Santa Clara. To date, the City Council awarded \$34.6 million from the joint NOFA, which was designed to identify new developments of special needs housing eligible for both capital commitments and federally funded project-based rental vouchers (PBVs). The City issued another NOFA in 2018.
- The Inclusionary Housing Ordinance, Chapter 5.08 of the San José Municipal Code, was adopted on January 12, 2010. The Inclusionary Housing Ordinance requires that, in market-rate developments of 20 or more units, 15 percent of the units be made affordable to income eligible buyers or renters. Although the Ordinance was operative on January 1, 2013, its implementation was delayed by court challenges.
- The provisions of the Inclusionary Housing Ordinance that apply to rental developments were suspended until the court decision in *Palmer v. City of Los Angeles* was superseded with the

passage of Assembly Bill (AB) 1505 effective January 1, 2018. San José's Inclusionary Housing Ordinance now provides alternative ways that a developer may meet the affordable unit requirement, including but not limited to payment of an In-Lieu Fee and construction of affordable units off-site.

- Prior to AB 1505, rental developments were subject to the Affordable Housing Impact Fee (AHIF) resolution which was adopted on November 18, 2014 by the San José City Council. Since its adoption, approximately \$2.6 million in Affordable Housing Impact Fees have been paid. As a result of Assembly Bill (AB) 1505, rental developments will transition from the current AHIF Program to the Inclusionary Housing Ordinance. Rental development projects submitted after June 30, 2018 are considered under the Inclusionary Housing Ordinance.
- City of San José Housing Trust Fund (HTF): provides ongoing funding for housing and support programs that seek to address homelessness, in part by creating a vehicle eligible to compete for outside funding sources. In FY 2019-2020, it is anticipated that at least \$1 million in HTF will be used to respond to the impacts of homelessness in the community: City staffing and non-personnel costs; Destination: Home administrative and programmatic costs; direct supportive services such as essential services, case management, employment placement, and housing support; and matching funds for federal, State and regional grants.
- Affordable Housing Impact Fee Program: in November 2014, the City established the Affordable Housing Impact Fee Program, to be levied on market-rate rental housing developments, excluding developments that qualify for pipeline status and other exemptions. Implementation of the Affordable Housing Impact Fee (AHIF) Program is successfully underway. As a result of Assembly Bill (AB) 1505, rental developments will transition from the current Affordable Housing Impact Fee (AHIF) Program to the Inclusionary Housing Ordinance. Rental development projects submitted after June 30, 2018 will be considered under the Inclusionary Housing Ordinance.
- City of San José General Fund: the City's General Fund will be providing a fifth year of funding \$1.5 million for ongoing homeless encampment abatement and deterrent services. In 2018-2019, The City's General Fund will fund Destination: Home to continue implementing the Homelessness Prevention System to provide financial assistance and support to families at risk of homelessness.
- City of San José Housing Authority Litigation Award (HALA): the City established a new local funding stream in HALA, which will be used to provide safe and sanitary housing for low income households within the jurisdiction of the Housing Authority. HALA will provide a third year of funding of \$2 million for the Rapid Re-Housing Program.
- Veterans Affairs. OSH is making available services commitments for vulnerable populations, as well as \$8 million in capital funds for developments focusing on the homeless.
- Measure A – Affordable Housing Bond Fund: In November 2016, the voters of Santa Clara County passed Measure A, a \$950 million affordable housing bond measure. Measure A will fund the development of permanent affordable housing for the County's most vulnerable populations, including homeless, veterans, disabled, seniors, foster youth and others. The affordable housing units will be built throughout the County, and the funds will be leveraged to attract matching funds from private, state and federal sources. The spending plan of the bond will allocate \$700 million for Extremely Low-Income housing (below 30 percent of area median income), including Permanent Supportive Housing and Rapid Rehousing; \$100 million for Very Low Income housing (31 to 50 percent of the area median income); up to \$100 million for housing assistance for Moderate Income households; and up to \$50 million for Moderate Income residents who are first-time homebuyers. When funds become available, they will likely be layered with commitments from the City's LMIHAF funds, in order to fund affordable housing developments.

- Mortgage Credit Certificates (MCC) Program: Provides assistance to first-time homebuyers by allowing an eligible purchaser to take 20 percent of their annual mortgage interest payment as a tax credit against federal income taxes. The County administers the MCC Program on behalf of the jurisdictions in the County, including San José.
- The Housing Trust Silicon Valley (HTSV): This nonprofit organization combines private and public funds to support affordable housing activities in the County, including assistance to developers and homebuyers.
- Housing Authority: Acting on behalf of the City of San José Housing Authority, the City contracts with the Santa Clara County Housing Authority (SCCHA) to administer and manage the Section 8 Voucher program and public housing programs within San José. The SCCHA receives federal funding to run the programs below:
  - Section 8 Housing Choice Voucher Program: rental assistance to low-income households.
  - Family Self-Sufficiency Program: employment assistance program for Section 8 participants.
  - Veterans Affairs Supportive Housing (VASH): housing assistance for homeless veterans.
  - The Family Unification Program: voucher assistance for families who have been separated due to a lack of adequate housing.
  - Non-Elderly Disabled (NED) Vouchers: voucher program to allow non-elderly disabled people to transition out of care-giving institutions.
  - Moderate Rehabilitation Program: project-based rental assistances for low-income families.

In January 2008, HUD designated the SCCHA as a “Moving to Work” (MTW) agency through June 30, 2018. The MTW agreement was extended through 2028 in April of 2016. The goal of the MTW program is to increase cost effectiveness, promote self-sufficiency, and expand housing options for low-income families. The MTW designation provides more flexibility in use of funding sources and will support the creation of more efficient programs. The City will continue to partner with the SCCHA to identify MTW activities that may benefit low-income families of the community, especially homeless households.

The SCCHA further plays a direct role in developing affordable housing units. Acting as a nonprofit housing developer, the Housing Authority applies for funds from the City and a variety of state, federal, and private sources for its various development projects.

The City also partners with the Housing Authority through Project-based vouchers. Through the July 2016 joint NOFA/RFP, the City teamed with the Santa Clara County Housing Authority and the County of Santa Clara to identify developments that would be eligible for both PBVs and capital awards. PBVs are critical to development feasibility for deeply-affordable rental housing, as they augment tenant-paid rents. The higher rents predictably increase rental properties’ cash flow, therefore increasing the size of permanent commercial loans that can be underwritten and, in turn, decreasing the need for public gap subsidy funding. This joint issuance of the NOFA/RFP was the first of its kind in the South Bay.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The City is exploring opportunities to develop affordable housing on public and surplus lands, such as with the Santa Clara Valley Transportation Authority (VTA), which owns land in transit-rich locations. In 2017 the VTA advanced plans to develop three VTA owned sites in San José. The City will make it a priority in the coming years to facilitate development and plan for affordable units at VTA station areas. The City

also continues to review opportunities to purchase surplus land from other public agencies to meet its housing and community development goals.

In 2015, the City Council approved the purchase of three properties located at 226 Balbach Avenue, 5647 Mesa/Gallup, and 96 South Almaden Boulevard from the former Successor Agency to the Redevelopment Agency of the City of San José. One of these properties at 96 South Almaden Boulevard was rehabilitated and is currently serving formerly homeless individuals. Regarding 226 Balbach and the Gallup/Mesa properties, the City has identified a development partner for both sites and has initiated the entitlement process.

### **Discussion**

See discussion above.



## Annual Goals and Objectives

### AP-20 Goals and Objectives

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Create & Preserve Affordable Housing	2020	2021	<ul style="list-style-type: none"> <li>Affordable Housing</li> </ul>	N/A	Affordable Housing	HOME: \$9,964,136 HOPWA: \$1,397,182	<ul style="list-style-type: none"> <li>HOME Rental Units Constructed = 50 housing units</li> <li>Tenant-Based Rental Assistance/Rapid Re-housing = 90 households assisted</li> </ul>
2	Prevent and Address Homelessness	2020	2021	<ul style="list-style-type: none"> <li>Homeless</li> </ul>	N/A	Homelessness	CDBG: \$402,098  HOME: \$2,500,000 ESG: \$719,844	<ul style="list-style-type: none"> <li>HOME Tenant-Based Rental Assistance/Rapid Re-housing = 100 households assisted</li> <li>Other – Outreach Contacts = 300 persons assisted</li> <li>Other – Prevent Homelessness – 30 persons</li> </ul>
3	Promote Fair Housing Choice	2020	2021	<ul style="list-style-type: none"> <li>Non-Housing Community Development</li> </ul>	N/A	Fair Housing	CDBG: \$250,000 HOME: \$150,000	<ul style="list-style-type: none"> <li>Public service activities other than LMI Housing Benefit = 220 persons assisted</li> </ul>
4	Strengthen and Stabilize Communities	2020	2021	<ul style="list-style-type: none"> <li>Non-Housing Community Development Non-Homeless</li> <li>Special Needs</li> </ul>	N/A	Strengthening Neighborhoods	CDBG: \$11,918,568	<ul style="list-style-type: none"> <li>Public service activities other than LMI Housing Benefit = 450 persons assisted</li> <li>Jobs created = 10 jobs</li> <li>Housing code enforcement/Foreclosed property care = 775 housing units</li> <li>Homeowner housing rehabilitated = 250 housing units</li> <li>Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit = 21,000</li> </ul>

**Table 80– Goals Summary (One Year)**

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

The process of developing the Consolidated Plan assisted in identifying priority needs in the City of San José. Based upon the identified priority needs, strategic projects were developed to achieve goals in addressing priority needs. The goals are as follows:

1. Prevent and Address Homelessness – Increase housing opportunities and self-sufficiency for homeless populations and assist in the prevention of homelessness for at-risk individuals and families.
2. Create and Preserve Affordable Housing – Create new affordable housing opportunities and preserve existing affordable housing.
3. Promote Fair Housing – Promote fair housing and lowered barriers to housing.
4. Strengthen and Stabilize Communities – Strengthen and stabilize communities’ condition and help to improve residents’ ability to increase their employment prospects and grow their assets.

