



Housing
LESLYE CORSIGLIA, DIRECTOR

May 10, 2012

Maria Cremer, Acting CPD Director
U.S. Department of Housing and Urban Development
600 Harrison Street, 3rd Floor
San Francisco, CA 94107-1300

Dear CPD Director Cremer:

On behalf of the City of San José, I am pleased to submit an original and three (3) copies of the City's 2012-2013 Consolidated Annual Action Plan and a CD containing the Consolidated Plan Management Process tool.

This report compiles input received from community members at several hearings and discussions concerning housing and community development needs, and the projects proposed to address those needs. The San José City Council adopted the Plan on May 1, 2012.

Please contact me at (408) 535-3851 if you have any questions, or contact Jacky Morales-Ferrand at (408) 535-3855.

Sincerely,

Leslye Corsiglia
Director of Housing

Attachments



CITY OF SAN JOSE

2010-2015 CONSOLIDATED PLAN

2012-2013 Consolidated Annual Action Plan

Prepared by:
City of San José
Department of Housing
200 E. Santa Clara Street, 12th Floor
San Jose CA 95113
408-535-3860

Adopted by City Council on 05-01-2012

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SECTION 1 - EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

The Mayor and City Council approve the use of federal funds for programs and project activities designed to meet the goals of the *2010-2015 Five-Year Consolidated Plan* every year through the approval of the *Consolidated Annual Action Plan*. Because the City will be receiving 19% less in federal entitlement grant funds in 2012-13 as compared with 2011-12, the annual goals for meeting the five-year plans objectives. Additionally, the City has adopted new priorities for the Community Development Block Grant (CDBG) program, including limiting the types of public services that will be funded and adopting a Place-Based Strategy to focus community improvement and some public services funding on three neighborhoods.

The five-year goals and the respective annual goals for 2012-2013 are as follows:

- **Assist in the creation and preservation of affordable housing for lower-income and special needs households** by committing to provide 148 newly constructed affordable (ELI/VLI/LI) rental housing units, including 74 senior units; providing direct financial assistance to 40 households to purchase homes; and providing rehabilitation assistance to 240 lower-income homeowners including 190 seniors and special needs households.
- **Support activities to end homelessness** by providing Tenant-Based Rental Assistance to 30 chronically homeless households and by providing short-term emergency shelter.
- **Support activities that provide basic services, eliminate blight and strengthen neighborhoods** by providing: school readiness/third-grade literacy programs, neighborhood clean-up services and targeted blight elimination in the three Place-Based Strategy Neighborhoods; services to combat isolation among the City's senior population; responding the foreclosure crisis; ending homelessness; and providing housing rehabilitation and minor/emergency repair services to homeowners and mobilehome owners.
- **Expand economic opportunities for low-income households** is a goal that will not be funded for 2012-13 due to cuts in CDBG funding.
- **Promote fair housing choice** through on-going education and outreach, enforcement activities, fair housing testing in local apartment complexes and ensuring that local ordinances are in compliance with federal and state fair housing laws.
- **Promote Environmental Sustainability** by the installation of energy and water efficiency measures in 249 newly-constructed affordable housing units and in 105 rehabilitated homes.

The City of San José has been a leader in the creation of programs and policies that seek to improve, preserve and increase the affordable housing stock in the City of San Jose. The City received a grade of A+ for exceeding its Regional Housing Needs Allocation (RHNA) for 1999-2005 and received special mention as a top performer in the Bay Area Council report titled *Bay Area Housing Profile 2006*. However, this level of achievement will be harder to replicate, given San José's fair share of the regional need for the current planning period from January 2007 through June 2014 is 34,721 housing units—an increase of 33 percent from the prior RHNA planning period. While RHNA is commonly perceived to be a planning exercise rather than an achievable production goal—especially given continued reductions

in state and local resources to subsidize affordable units—San José takes its production goals seriously and continues to be comparatively active in affordable housing production, despite difficult circumstances.

