

ATTACHMENT A

City of San José Fifth Substantial Amendment to the FY 2019-20 Annual Action Plan SUMMARY

The following is a summary and draft language that amends the FY 2019-20 Annual Action Plan.

Background

This is a proposed fifth amendment to the City's FY 2019-20 Annual Action Plan. The purpose of the amendment is to meet federal spending deadline of September 30, 2022, for ESG-CV funds. Although the City is currently in the FY 2021-22 Annual Action Plan period, it is necessary to amend the FY 2019-20 Annual Action Plan for a technical reason. HUD has directed jurisdictions that all new commitments and changes of existing commitments involving CARES Act funding must be done by amendments to the Annual Action Plan that first recognized CARES Act funding. For San José, that is the FY 2019-20 Annual Action Plan.

The City's Annual Action Plan details its funding strategy for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnership (HOME), and Housing Opportunities for People with AIDS (HOPWA) programs each year. Annual Action Plans implement a jurisdiction's Five-Year Consolidated Plan and are developed through public input, analysis, and planning. The Action Plan provides spending caps for the different programs or services funded by federal funds.

All entitlement jurisdictions such as San José that receive HUD's federal funds by formula allocation are required to have an adopted Citizen Participation Plan. San José's Citizen Participation Plan¹ describes the efforts that the City will take to encourage its residents to participate in developing federal spending plans. It also provides requirements for the public process to be used when a "Substantial Amendment" to programs funded in the Annual Action Plan is proposed. Per the City's Citizen Participation Plan (CPP), a substantial amendment constitutes a change to a previously adopted Five-Year Plan or Annual Plan that:

- Increases or decreases by the greater of \$100,000 or a 25% change in the amount allocated to a category of funding, or
- Makes a significant change to an activity's proposed beneficiaries or persons served, or
- Funds a new activity not previously described in the Action Plan.

The size of the proposed change qualifies this amendment as a Substantial Amendment.

Additionally, HUD has awarded supplemental funding through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) that required programming in San José's FY 2019-20 Annual Action Plan. For this reason, all amendments regarding CARES Act funds require amendment of the FY 2019-20 Annual Action Plan.

Proposed Amendment

This proposed amendment redirects ESG-CV2 funds as follows:

1. On page 48 of the approved FY 2019-20 Annual Action Plan, amend the estimated amount of ESG-CV2 and Activities in section AP-38 Project Summary, as follows:

AP-38 Projects Summary
Project Summary Information
Table 1 – Project Summary

	Project Name	Target Area	Needs Addressed	Funding	GOI
13	Homeless Services (ESG18 City of San José)	N/A	• Homelessness	ESG: \$763,052 \$3,763,052	150 300 persons assisted

	Project Name	Target Area	Needs Addressed	Funding	GOI
32	ESG-CV 2: Administration	N/A	• Homelessness	ESG CARES 2 \$3,283,684 \$986,651	N/A
30	ESG-CV 2 Encampment support – Trash	N/A	• Homelessness	ESG CARES 2: \$2,279,200 \$1,102,380	TBD
31	ESG-CV 2 Housing: Increasing access to housing opportunity	N/A	• Homelessness	ESG CARES 2: \$3,500,000 \$6,500,000	150 300 persons assisted

Commented [CK1]: @Gutowski, Stephanie @Tran, Therese (Housing) this looks like it's amending the base ESG amount not the ESG-CV amount - is that intentional?

And this needs to reflect the amounts reduced as well, right?

Shouldn't this start from the amended amounts? Here's the fourth amendment:
<https://www.sanjoseca.gov/home/showpublisheddocument/70046/637504752915030000>

Commented [GS2R1]: Therese provided the table to reflect the changes.

Commented [CK3R1]: @Gutowski, Stephanie @Tran, Therese (Housing) why does the 4th amendment have ESG: \$757,502 – but this is different?

Commented [CK4]: @Tran, Therese (Housing) @Gutowski, Stephanie the 4th amendment has this number as \$3,286,839 – why different?

Commented [CK5]: @Tran, Therese (Housing) Amendment 4 has \$3,882,000 – why different?

Commented [CK6]: @Tran, Therese (Housing) Amendment 4 has \$21,864,018 – why different?

Also, the adds and subtracts do not net out to \$0 still

---- END OF FY 2019-20 ANNUAL ACTION PLAN AMENDMENT ----