#### Projects

#	Project Name
1	Senior Services
2	Neighborhood Engagement
3	Legal Services for Low Income Tenants
4	Job Training for Unhoused Individuals and/or Youth
5	Place Based Capital Street and Infrastructure Enhancements
6	Targeted Code Enforcement
7	Minor Home Repair Program
8	HOPWA – The Health Trust
9	HOPWA – San Benito County
10	Rental Housing Development
11	HOME Tenant-Based Rental Assistance
12	Homeless Services (CDBG)
13	Homeless Services (ESG20 City of San José)
14	Fair Housing
15	Nonprofit Facility Rehabilitation
16	Acquisition, rehabilitation & infrastructure for affordable housing sites & public facilities
17	CDBG Administration and Monitoring
18	HOME Administration and Monitoring
19	HOPWA Administration and Monitoring

**Table 81 – Project Information**

**Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

Grant funding will be allocated to the various projects based upon the priority needs identified in the Consolidated Planning process. The Consolidated Planning process is a requirement of HUD to assist the City in developing the most effective strategies for the investment of CDBG, HOME, ESG, and HOPWA. Strategies for addressing the needs were further clarified through community outreach and continued data gathering.

## AP-38 Project Summary

### Project Summary Information

1	<b>Project Name</b>	Senior Services
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$200,000
	<b>Description</b>	This project will provide community-based services – including Meals on Wheels and the Senior Nutrition and Wellness - to San José’s low-income seniors in order to improve health and quality of life, prevent or reduce their isolation and depression, and/or increase their housing stability improving their opportunities to age in place. Last year, four households with eight children under the age of 18 were assisted by this program.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	200 low-income seniors
	<b>Location Description</b>	Citywide (service locations vary)
	<b>Planned Activities</b>	Meals on Wheels – The Health Trust Senior Nutrition and Wellness - POSSO

2	<b>Project Name</b>	Neighborhood Engagement
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$200,000
	<b>Description</b>	The goal of the Neighborhood Engagement program is to increase social capital (i.e., a form of economic and/or cultural capital in which social networks are essential components to community growth) in San José neighborhoods, increase community engagement and cohesion, build the capacity of local organizations, pilot solutions to solve neighborhood level problems, and develop leadership skills of residents to promote, support, and sustain civic engagement by residents that are typically underrepresented in city governance and civic processes. This work will build upon the previous successes of the Strong Neighborhoods Initiative and the work of the Housing Department’s Place Based Initiative.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	250 low-income residents, including female head of households

<b>Location Description</b>	Mayfair
<b>Planned Activities</b>	SOMOS Mayfair – Home Grown Talent CommUniverCity – Community Leadership Program

<b>3</b>	<b>Project Name</b>	Legal Services for LI Tenants and Landlords
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$500,000
	<b>Description</b>	The goal of the Legal Services for LI Tenants is to increase housing stability by providing landlord/tenant counseling, education, referrals, and legal assistance to tenants facing unlawful evictions or other landlord/tenant issues. These services will include additional outreach and education to low income tenants Citywide. Last year, 75 families with 146 children under the age of 18 were assisted with these funds.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	300 low-income tenants and landlords
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Law Foundation of Silicon Valley - Consortium

<b>4</b>	<b>Project Name</b>	Job Training
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods and/or Respond to Homelessness and Its Impacts on the Community
	<b>Needs Addressed</b>	Strengthening Neighborhoods and/or Respond to Homelessness and Its Impacts on the Community
	<b>Funding</b>	CDBG: \$250,000; CDBG CDI: \$950,000
	<b>Description</b>	The program will support job training for low income individuals, focused on homeless individuals and/or youth/young adults (ages 16-24). Community outreach related to the Annual Action Plan highlighted a community need for job training, especially for unhoused individuals and youth/young adults. This program must meet the national objective of low/moderate job creation and retention (LMJ) as well as the required Public Benefit Standards Activities must create or retain permanent jobs to be made available or held by low/moderate income persons. This requirement is met when job training participants are placed in permanent jobs. In addition, in order to be eligible for CDBG funding the job training must be tied to assistance to for-profit businesses. Nonprofit entities, including Community Based Development Organizations, are eligible to apply.

<b>Target Date</b>	06/30/2021
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	10 jobs created
<b>Location Description</b>	1671 The Alameda #306, San José, CA 95126
<b>Planned Activities</b>	Downtown Streets Team

5	<b>Project Name</b>	Projects to Strengthen and Stabilize the Community
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$2,500,000
	<b>Description</b>	<p>CDBG funds will be used to support street and pedestrian safety improvements in low-moderate Income areas. This may include enhanced pedestrian crosswalks to increase pedestrian visibility to motorists, reduce conflicts between modes of transportation, and shorten crossing distances. Improvements may include adding and improving sidewalk ramps, installing high-visibility crosswalks with flashing beacons, adding signage and high visibility roadway markings, repair damaged sidewalks, and improving functionality of intersections. All approved projects will be located in low- income areas and are not included in the City’s budget for capital improvements.</p> <p>CDBG funds will also be used to support the rehabilitation of The Haven, a City-owned emergency shelter for disaster victims.</p> <p>Additionally, this project will include additional support for alleyway improvements in low-income neighborhoods. The poor condition of deteriorated alleyways has been an ongoing concern of the neighborhood residents. Several alleyways are unpaved or have deteriorating pavement, creating a rough roadbed and flooding in storms. The improvements will provide a reliable roadway surface, ensuring safe access for residents, improving accessibility, improved storm water management and raising awareness of storm water issues.</p> <p>Finally, this project will support traffic improvements, lighting, and pedestrian safety improvements on Evans Lane.</p>
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	20,000 low- and moderate-income households
	<b>Location Description</b>	TBD
	<b>Planned Activities</b>	TBD

6	<b>Project Name</b>	Enhanced Code Enforcement
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$1,258,339
	<b>Description</b>	Code Enforcement activities will be conducted in low-income, residential neighborhoods that meet the City's definition of "Deteriorated/Deteriorating Areas" with a focus in the City's Project Hope Neighborhoods. Code Enforcement's focus will be primarily on the inspections of multifamily units, with ancillary focus on single family.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	775 households in selected neighborhoods
	<b>Location Description</b>	Santee, Mayfair, Five Wounds/Brookwood Terrace, and additional Project Hope Neighborhoods identified through the Mayor's Gang Prevention Task Force
	<b>Planned Activities</b>	Neighborhood Code Enforcement

7	<b>Project Name</b>	Minor Home Repair Program
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$1,650,000
	<b>Description</b>	<p>This program will repair housing units to address immediate health and safety needs for extremely low-income homeowners in San José. The focus of repairs will address emergency and critical repair needs, as well as accessibility and mobility needs within the home.</p> <p>The program also includes funding for limited rehabilitation to address more substantial safety issues in the home to ensure safe, affordable, decent living environment for the occupants. In the last year, 20 households with 36 children under the age of 18 received funding for such repairs.</p>
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	300 extremely low-income homeowners
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Rebuilding Together Habitat for Humanity

8	<b>Project Name</b>	HOPWA – Santa Clara County
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	HOPWA: \$1,347,182
	<b>Description</b>	The program will provide rent subsidies, permanent housing placement assistance, and supportive services to help low-income residents living with HIV/AIDS secure and maintain housing. Housing placement assistance includes working with a placement specialist and receiving security deposit assistance. Supportive services include medical and housing case management and self-sufficiency services.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	90 low-income individuals living with HIV/AIDS
	<b>Location Description</b>	Santa Clara County
	<b>Planned Activities</b>	<ul style="list-style-type: none"> <li>• Supportive Services</li> <li>• TBRA</li> <li>• Permanent Supportive Housing</li> <li>• Administration</li> </ul>