The current economic environment and funding for affordable housing is experiencing numerous challenges. Local redevelopment funds, the major source of funding for affordable housing production in the City, ceased to flow to the Housing Department in February 2012 due to the State of California’s actions that eliminated redevelopment. Additionally, other State funding is frozen or exhausted, and federal sources are threatened and declining. And, inclusionary housing requirements for rental developments continue to be on hiatus due to a State Appeals Court decision known as *Palmer/Sixth Street Properties v. City of Los Angeles*, 175 Cal.App.4th 1396 (2009) (“*Palmer*”). With this perfect storm of declining resources, it appears unlikely the City will be able to come close to meeting its current RHNA allocation in actual production of affordable units.

Programmatically, the City plans to continue its effective utilization of ESG and HOPWA funds by making available services—including case management, housing assistance, food, and employment service—to over 30,325 homeless persons and persons at-risk of becoming homeless over the next five years.

SECTION 2 – ANNUAL ACTION PLAN 2012-2013

INTRODUCTION

The City of San José approved its *2010-2015 Consolidated Plan* in May 2010 and the U.S. Department of Housing and Urban Development (HUD) approved the report in July 2010. The document that follows is the *Fiscal Year 2012-2013 Annual Action Plan*.

As defined by the U.S. Department of Housing and Urban Development guidelines, the City of San José's *2010-2015 Consolidated Plan* outlines the community's strategy for addressing its housing and community development needs. Developed through a collaborative process, the *Consolidated Plan* identifies the City's unified vision for actions to meet those housing and community development needs over a five-year period.

The Five-Year Consolidated Plan Serves Four Primary, Integrated Functions.

- ◆ It is a planning document, based on citizen input, which provides information for other jurisdictions.
- ◆ It is a federal funding application for four of the U.S. Department of Housing and Urban Development (HUD) formula grant programs: HOME Investment Partnership Act (HOME), Housing Opportunities for Person with HIV/AIDS (HOPWA), Emergency Shelter Grant (ESG), and Community Development Block Grant (CDBG).
- ◆ It is a strategy to carry out HUD programs.
- ◆ It is an action plan, which provides the foundation for performance assessment and evaluation.

The Consolidated Plan is based on the priorities identified by HUD for providing decent housing, providing a suitable living environment, and expanding economic opportunities for lower-income households.

The *Annual Action Plan* is completed every year in order to provide program-specific information about the activities for the upcoming year. To conform to HUD requirements, an Annual Action Plan must contain the following components:

- ◆ Program Resources, including federal, state and local
- ◆ Housing for Homeless and Other Special Needs Populations
- ◆ Geographic Distribution
- ◆ Specific Program Requirements
- ◆ Monitoring
- ◆ Form Application (Standard Form 424).

This one-year *Annual Action Plan* describes the eligible activities that the jurisdiction intends to undertake in fiscal year 2012-2013 to address the needs and implement the strategies identified in the

adopted *Consolidated Plan* for the period July 1, 2010 to June 30, 2015. It describes the activities that the jurisdiction will fund with the Department of Housing and Urban Development (HUD) entitlement grant funds in fiscal year 2012-2013 to address priority housing and non-housing community development needs and to affirmatively further fair housing choice.

BACKGROUND

The City of San José is the tenth largest city in the United States, with a population of 958,789, according to the California Department of Finance January 2011 estimates. It has one of the highest median incomes in the nation—\$105,000 for a family of four. The U.S. Bureau of Economic Analysis identified Santa Clara County as having the tenth highest aggregate personal income in the country. Yet San José still finds itself with significant income disparity, with people earning high salaries and stock options living beside families on fixed incomes and people earning minimum wage.

The City has a strong commitment to ensuring that all of its residents have a variety of housing options, both in terms of housing type and affordability. While San José is a vibrant and successful community, many of the City's residents, especially those with lower incomes, need assistance to be able to afford decent, safe and appropriate housing. Unfortunately, the gap between income and housing affordability continues to widen.

San José's rental market has gained considerable strength in the past year. San José experienced 11% increases in market rents in 2011, and has the dubious distinction of being the market with the highest projected rent increases for 2012 in the U.S.—12%. The average market rent in San José (\$1,940 per month for a 2BA/2BR in the 4th Quarter of 2011) far exceeds the maximum affordable rent for very low- and extremely low-income households (based on 2012 income eligibility levels published by the State Department of Housing and Community Development – HCD), causing these households to have to spend substantially more than the recommended 30% of their gross income on housing. According to the Center for Housing Policy's *Housing Landscape 2012* report, at least 28% of San José's working households were severely housing cost burdened in 2010, paying more than 50% of their income for housing costs. These high rents lead to overcrowding—over 18% of the City's households (12% of owners and 29% of renters) were already reported to live in overcrowded conditions per Census 2000 data. The overcrowding problem will likely worsen given continued rent increases.