9	<b>Project Name</b>	HOPWA – San Benito County
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	HOPWA: \$50,000
	<b>Description</b>	The City's HOPWA entitlement grant to San Benito County will provide housing placement assistance, rental subsidies, and nutritional and dental assistance to low-income clients living with HIV/AIDS.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	5 low-income individuals living with HIV/AIDS
	<b>Location Description</b>	San Benito County
	<b>Planned Activities</b>	Housing Placement Supportive Services TBRA Administration



10	<b>Project Name</b>	Rental Housing Development
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	HOME: \$4,356,359
	<b>Description</b>	<p>Consistent with the City’s goal to assist in the creation and preservation of affordable housing for low income households, the City has the option to use HOME funds for new construction of Rental Housing Development and/or Rehabilitation of existing Multi-family units.</p> <p>HUD requires that at least 15 percent of each year’s HOME allocations be set aside for Community Housing Developers (CHDOs). This requirement will be met through the rental housing development activity. At least \$760,452 of the rental development activity funds will be committed to a CHDO developer within 24-months, as required by HOME regulations.</p> <p>For any HOME funds used to develop new housing units, the City will comply with the Federal Fair Housing Act and Section 504 of the Rehabilitation Act of 1973. Participation in the HOME Program will enhance the City’s funding sources for new construction, while at the same time providing flexibility in the use of funds for an overall gap-financing program.</p>
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	50 low-and moderate-income households
	<b>Location Description</b>	TBD
	<b>Planned Activities</b>	TBD

11	<b>Project Name</b>	HOME Tenant Based Rental Assistance
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Homelessness
	<b>Needs Addressed</b>	Homelessness
	<b>Funding</b>	HOME: \$2,678,500
	<b>Description</b>	<p>Consistent with the City’s goal to assist in the creation and preservation of affordable housing for low-income households, the City will use HOME funds to provide tenant-based rental subsidies targeting employable homeless individuals and families. The City will contract with three (3) agencies to provide intensive case management services for TBRA clients. The program’s goal is to</p>

		transition participants out of homelessness and improve their long-term self-sufficiency.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	100 homeless individuals/families
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Sacred Heart Catholic Charities

<b>12</b>	<b>Project Name</b>	Services for Homeless and Unhoused Populations (CDBG)
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Homelessness
	<b>Needs Addressed</b>	Homelessness
	<b>Funding</b>	CDBG: \$402,098
	<b>Description</b>	The City is utilizing CDBG to fund HomeFirst to provide outreach and supportive services to homeless individuals. In the last year, 26 households with 42 children under the age of 18 were assisted with these funds.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	150 unduplicated homeless individuals will be provided outreach and supportive services
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	HomeFirst - Homeless Outreach and Engagement

<b>13</b>	<b>Project Name</b>	ESG20 City of San José
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Homelessness
	<b>Needs Addressed</b>	Homelessness
	<b>Funding</b>	ESG: \$778,209
	<b>Description</b>	The City will use ESG funds to support a Homeless Outreach and Engagement program as well as a Homeless Prevention program for homeless and at-risk individuals and families. The ESG funds will also support HMIS.
		The Homeless Outreach and Engagement Program will focus on utilizing an integrated approach to provide a comprehensive response to addressing chronic homelessness in the City. The Homeless Prevention program will use an integrated approach to provide case management services, deposit/rental assistance, and other eligible services as needed to keep individuals and families from experiencing homelessness.

		ESG funds will be used to support the administration of the ESG program by the City's Housing Department. Funds may also be used for shelter and rapid rehousing activities. ESG Allocations by Component Outreach: \$439,844 Homeless Prevention: \$130,000 HMIS: \$150,000 Administration: \$58,365
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	150 homeless individuals will be provided with outreach and supportive services. 30 families will be assisted with homeless prevention services. In the last year, 11 households with a total of 23 children under the age of 18 were assisted with these funds.
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Homeless Outreach –PATH Homeless Prevention – Bill Wilson Center HMIS – County of Santa Clara Administration funds may also be used for shelter and rapid rehousing activities.

14	<b>Project Name</b>	Fair Housing
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Fair Housing
	<b>Needs Addressed</b>	Fair Housing
	<b>Funding</b>	CDBG: \$265,000 (\$65,000 CDBG Public Services, \$200,000 CDBG Admin) HOME (admin): \$135,000
	<b>Description</b>	The City will continue to program some of its CDBG Administrative funds, as well as some public service funds, and HOME Administrative Funds to support an agency(s) that will provide Fair Housing services. Services may include outreach and education on fair housing issues; conducting fair housing testing; enforcing fair housing laws through litigation; and providing technical assistance to the Housing Department on how to monitor City-financed developments for fair housing compliance. The City will contract with a consortium of four agencies to provide these services, with the Law Foundation of Silicon Valley serving as the consortium lead. Last year, 284 families with a total of 592 children under the age of 18 were assisted by this program.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	220 individuals/families
	<b>Location Description</b>	Various locations
	<b>Planned Activities</b>	The Law Foundation Fair Housing Project

15	<b>Project Name</b>	Nonprofit Facility Rehabilitation
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Homelessness Strengthening Neighborhoods
	<b>Needs Addressed</b>	Homelessness Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$1,000,000
	<b>Description</b>	A new NOFA will be released.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	TBD
	<b>Location Description</b>	Additional locations TBD
	<b>Planned Activities</b>	Additional Activities TBD

16	<b>Project Name</b>	Acquisition, Rehabilitation, and Infrastructure for Affordable Housing Sites and Public Facilities
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	CDBG: \$247,213
	<b>Description</b>	CDBG funds will be used to support the acquisition, rehabilitation, and infrastructure for affordable housing sites and public facilities.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	N/A
	<b>Planned Activities</b>	TBD

17	<b>Project Name</b>	CDBG Administration and Monitoring
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	CDBG: \$1,669,463
	<b>Description</b>	A portion of the CDBG grant allocation will be used for reasonable planning and administrative costs associated with the administration of the CDBG funds and other related federal requirements. Administration funds will support oversight activities of the housing department, legal services from the City Attorney's Office, and environmental reviews.

	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	200 E. Santa Clara Street, San José, CA 95113
	<b>Planned Activities</b>	CDBG Planning and Administration

18	<b>Project Name</b>	HOME Administration and Monitoring
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	HOME: \$173,920
	<b>Description</b>	Up to 10 percent of the total HOME grant allocation will be used for reasonable planning and administrative costs associated with the administration of the HOME funds and other related federal requirements.
	<b>Target Date</b>	06/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	200 E. Santa Clara Street, San José, CA 95113
	<b>Planned Activities</b>	HOME Planning and Administration Fair Housing

19	<b>Project Name</b>	HOPWA Administration and Monitoring
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	HOPWA: \$43,211
	<b>Description</b>	The City will allocate \$43,211 (approximately 3 percent of the entitlement grant) to administrative costs associated with managing with the HOPWA grant.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	200 E. Santa Clara Street, San José, CA 95113
	<b>Planned Activities</b>	HOPWA Administration
19	<b>Project Name</b>	HOME TBRA Administration
	<b>Target Area</b>	N/A

	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	HOME: \$521,000
	<b>Description</b>	The City will allocate \$521,000 (approximately 16 percent of the entitlement grant) to administrative costs associated with managing with two HOME-funded TBRA contracts for COVID relief, which is allowed under the higher Administrative cap for COVID-related contracts in 20-21.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	200 E. Santa Clara Street, San José, CA 95113
	<b>Planned Activities</b>	HOME TBRA Administration

<b>19</b>	<b>Project Name</b>	Childcare Services
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	CDBG: \$850,000
	<b>Description</b>	The City will allocate \$850,000 in CDBG through an MOU with the Library to work with First 5 and Santa Clara County Office of Education to administer a childcare subsidy program for low-income families with children ages 0-5 that have been impacted by COVID-19.
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	25-35 children ages 0-5
	<b>Location Description</b>	Various locations
	<b>Planned Activities</b>	Childcare services

<b>20</b>	<b>Project Name</b>	Legal Staffing – City Attorney
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	CDBG: \$21,298
	<b>Description</b>	To support staffing efforts in the City Attorney's Office
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	200 E. Santa Clara Street, San José, CA 95113

	<b>Planned Activities</b>	CDBG Administration
<b>21</b>	<b>Project Name</b>	Planning Department – Environmental Reviews
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	CDBG: \$6,745
	<b>Description</b>	To cover staffing costs related to environmental reviews on housing projects
	<b>Target Date</b>	06/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	200 E. Santa Clara Street, San José, CA 95113
	<b>Planned Activities</b>	CDBG Administration

**Table 82 - Project Summary Information**

## **Emergency Solutions Grant (ESG) Program –Supplemental CARES Act Funding Round 2**

On March 16, 2020, the Health Officer of the County of Santa Clara ordered a shelter-in-place for all residents due to COVID-19. On April 21, 2020, the City Council approved the first substantial amendment to the FY 2019-20 Annual Action Plan, which utilized existing CDBG funds and additional allocations made in the CDBG, ESG, and HOPWA programs by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to be spent in FY 2019-20 to respond to local needs created by COVID-19.

A second substantial amendment to the Annual Action Plan was heard before the City Council on June 30, which proposed further modifications to one-year funding to address concerns by prioritizing those in which the Emergency Operations Center has been charged with collaborating (emergency rental assistance) with the County in responding to COVID-19. The following table presents the total reallocation of funds from existing federal funding sources to address emerging COVID-19 needs that have already been approved.

<b>Funding Source</b>	<b>Amount</b>
CDBG (19-20)	\$6,744,000
HOME TBRA (19-20)	\$7,762,579
HOME Admin (19-20)	\$809,786
<b>TOTAL</b>	<b>\$15,316,365</b>

On June 9, 2020, HUD announced the second allocation of additional funding to support homeless Americans and individuals at risk of becoming homeless because of hardships such as job loss, wage reductions, or illness due to the COVID-19 virus. The Emergency Solutions Grant (ESG) Program Supplemental CARES Act Funding is a formula grant to States and local governments to use ESG to fund activities to protect homeless people from COVID-19. The program provides funding to address:

- Enhance services to unsheltered individuals in encampments, providing basic needs, clinical outreach, hygiene and waste disposal services, and infection control supplies and resources.
- Make more emergency shelters available for homeless individuals and families.
- Operate emergency shelters by providing food, rent, security, maintenance, repair, fuel, equipment, insurance, utilities, furnishings, and supplies necessary for their operation.
- Provide Hotel/Motel Vouchers for homeless families and individuals.
- Prevent individuals from becoming homeless and rapidly rehouse homeless individuals.

The Housing Department and the County Office of Supportive Housing are coordinating closely, participating in weekly technical assistance calls with HUD funded advisors to develop a coordinated federal funding investment plan to address COVID-19 impacts on homeless people. A City and County coordinated investment plan leverages resources and ensures a balanced approach to funding and a diversity of programs and needs. A priority of the plan is to identify and support people living in both the temporary shelters and the vulnerable people in the motels during emergency COVID-19 response and supports their transition into another shelter or housing alternative instead of returning to homelessness. This collaborative and coordinated plan includes keeping shelters and motels accessible during the public health crisis or until participants have alternate shelter or permanent housing options. Finally, the coordinated approach focuses ESG funds on programs and services for the unsheltered, addressing their health and safety needs during the public health crisis, while increasing street-based services and outreach.



**The City of San Jose will receive \$32.8 million in this supplemental funding.** Staff proposes this additional funding for operation and services at the Mabury and Felipe Bridge Housing Communities and the three Emergency Interim Housing sites. In addition, staff proposes funds for a new program called Services Outreach Assistance and Resources or SOAR, providing comprehensive street-based services, hygiene and trash and housing and shelter opportunities for homeless.

During the COVID-19 public health crisis, the Centers for Disease Control and Prevention (CDC) recommends that if individual housing options are not available, people who are living unsheltered or in encampments should remain where they are. The CDC further recommends that community coalitions work to improve sanitation in encampments. In response, the City's Emergency Operations Center (EOC) has suspended abatements to advance the public health guidance. Locally, Valley Homeless Healthcare Program and Public Health have begun testing at encampments of ten people or more. They have requested the City continue to follow CDC guidance on encampments. Allowing people living in encampments to remain where they are allows for people to maintain service and medical connections and allows for contact tracing.

The SOAR Program in partnership with BeautifySJ will provide comprehensive street-based support and services to those living unsheltered, along with access to proper hygiene and trash service. The recently updated Community Plan to End Homelessness (Community Plan) prioritizes addressing the immediate crisis of people living outside in our community. The plan recommends strategies that invest in the health and safety needs of people living outside and build connections to safety net services and programs.

In alignment with both the current CDC guidance and the Community Plan, the SOAR Program provides a compassionate approach to address the health and safety needs of persons living in encampments. The SOAR Program includes the following three components, each with its own specific strategies:

- 1. Street Outreach and Support Services:** Increasing street outreach teams and services to support people living in encampments.
  - Street outreach: Teams engage by providing basic needs, such as water, clothing, food and garbage bags. In addition, teams can assess for shelter and housing needs, and provide access to behavioral health services and medical care;
  - Storage: Provide storage for individuals to store personal belongings.
  - Supplies: Providing supplies to encampments such as solar phone chargers, personal protective equipment (PPE), tents, tarps and other supplies.
  - Community Engagement: Coordination of volunteer outreach teams, potentially including those with lived experience, and supply distribution.
  
- 2. Hygiene/Infection Control:** Providing hygiene and waste management related services to help control the spread of infectious disease.
  - Hygiene: Placing hygiene equipment such as handwashing stations and portable toilets at large homeless encampments to help slow the spread of COVID-19;
  - Waste Management: Arranging for garbage collection at large homeless encampments to help maintain sanitary conditions;
  - Public Health Info: Providing information in multiple languages to homeless individuals in encampments to help them understand how they can protect themselves from COVID-19;

- Testing: Working with Valley Homeless Healthcare Program (VHHP) to provide regular COVID-19 testing at encampments of 10 people or more;
  - Showers/Service Connections: In partnership with Project WeHope's Dignity on Wheels, provide increased mobile laundry and shower services by adding a 2<sup>nd</sup> shower truck in San Jose service portfolio. Also, City and Project WeHope launched "Hope Health Mobile," a new mobile rest stop offering WiFi, charging stations, case management, and virtual access to Stanford doctors who can answer questions about COVID-19.
- 3. Housing:** Increasing access to housing opportunities and shelter.
- Shelter: Reserved shelter beds for the encampment management program that will be available to street outreach teams working in the identified encampments
  - Motel Vouchers: emergency stays at hotels, prioritized for street outreach teams working with those in encampments, as well as vulnerable populations.
  - Shelter Hotline: Pilot a centralized shelter referral hotline to access all shelter beds countywide.
  - Housing Problem Solving: Pilot program with City/County to help homeless individuals identify other immediate housing strategies, rather than shelter, and if necessary connecting them with services and financial assistance.

**Table 12: Proposed FY 2020-21 ESG CARES Act Round 2 Activities**

<b>Program</b>	<b>Cost</b>	<b>Description</b>	<b>Period</b>	<b>Provider</b>
<b><u>Shelter/Outreach</u></b>	-	-		
<u>Street Outreach at encampments</u>	\$2,504,546	<u>Street based services, engagement, connections to shelter, housing, critical services</u>	2 years	PATH/HomeFirst
<u>Storage program for unsheltered</u>	\$500,000	<u>Storage locations near supported encampments.</u>	2 years	PATH
<u>Community Engagement</u>	\$400,000	<u>Lived experience street outreach, supplies</u>	2 years	PATH
<b>Total (shelter/outreach)</b>	<b>\$3,404,546</b>	-		
-	-	-		
<b><u>Hygiene/Infection Control</u></b>	-	-		
<u>Trash Support at Encampments</u>	\$2,779,420	<u>Trash support and large debris clean up at supported encampments.</u>	2 years	RFP
<u>Hygiene support at Encampments</u>	\$1,102,800	<u>Increase portable toilets-potties/handwashing stations and servicing at encampments</u>	2 years	RFP
<b>Total Hygiene</b>	<b>\$3,882,220</b>	-		
-	-	-		
<b><u>Housing</u></b>	-	-		
<u>Shelter beds</u>	\$2,460,400	<u>Reserved referrals for street outreach team. South Hall operations through winter 20-21</u>	4 months	HomeFirst
<u>Motel vouchers</u>	\$4,000,000	<u>Individuals in encampments and Families and DV</u>	1 year	LifeMoves/YWCA
<u>Emergency Interim Housing (EIH) Operations</u>	\$9,521,006	<u>Monterey/Bernal, Rue Ferrari, Evans Lane (1-yr operations)</u>	1 year	HomeFirst/PATH
<u>Bridge Housing Community (BHC) Operations</u>	\$3,784,180	<u>Mabury and Felipe sites (1-year operations)</u>	1 year	HomeFirst
<u>Rapid Rehousing (RRH)</u>	\$2,000,000	<u>Case management</u>	1 year	RFP for Service
<u>Shelter diversion/housing problem solving</u>	\$500,000	<u>Case management, services, financial assistance to help homeless identify other immediate housing solutions</u>	1 year	HomeFirst/PATH
<b>Total Housing</b>	<b>\$22,265,586</b>	-		
<b>Administration</b>	<b>\$3,283,604</b>			
<b>GRAND TOTAL</b>	<b>\$32,836,036</b>	-		

## AP-50 Geographic Distribution – 91.220(f)

### Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Not applicable. The City has not established specific target areas to focus the investment of CDBG funds.