The *2012 Index of Silicon Valley*, published by Joint Venture Silicon Valley Network, reports that 36% of Silicon Valley renters had housing costs greater than 35% percent of their income in 2010, a 1% decrease from 2009 levels. Only about 5% of all new residential development in 2011 was classified as affordable, the lowest percent recorded in the last fourteen years. There is still a critical need for housing assistance so that service providers such as nurse's aides, janitors, retail workers, police officers and teachers can afford to live and work in our neighborhoods.

Further, despite decreases in for-sale housing prices, Silicon Valley is reported to be the least affordable region for first-time homebuyers in California, with only about 56% of the first-time homebuyers being able to afford a median-priced home. (Silicon Valley includes all of Santa Clara and San Mateo Counties and adjacent parts of Santa Cruz and Alameda Counties.)

The high unemployment rate and economic downturn have adversely affected low-income residents disproportionately. Low-income homeowners are finding it harder to pay their mortgages. Low-income

renters are currently reporting rent increases of 30-50% from private landlords as the rental market has heated up. These renters can also be displaced while renting in foreclosed buildings, sometimes without adequate notice, and experience loss of their security deposits and difficulty finding another place to live. Experts generally agree that the economy and the housing market will not make any significant recovery in 2012. Foreclosures and the economic downturn will continue to have a significant impact on San José's families, households, and communities over the short- and longer-term.

As part of the *Action Plan*, the federal government requires jurisdictions to evaluate their community's housing and development needs and provide strategies to address these needs. The "Housing and Community Development Needs" section of the Five-Year Plan looks at U.S. Census data for the year 2000, and more recent data where possible, to provide characteristics of San José's population and housing stock. The data indicates that residents with incomes below the area median have a significant need for affordable and appropriate housing. Some of the key statistics include:

- **Population and Housing Growth** – Since 2000, San José's population increased by approximately 51,000 persons. The number of households grew by approximately 24,768.
- **Income** – Over one-third of San José's households were low- or very low-income, compared with 31% for Santa Clara County as a whole. Elderly and large families were more likely to be low- or very low-income, 59% and 37% respectively.
- **Homeless Population** – According to the 2011 Homeless Census and Survey, San José had 4,034 homeless residents, the majority of whom were living unsheltered. Almost 37% of the County's homeless residents were considered "chronically homeless," 30% experienced mental illness, 47% had substance abuse issues, and 10% were Veterans.

The City of San José participated in a countywide collaborative to develop its *2010-2015 Five-Year Consolidated Plan*. Out of that process, the following were identified as goals in the five-year plan:

- Assist in the creation and preservation of affordable housing for lower-income and special needs households.
- Support activities to end homelessness.
- Support activities that provide basic services, eliminate blight, and/or strengthen neighborhoods.
- Expand economic opportunities for low-income households.
- Promote environmental sustainability.

At a series of community meetings in August 2011, the following priorities for 2012-13 were identified by those in attendance:

- Provide and/or increase the availability of prevention and/or intervention services to individuals and families who are vulnerable to or already experiencing homelessness.
- Provide and/or increase the availability of affordable and accessible housing (emergency, transitional and permanent).
- Rehabilitate apartments, homes and neighborhoods by leveraging skilled labor, trained volunteers and the under/unemployed, resulting in job creation.
- Promote self-sufficiency related to the provision of supportive services, housing and job creation.

SECTION 3 - CITIZEN PARTICIPATION

The United States Department of Housing and Urban Development (HUD) requires that each jurisdiction hold at least two public hearings—one before the *Action Plan* is prepared to gain public comments on the community's needs, and one after the *Action Plan* is published for citizen review. A 30-day review period is also required, during which public comments are accepted and written into the Plan. The City of San José routinely holds more hearings than the minimum required by HUD during the development of its *Consolidated Plan* and *Annual Action Plans*.