### Geographic Distribution

Target Area	Percentage of Funds
N/A	N/A

Table 83 - Geographic Distribution

### Rationale for the priorities for allocating investments geographically

The City has not established specific target areas to focus the investment of CDBG funds. The Consolidated Plan allocates federal entitlement dollars according to low- and moderate-income (LMI) census tracts without target areas. San José is coordinating efforts to invest in its neighborhoods. Through its neighborhood plan, a place-based strategy focused on leveraged investments in the Santee/McKinley, Mayfair, and Five Wounds/Brookwood Terrace neighborhoods, the City aims to create clean, safe, and engaged places. In the 2020-2024 Consolidated Plan, the City emphasized the importance of economic revitalization in neighborhoods and to make targeted investments in strategic locations and activities that advance the four goals identified. The City will continue to prioritize investments in the Place-based neighborhoods which include the three original Place-based Neighborhoods as well as four new targeted neighborhoods.

Priority needs were identified based on the data collected, current market conditions, input received at stakeholder and community meetings, and surveys. Priority needs identified include needs for affordable housing, services to address homelessness, Economic development through public facility and infrastructure improvements and creating a suitable living environment through public services provided to communities in need.

### Discussion

See discussion above.

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

**Introduction**

San José is one of the country’s most expensive residential markets. According to data, there are 110,710 units that are affordable to households earning between 0-80 percent AMI, but there 140,635 households earning between 0-80 percent AMI, creating a need of 9,395 affordable units. The City of San José will continue to work with its partners in the development community to use CDBG and the HOME grant for the preservation of existing affordable housing stock, as well as for the construction of new units.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	150
Non-Homeless	50
Special-Needs	90
<b>Total</b>	<b>290</b>

**Table 84 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	240
The Production of New Units	50
Rehab of Existing Units	0
Acquisition of Existing Units	0
<b>Total</b>	<b>290</b>

**Table 85 - One Year Goals for Affordable Housing by Support Type**

**Discussion**

See above.

## AP-60 Public Housing – 91.220(h)

### Introduction

The Santa Clara County Housing Authority (SCCHA) assists households through public housing as well as Section 8. The SCCHA has no public housing in the City of San José but contracts with SCCHA to administer the Section 8 program.

The Section 8 waiting list contains 5,909 households, which is estimated to be a 6-year wait. SCCHA also develops, controls, owns and manages more than 2,700 affordable rental housing properties throughout the County. SCCHA's programs are targeted toward LMI households, and more than 80 percent of their client households are extremely low-income families, seniors, veterans, persons with disabilities, and formerly homeless individuals.

SCCHA was selected by HUD to become a Moving to Work (MTW) agency in 2008. The MTW program is a federal demonstration program that allows greater flexibility to design and implement more innovative approaches for providing housing assistance. The goals of the MTW program are to

- 1) Decrease administrative costs and increase cost cost-effectiveness in housing program operations,
- 2) Promote participants' economic self-sufficiency, and
- 3) Expand participants' housing choices.

Additionally, SCCHA has used Low Income Housing Tax Credit financing to the development of the majority of its housing portfolio. The agency is an active developer of affordable housing and has either constructed, rehabilitated, or assisted with the development of more than 30 housing developments that service a variety of households, including special needs households.

### Actions planned during the next year to address the needs to public housing

There are no public housing units in the City of San José. However, two projects were developed by the SCCHA in the City of San José in 2019:

- Villas on the Park will be a Permanent Supportive Housing project in downtown San José, opening in October 2019 with 83 Project-Based Vouchers (PBVs) for the chronically homeless. Villas on the Park was developed with funding made possible through Santa Clara County's Measure 'A' housing referendum, which targeted almost \$1 billion in bonds for the development of affordable housing in the County.
- Renascent Park is another Permanent Supportive Housing project in San José that has been awarded 160 PBVs for the chronically homeless. Construction is expected to be completed and leasing to begin in October 2019.

In addition, SCCHA has conditionally awarded PBVs to several other projects under development by its affordable housing partners, which includes 182 PBVs distributed to four projects in San José. This project is not expected to be completed until FY 2021.

**Actions to encourage public housing residents to become more involved in management and participate in homeownership**

Though there are no public housing units in the City, the SCCHA uses innovative ways to improve the self-sufficiency of its Section 8 Housing Choice Voucher (HCV) holders to move them out of assisted housing programs, as well as ways to move households off the current HCV waiting list and into affordable housing. HUD designated the SCCHA as a “Moving to Work” (MTW) agency In January 2008. The MTW agreement was extended from 2018 through 2028. The MTW program increases cost cost-effectiveness, promotes self-sufficiency of tenants, and expands housing options for low-income families and benefit homeless households.

SCCHA received HUD approval for the pilot Focus Forward Program (FFP) to be a voluntary 10-year time time-limited self-sufficiency program open to all heads of households on the SCCHA waiting list. FFP is an expanded version of the traditional Family Self Sufficiency program and will support HCV participants in increasing and sustaining a higher level of self-sufficiency. SCCHA is re-proposing the FFP with a more effective case management and ongoing program-incentives component. The enhanced FFP will promote accountability and motivate participants to pursue higher education, develop 21st 21st-century job skills and set/achieve realistic self-sufficiency goals. If an applicant on the SCCHA waiting list volunteers to participate in the FFP, they will move to the top of the waiting list. The 10-year window provides participants with the opportunity to achieve their individualized goals with the highest degree of available services—and allows the Housing Authority to assist more families in need in the County’s tight housing market.

However, SCCHA will continue its Family Self-Sufficiency program until families currently enrolled are graduated. The Family Self Sufficiency (FSS) program provides case management and advocacy to current program participants in order to help them attain self-sufficiency goals. Families enroll and sign a five-year contract to participate in the program. After enrolling in the program, participants set goals such as finishing their education, obtaining job training, and/or employment.

During the contract term, participants who increase their earned income can receive cash bonuses. When the family reports an increase in earned income, SCCHA calculates a monthly bonus amount that is deposited into an ‘escrow’ account which the family can receive upon program graduation.

**If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

Not applicable. The SCCHA is not troubled.

**Discussion**

See discussion above.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

The City of San José partners with the business community, other government agencies such as the County of Santa Clara, the Santa Clara County Housing Authority, non-profit organizations that provide housing assistance and public services, faith-based organizations, the Continuum of Care, and collaborates interdepartmentally to carry out goals and strategies of the Consolidated Plan to deliver services to homeless populations. The City will continue to provide funding to services that assist homeless populations through health, housing, shelter, and other services to prevent homelessness and assist homeless population in transitioning to permanent housing.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The City of San José's Housing Department has developed the Homelessness Response Framework, which uses a Coordinated Assessment System. The Coordinated Assessment System begins with an Outreach Team that is the first point of entry for the unsheltered homeless population to the system. At the outset of outreach, obtaining basic needs are facilitated. Individuals experiencing homelessness are then added to the Coordinated Assessment System and matched with the appropriate housing program. Housing programs are coordinated with each other and include client referral to the following:

- Interim Housing, which provides temporary housing and site-based services, and is effective for certain homeless sub-populations.
- Permanent Supportive Housing- Provides long-term rental subsidies and intensive case management for households with disabilities.
- Rapid Rehousing System- Provides time-limited subsidies and supportive services to households that can achieve economic self-sufficiency within the program term.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The City currently has 1,070 emergency shelter beds and transitional housing beds that serve homeless individuals, families with children, women with children, youth, and victims of domestic violence. The overall number of emergency and transitional beds has recently decreased due to a combination of conversions to permanent housing and the lack of resources to fund emergency and transitional beds. In line with its goal of ending homelessness, the City will continue to focus its funding on programs aimed at permanently housing homeless persons. The Haven is a City-owned emergency shelter for disaster victims that the City will continue to support.

The City will also continue to support emergency and transitional housing options through new one-time funding from the State called the Homeless Emergency Aid Program (HEAP). This Program will support several crisis intervention efforts, including the addition of emergency shelter beds and safe parking slots. However, the City's focus continues to be on moving people quickly into permanent housing with supportive services as seen in the successful Housing First approach.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families**



**experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The City uses the Coordinated Assessment System to match homeless households to appropriate housing. Other primary goals include working with property owners and managers to educate them on the social benefits of renting to extremely low income and formerly homeless individuals and families. Another main strategy, due to its effectiveness, is increasing the number of units of permanent supportive housing, a housing type available to homeless people that includes a wraparound services component offering services such as case management to assist in keeping them housed. San José currently has 1,013 supportive housing units in the City. One example is Second Street Studios, completed in May of 2019 for formerly homeless households, offering 134 units with on-site mental health and medical services, and opportunities for social connection and involvement in community life through on-site gardens, inviting community spaces, and other programming.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

There are 298 Adult Residential facilities in San José with capacity to accommodate 4,689 individuals. There are 237 Residential Elder Care Facilities with the capacity to accommodate 3,477 individuals. The National Alliance on Mental Illness (NAMI) Santa Clara County provides local listings (all located in San José) of available licensed and unlicensed group homes, listings of emergency and mental health supportive housing agencies, resources for finding affordable single and family housing, homeless resources, and information on other housing related programs, services and issues (such as resident and/or tenant rights).<sup>60</sup>

## **Discussion**

In addition to the strategies described above, the City has drafted several policies for ending homelessness in the County:

- Work with its government, nonprofit, and business partners to allocate additional resources for efforts to end and prevent homelessness. Participate in a leadership role with Destination: Home, a public-private partnership implementing an integrated, coordinated approach to ending homelessness in the County by infusing permanent housing with important services like mental health, physical rehabilitation, and employment training programs. The City will continue to partner with Destination: Home in its regional strategic plan implementation.
- Work with HACSC to allocate project-based and tenant-based vouchers to homeless housing projects and individuals.

---

<sup>60</sup> National Alliance on Mental Illness, Santa Clara County, <https://namisantaclara.org/>.

- Implement a variety of housing options for homeless households. Crisis response programs and interim housing opportunities are a priority for the City in 2019-2020. These include but are not limited to:
  - Located at City-owned facilities including libraries and community centers, the Overnight Warming Locations will provide a safe place for homeless households to sleep, access basic needs services overnight during periods of inclement weather, while working to secure permanent housing. The Homeless Emergency Aid Program will fund expanding this effort on a nightly basis.
  - The Bridge Housing Communities will provide interim housing in the form of free-standing, small, sleeping cabins for homeless individuals and couples with supportive services and linkages to permanent housing.
  - The Motel/Hotel Leasing Program will master-lease rooms from hotel/motel owners and manage the lease with each subtenant to as to provide a quick interim housing alternative for homeless people who have housing subsidies but cannot find a market-rate apartment to rent.
  - The continuation of the Temporary and Incidental Shelter Program allows places of assembly to open their doors to vulnerable populations for overnight shelter.
  - The Safe Parking Pilot Program will allow person residing in their vehicles to safely sleep overnight in three City-owned community centers, providing case management and access basic needs services. A Safe Parking Ordinance will be proposed to City Council for approval in 2019-2020, allowing places of assembly to operate safe parking programs on private property.
  - Develop and implement a variety of homeless housing options to address the long-term homeless housing needs for the City. Prioritized permanent housing and permanent supportive housing opportunities include but are not limited to:
    - Continue partnering with the County of Santa Clara and the Housing Authority of the County of Santa Clara; the City typically provides development financing while the County of Santa Clara coordinates supportive services and the Housing Authority funds project-based vouchers.
    - The Transition In Place Program (TIP) provides access to affordable housing should the households in the Rapid Rehousing Program need additional assistance once the time-limited subsidy ceases. The City uses a variety of strategies to gain access to affordable apartments, including paying for rehabilitation costs on existing units and subsidizing the development costs of new construction.
    - Support a multi-family housing rehabilitation program for homeless veterans.

## AP-70 HOPWA Goals - 91.220 (I)(3)

The City also continues to work with the HealthTrust and other agencies supportive of the housing needs of persons with HIV/AIDS and support these agencies with the grant the City receives from HOPWA. Currently, there are 655 persons with HIV/AIDS on the waitlist for Tenant Based Rental Assistance (TBRA). The city has the goal of using HOPWA grant to fund housing and other service opportunities to the Health Trust.

## AP-75 Barriers to affordable housing – 91.220(j)

### Introduction:

There are various barriers to affordable housing that are continuing to contribute to the issue. In the private sector, the demand for affordable housing is larger than the supply, and as per basic economic principles, this is driving housing prices up. There are many more jobs being added to the area than there are housing units being added, further increasing the imbalance between supply and demand. In addition, many of these jobs are in the high-technology sector. These jobs bring in highly-skilled, highly paid workers to San José, but even so, income increases have not kept up with rising housing costs. Tech companies have attempted to subsidize housing in the area, but zoning and political resistance hold up the affordable residential development the companies are trying to support.

Although the General Plan has policies that allow for residential in-fill development, there has still been a lack of residential development that is affordable to lower-income households. As a “jobs first” general plan, continuing to add jobs without adding an adequate amount of housing could possibly exacerbate the existing affordability issues. Zoning regulations are one of the barriers that are discouraging the construction of affordable housing. Many optimal locations in the City are zoned commercial, and the rezoning process can be long and arduous. Much of the area is also zoned for low-density single-family homes, while affordable housing is commonly high density, multi-family units.

Residents of the San José and neighboring cities pose another barrier to affordable housing. Existing homeowners often believe that high-density affordable housing decreases their home values, among other negative consequences, which causes them to be resistant and block development.

Construction costs, permitting fees, and impact fees have been continuing to increase over time, further driving up the overall costs of residential development. The environmental review process greatly slows development. Funding that had previously been offered through state-funded redevelopment agencies is no longer available since those agencies have been dissolved. All of these factors are the reasons why there is a lack of funding for affordable housing in the City.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

One of the objectives of Envision San José 2040 General Plan is to create new Urban Villages, which are designated planning areas where the City hopes to direct future high-density housing and business growth. The general plan includes information about what types of land use the city wants to see on each parcel, and developers of new housing need to apply to change the zoning on their parcels in order to conform to the land use designations. Since each one would require legislative action to move forward, this can create some issues such as a highly politicized process, uncertainty in the development process, and losing out on potential public benefits. The strategy to remove this barrier would be to adopt zoning at the same time as each Urban Village is adopted. This would allow projects that conform with zoning to move forward regardless of whether the project is a commercial development or housing. Enacting this strategy would help remove the zoning barrier that is discouraging the construction of affordable housing.

In the current process, similar to how legislative action is needed for each parcel in the rezoning process, the City often negotiates one-off agreements with each individual developer as to the fees, infrastructure requirements, and other community benefits that will be received. This variation in developer requirements can cause a few problems. If fees are set too low, cities get less money for important public improvements. But if fees are set too high and the development is rendered financially infeasible, then no public benefits are generated, and no housing is created. The strategy to improve this process would be to base fees and requirements on financial feasibility analyses that have data-based reasoning. Doing so would ensure that the City is receiving its fair share, while keeping costs low enough to keep the developer from backing out.

Another way that the City can help to lower the cost of constructing affordable housing, and therefore encourage such projects, would be to reform the current parking requirements that are imposed on new developments. San José typically requires 1.25 to 2 parking spaces per one- to three-bedroom unit. This can become extremely costly to developers, as a parking spot can cost anywhere from \$25,000 to \$50,000 to create. A study showed that about 20 percent of parking in new San José market-rate developments is going unused, which means that the developer wasted money to create those spots. Reforming parking requirements to allow, encourage and eventually require less parking will result in better land utilization and help remove one of the barriers to affordable housing.

As previously discussed, a barrier to affordable housing is the CEQA required environmental review process. This process is important and necessary to assess the possible environmental impacts of a project but can be both expensive and time-consuming. A strategy to ameliorate this barrier would be for the City to complete program-level EIR studies when major area plans are completed so that individual projects can be approved faster and will not need to complete their own environmental review process. By streamlining the process, the City can incentivize development in these plan areas, while also reducing their cost.

The City of San José has a few financing tools in place to encourage the development of affordable housing. They offer multifamily revenue bonds, tax-credit financing, and “gap financing” loans to help finance projects that will increase the availability of affordable housing to those that need it.

The State of California has already taken some steps towards enacting policies to help ameliorate the barriers to affordable housing. In 2019, the State signed the following bills into effect:

- California SB 330: the Housing Crisis Act of 2019. This bill suspends restrictions on housing developments and provides for expedited permitting for housing construction until January 1, 2025.
- California AB 1763: amending the Density Bonus Law. This bill creates a density bonus and other concessions and incentives for affordable housing developments.
- California AB 13: amending Section 65852.2 of the Government Code, among others, relating to land use. Revising existing legislation that allows ADUs in residential and mixed-use districts, this bill allows more than one ADU per lot.

Based upon input from stakeholder interviews, other ways to remove barriers to affordable housing include:

- Increase affordable housing options and alternatives (varieties are needed in size and income levels, particularly for extremely low and low income, homeless, disabled and elderly) in the County. There is legislation requiring more affordable housing but there is no timetable.
- Fund the building or rehabilitate group homes: old nursing/care units, and mobile home parks, particularly near places of employment and transit routes
- Create grant or loan programs for property maintenance
- Develop land acquisition funding programs that purchase land dedicated to new housing. Work with Cities to target specific lands.
- Create housing plans that fund and implement housing for working families or “Middle Housing”
- Seek out more County distributed Housing Choice Vouchers

**Discussion:**

The needs assessment portion of the Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that expensive housing market poses challenges to provide enough new housing to address the lack of affordable housing. However, the Consolidated Plan identifies strategies that will emphasize development of new housing with City assistance and focus this housing to supply needed affordable units.

## AP-85 Other Actions – 91.220(k)

### **Introduction:**

The City will use CDBG, HOME, HOPWA, and ESG to meet the needs of the community over the 2020-2021 Plan year. Please refer to the Project Summary in AP-38.

### **Actions planned to address obstacles to meeting underserved needs**

Please refer to the Project Summary in AP-38 for public services to be funded over the plan year.

### **Actions planned to foster and maintain affordable housing**

The City will continue to rehabilitate owned unit as well as rental properties. The City of San José will continue to work with its partners in the development community to use CDBG and the HOME grant for the preservation of existing affordable housing stock, as well as for the construction of new units when feasible. San José will also continue to provide funding for tenant-based rental assistance.

### **Actions planned to reduce lead-based paint hazards**

The City's Department of Housing continues to provide Lead Based Paint (LBP) testing and assessment services on all dwelling units built prior to 1978, and that receive rehabilitation assistance. Along with the trained and lead-certified Housing Department staff, the City maintains a contract with a private environmental consultant to provide LBP testing and assessment services. The City also requires that:

- Properties that use CDBG or HOME rehabilitation funds conduct testing for LBP and LBP hazard reduction. As discussed in the Market Analysis, there are approximately 199,733 housing units that have a potential LBP hazard. With 38 percent of City households being LMI, there are approximately 75,899 units occupied by a LMI household that have a LBP risk.
- Contractors are trained and certified in an effort to decrease the risk of potential use of LBP in new units. All services provided for LBP hazard reduction are in compliance with Federal regulations 1012 and 1013 of Title X.20

### **Actions planned to reduce the number of poverty-level families**

The City uses CDBG funding to support the Home-Grown Talent project in East San José, which provides safety net services and economic development opportunities for low-income residents. The services include referrals and support to meet food, housing, financial, immigration and health needs of participants, as well as viable economic opportunities that tap into the local assets of the community. Economic opportunities include childcare owner/provider training, artist training, and urban agriculture training. Last year, 272 families with a total of 956 children under the age of 18 benefited from this program.

### **Actions planned to develop institutional structure**

The City of San José partners with the business community, other government agencies such as the County of Santa Clara, the Santa Clara County Housing Authority, non-profit organizations that provide housing assistance and public services, faith-based organizations, the Continuum of Care, and collaborates

interdepartmentally to carry out goals and strategies of the Consolidated Plan. When possible, the City also uses various means to grant City owned land for the purposes of providing affordable housing units.

In addition, the City has a variety of leveraging sources which include but are not limited to the following:

- Inclusionary Housing Ordinance (IHO)
- Affordable Housing Impact Fee
- The Housing Trust Fund-respond to impacts of homelessness and supports the Continuum of Care
- General Fund
- Santa Clara County Housing Authority

Further, the City has made efforts in the efficiency and improvement of the institutional delivery structure in several ways:

- Regular quarterly meetings between entitlement jurisdictions at the CDBG Coordinators Meeting and Regional Housing Working Group
- Developing joint jurisdiction RFPs and project review committees, to take advantages of cost and operational efficiency as a result of economy of scales. In 2016, the City released a joint NOFA with the County of Santa Clara for the development of low-income housing.
- Coordination on project management for projects funded by multiple jurisdictions.
- The Housing Department of San José meets with its counterparts in the City of Oakland and the City/County of San Francisco on a regular basis to coordinate policy initiatives and program implementation.

**Actions planned to enhance coordination between public and private housing and social service agencies**

Please see discussion above for institutional structure.

**Discussion:**

See discussion above.



## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(l) (1,2,4)

**Introduction:**

**Community Development Block Grant Program (CDBG)  
Reference 24 CFR 91.220(l)(1)**

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	
3. The amount of surplus funds from urban renewal settlements	
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	
5. The amount of income from float-funded activities	
<b>Total Program Income</b>	

**Other CDBG Requirements**

1. The amount of urgent need activities

**HOME Investment Partnership Program (HOME)  
Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows: N/A
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

**Resale Provisions**

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The Resale Provision method is used in cases where HOME funds are provided directly to the developer in order to reduce development/rehabilitation costs, thereby, making the price of the home affordable to the buyer. Referred to as a “Development Subsidy”, these funds are not repaid by the developer to the PJ but remain with the property for the term of the affordability period.

The Resale Restriction restricts the full benefits of owning the home. Owner(s) may not enjoy the same economic or other benefits from owning the home that Owner(s) would enjoy if this Restriction did not exist. The HOME Affordability Period requirement shall apply without regard to the term or repayment of the Loan or the transfer of ownership and shall be imposed by deed restrictions or covenants running with the land, except that the affordability requirements may terminate upon foreclosure or transfer in lieu of foreclosure. The affordability requirements shall be revived according to the original terms if, during the HOME Affordability Period, Owner(s), before the foreclosure, or deed in lieu of foreclosure, or those with whom Owner has or had family or business ties, obtains an ownership interest in the Property.

**Notification to Prospective Buyers.** The resale policy is explained to the prospective home buyer(s) prior to signing a contract to purchase the HOME-assisted unit. The prospective homebuyer(s) sign an acknowledgment that they understand the terms and conditions applicable to the resale policy as they have been explained. This document is included with the executed sales contract.

**Enforcement of Resale Provisions.** The resale policy is enforced through the use of a Restrictive Covenant signed by the homebuyer(s) at closing. The Developer will administer the Restrictive Covenant to ensure that, (i) the Owner receives a fair return on his/her investment at sale and (ii) the home will continue to be affordable to a specific range of incomes. The City of San José will monitor the Developer to ensure the Resale Provisions are adhered to by the Owner. The Restrictive Covenant, approved by the City of San José, will specify:

1. the length of the affordability (based on the dollar amount of HOME funds invested in the unit; either five, 10, or 15 years);
2. that the home remains the Buyer’s principal residence throughout the affordability period; and
3. the conditions and obligations of the Owner should the Owner wish to sell before the end of affordability, including;
  - a. the Owner must contact the Developer in writing if Owner intends to sell the home prior to the end of the affordability period;
  - b. the subsequent purchaser must be low-income as defined by HOME and occupy the home as their primary residence for the remainder of the affordability period.

**Fair Return on Investment.**

Upon transfer to Developer, Developer's assignee, or subsequent eligible purchaser, Owner(s) shall receive the Maximum Restricted Resale Price, which is the lesser of (i) the Indexed Price (as defined below) of the home; or (ii) the Fair Market Value (as defined below) of the home.

**Indexed Price.** The indexed price (the "Indexed Price") of the home means the affordable sales price of the home at the time of purchase by the Owner increased by the percentage of increase in the Area Median Income (AMI) from the date of the original purchase of the home by the Owner to the date Owner notifies Developer of Owner's intent to transfer, plus the outstanding balance of any subordinate mortgages, adjusted, where applicable, to reflect the value of Eligible Capital Improvements or to reflect the cost of deferred maintenance. Provided, however, the Indexed Price may not exceed "affordable housing costs" (as defined in Health and Safety Code Section 50052.5) for Low Income Households at the time of the sale.

Where applicable, the Indexed Price shall include an upward adjustment reflecting the value of any substantial structural or permanent fixed improvements which the Owner has made to the home after purchase of the home. No such adjustment shall be made except for improvements: (a) made or installed by the Owner which conform with applicable building codes; (b) documented with evidence of applicable City permits (c) approved in advance of installation by Developer; (d) whose initial costs were Two Thousand Dollars (\$2,000) or more; (e) that conform to Federal Housing Quality Standards; and (f) for which the Owner has submitted two bids from contractors acceptable to Developer stating the estimated cost to perform the Improvements. Capital improvements meeting the above requirements are referred to herein as "Eligible Capital Improvements." Eligible Capital Improvements shall be any addition or improvement made to the home which consists of more than mere repairs or replacement of existing facilities or improvements and which has a useful life of five (5) years or more. The form for requesting Developer approval of an Eligible Capital Improvement will be provided to the Owner(s). The adjustment to the Indexed Price for Eligible Capital Improvements shall be limited to appraised increases in value to the Home as a result of the improvements, including any depreciation in value of the capital improvements since the time of installation, and not the cost of construction of the improvements to the home.

The Indexed Price shall include a downward adjustment, where applicable, in an amount necessary to repair any violations of applicable building, plumbing, electric, fire or housing codes or any other provisions of applicable building codes, as well as any other repairs needed to put the home into a "sellable condition." Items necessary to put the home into sellable condition shall be determined by Developer, and may include cleaning, painting and making needed structural, mechanical, electrical, plumbing and fixed appliance repairs and other deferred maintenance repairs.

In the event the difference between the Indexed Price and the Owner's Base Price is less than the amount of closing costs that the Owner paid at the initial closing of the sale of the home to Owner(s) (the "Owner's Original Closing Costs"), the Indexed Price shall be adjusted upward in an amount equal to the difference between (A) the Indexed Price and (B) the sum of the Owner's Base Price and Owner's Original Closing Costs. Notwithstanding the preceding sentence, the Indexed Price shall not be adjusted upward if any downward adjustment is required if the Owner has otherwise failed to maintain the Home in good repair, or if the Owner is otherwise in default under or in violation of the terms of this Restriction.

Fair Market Value. In certain circumstances it may be necessary to determine the fair market value of the home without taking account of the resale restrictions imposed by the Restrictive Covenant (the "Fair Market Value"). These circumstances include: (1) where the parties wish to determine if the Indexed Price exceeds the Fair Market Value in order to determine the Maximum Restricted Resale Price; and (2) where the parties wish to determine the value of Eligible Capital Improvements in order to calculate the Indexed Price. If it is necessary to determine the Fair Market Value of the home, it shall be determined by a certified Member of the Appraisal Institute ("MAI") or other qualified real estate appraiser approved in advance by Developer, or by a market analysis in a form approved by the Developer.

Affordability to a Range of Buyers. The Restrictive Covenant will ensure continued affordability to a range of buyers for the term of the affordability period, specifically those whose total household income ranges from 60% to no greater than 80% AMI at the time of purchase. If the subsequent homeowner does not require any HOME subsidy to purchase the home, the affordability period is not extended and ends when the original 15-year affordability period is completed at which time the subsequent homeowner is free from the Restrictive Covenant.

Calculating Fair Return on Investment (Example)

Original Purchase Price. \$300,000

Original Mortgage(s). \$240,000 (first, Affordable Sales Price)

\$60,000 (second)

Eligible Capital Improvements. The original homeowner installs a privacy fence for \$2,000 and met the conditions for Eligible Capital Improvement.

*Deferred Maintenance.* The original homeowner neglected to maintain the interior of their home to a reasonable standard; Developer estimates \$500 in repairs to put home into a sellable condition.

*Affordability Period.* The original purchase price for the home was \$300,000 and the amount of HOME funds invested (i.e., Developer Subsidy to acquire the property) was \$100,000, thus requiring the 15-year affordability period.

Calculation of Fair Return on Investment (example) Original Purchase Price (Total)	\$ 300,000
Original First Mortgage (Affordable Sales Price)	\$ 240,000
Original Deferred Mortgage(s)	\$ 60,000
	<b>Indexed Price (Paid to Owner)</b>
Original AMI	\$ 93,500
Current AMI	\$ 100,000
Index (Current AMI/Original AMI)	107%
Pre-Adjusted Indexed Price	\$ 316,684
Indexed Affordable Sales Price	\$ 256,684
Original Second Mortgage	\$ 60,000
Eligible Capital Improvements	\$ 2,000
Deferred Maintenance	\$ (500)
Indexed Price	\$ 318,184
	<b>Return on Investment to Owner</b>
Fair Market Value	\$ 330,000

Maximum Restricted Resale Price (minimum of Index Price or FMV)	\$ 318,184
<b>Return on Investment to Owner</b>	<b>\$ 18,184</b>
<b>Amount of HOME Assistance to Unit</b>	<b>Minimum</b>
<b>Under \$15,000</b>	<b>Affordability Period</b>
<b>\$15,001 - \$40,000</b>	<b>5 years</b>
<b>Over \$40,000</b>	<b>10 years</b>
N/A	<b>15 years</b>

The Affordability Period described above is the *minimum*. The City of San José has the option of making the Affordability Period longer. During the Affordability Period, the homebuyer remains compliant by continually occupying the property as their principal residence, and not selling their property prior to the completion of the Affordability Period.

Enforcement of this affordability period is ensured through the recapture provisions described below and in 24 CFR 92.254 (a) (5) (ii) (A) (1). The principal legal documents that are used to enforce the recapture restrictions are a recorded restriction, promissory note, a deed of trust and a HOME Agreement.

**Principal Residence.** The definition of “principal residence” shall mean that the borrower must reside in the home for at least 10 months out of the calendar year. Borrower shall occupy the Property as a principal residence during the period of affordability. Should the borrower cease to occupy the Property as their principal residence and/or rent the property, the City shall give the borrower the opportunity to comply with this requirement and reoccupy the Property. If the borrower does not reoccupy the Property as their principal residence, this shall trigger a Recapture of the loan.

If the borrower pays off their loan to the City prior to the expiration of the Period of Affordability and continues to own the property, the requirement of occupying the Property as the principal residence continues to be enforced until the end of the Affordability Period. For example, if the owner decides to refinance and pay off the City loan in year 3 of a 10 year Affordability Period, the owner will still be required to use the property as their principal residence for rest of the Affordability Period (7 years).

**Long-term Affordability.** Pursuant to 24 CFR 92.254 (a) (4), the HOME-assisted unit must meet the affordability requirements for not less than the term of the period of affordability or any longer period stipulated in the City Documents.

**Recapture Provisions.** Recapture Provisions requires that the entire direct subsidy provided to the borrower is recaptured from the **available net proceeds** at the time the borrower sells the property before the borrower receives any return. The borrower may sell the property to any willing buyer during the Period of Affordability. The transfer/sale of property (either voluntary or involuntary) during the Period of Affordability triggers the Recapture Provisions. Further, if the borrower ceases to occupy the property as their principal residence at any time during the Period of Affordability, the City shall make efforts to recapture the entire direct subsidy.

*Direct subsidy* is the amount of HOME assistance that enables the borrower to buy the home. *Net proceeds* are defined as the sales price minus superior loan repayment (other than HOME funds) and any closing

costs. Under no circumstances can the PJ recapture more than is available from the net proceeds of the sale.

**Examples**

*A. Borrower receives \$25,000 of HOME down payment assistance (direct subsidy). The City imposes a 15-year affordability period. If the borrower sells the home after three years, the City would recapture, assuming that there are sufficient net proceeds, the entire \$25,000 direct subsidy. The borrower would receive any net proceeds in excess of \$25,000.*

*B. Same scenario but the net proceeds of the sale, due to a short-sale or foreclosure, are \$10,000. The City cannot collect more than net proceeds available; thus the City collects the full \$10,000.*

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

**Emergency Solutions Grant (ESG)  
Reference 91.220(I)(4)**

**1. Include written standards for providing ESG assistance (may include as attachment)**

All agencies receiving ESG funds comply with the written standards and policies developed by the CoC. These written standards are contained in the attached documents:

- CoC Quality Assurance Standards
- CoC Governance Charter
- Selected CoC Policies

**2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.**

The Santa Clara County Office of Supportive Housing, the Continuum of Care, has developed a coordinated assessment that is a consistent, community-wide intake process to match people experiencing homelessness to existing community resources that are best fit for their situation. The County of Santa Clara has been using coordinated assessment for permanent supportive housing and rapid rehousing programs with hopes of expanding to shelter and transitional housing programs as well.

In Santa Clara County's coordinated assessment system, all homeless people complete a standard assessment tool (the Vulnerability Index-Service Prioritization Decision Assessment Tool or VI-SPDAT) that considers the household's situation and identifies the best type of housing intervention to address their situation. A community queue of eligible households is generated from the standard assessment. The community queue is used to fill spaces in the permanent housing programs, including permanent supportive housing and rapid rehousing, in the County. This coordinated process reduces the need for people to traverse the county seeking assistance at every service provider separately.

**3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).**

The City selects ESG subrecipients through a formal competitive Request for Proposals (RFP) process. Approximately every 3 years, the City develops a RFP based on the needs identified in the Consolidated Plan and the Annual Action Plan and the needs identified by the Continuum of Care. The City selects and awards funds to subrecipients based on the following factors:

- Project eligibility under the ESG program
- Goals and Outcomes
- Project relevance in meeting the need identified
- Organizational Capacity and Experience
- Budget and Fee Structure

**4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly**

**homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.**

The Action Plan is distributed to the CoC applicant for review. The Board of the CoC applicant is the Destination: Home Board, which includes representation from the homeless community nominated and elected by the Collaborative nonprofit agencies. Services funded with ESG are aligned with CoC and Destination: Home strategic plans.

**5. Describe performance standards for evaluating ESG.**

All agencies receiving ESG funds comply with the CoC established system wide performance measures. These performance measures are updated on an annual basis through the Performance Management Work Group. The work group consists of community stakeholders who review system performance and set benchmarks for the upcoming year.



## Appendix - Alternate/Local Data Sources

- A. Public comments, proof of noticing**
- B. Community Engagement and Survey Results- San José**
- C. County of Santa Clara Community Engagement Summary**