Prior to developing the *Annual Action Plan 2012-2013*, the City held six public hearings:

- Four community meetings (with about 158 attendees) were held in August 2011.
- A Housing and Community Development Advisory Commission (HCDC) meeting was held in October 2011 to discuss the funding priorities and provide feedback.— not a public hearing.
- A public hearing (with over 100 attendees) was held at the HCDC meeting in December 2011 to discuss funding priorities.
- A City Council meeting was held on January 10, 2012 to obtain Council approval for the funding priorities.

Additionally, with respect to the three neighborhoods included in the Place-Based Strategy:

- Meetings were held in the January-March 2012 period with representatives of the three neighborhoods to identify infrastructure needs in each neighborhood and a common public service category that would be consistent with each neighborhood's priorities.
- Public meetings were held in each of the three neighborhoods to refine priorities for infrastructure improvements.

Three public hearings will be held to finalize the *Annual Action Plan*—on April 3 at the City Council meeting, April 12 at the HCDC meeting, and May 1 at the City Council meeting. (See Appendix D for a copy of the public notice published in newspapers). In addition, there will be a 30-day public review period, as mandated by HUD, from March 29, 2012 through April 30, 2012.

The following schedule of hearings will be published in the *San José Mercury News* and in *La Oferta* (Spanish newspaper), *China Press* (Chinese newspaper) and *Thoi Bao* (Vietnamese newspaper) on March 23, 2012. In addition, the hearing notices will be mailed electronically and via the U.S. Postal Service to over 400 addresses, and also will be posted on the Housing Department's website.

What?	Who?	Where?	When?
Release of staff funding recommendations for the federal grant programs in 2012-2013	City of San Jose Housing Department	City of San José - Housing 200 E. Santa Clara St.-12 th Floor, San José, CA 95113	March 27, 2012
The draft Consolidated Plan Annual Action Plan 2012-2013 available to the public for review and comment for 30 days	Visit the Housing Department's website at http://www.sjhousing.org/report/conplan.html to find an electronic copy or call (408) 975-4418 or (408)-294-9337 (TTY) for paper copies	City of San José - Housing 200 E. Santa Clara St.-12 th Floor, San José, CA 95113	March 29, 2012
First Council Hearing on the Consolidated Plan Annual Action Plan 2012-2013	San José City Council	San José City Hall 200 E. Santa Clara Street City Council Chambers	April 3, 2012 1:30 p.m.
Review and approval of the Consolidated Plan Annual Action Plan 2012-2013	Housing and Community Development Advisory Commission	San José City Hall 200 E. Santa Clara St. Room W – 118, 119 (Wing)	April 12, 2012 5:45 p.m.
End of 30-Day Public Comment Period			April 30, 2012
Final approval of the Consolidated Plan Annual Action Plan 2012-2013	San José City Council	San José City Hall 200 E. Santa Clara Street City Council Chambers	May 1, 2012 1:30 p.m.
Submit Annual Plan to the U.S. Department of Housing and Urban Development			May 11, 2012

SECTION 4 - PROGRAM RESOURCES

Federal Resources

ENTITLEMENT GRANTS FROM THE U.S. DEPT OF HOUSING AND URBAN DEVELOPMENT (HUD)

Entitlement jurisdictions are those central cities of Metropolitan Statistical Areas (MSAs); other metropolitan cities with populations of at least 50,000; and qualified urban counties with populations of at least 200,000 (excluding the population of entitled cities). These qualifying areas are “entitled” to receive an annual grant from the U.S. Department of Housing and Urban Development (HUD). HUD determines the amount of each entitlement grant by a statutory dual formula which uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing and population growth lag in relationship to other metropolitan areas.

The City of San José is an entitlement jurisdiction and receives and administers these federal funds. The total amount of these entitlement grants for FY 2012-13 is 19% less than was received in FY 2011-12. These programs are:

- ◆ Community Development Block Grant Program (**CDBG**) – A 14% reduction from FY 2011-12 to 2012-13.
- ◆ HOME Investment Partnership Program (**HOME**) – A 41% reduction from FY 2011-12 to 2012-13.
- ◆ Emergency Solutions Grant Program (**ESG**) – A 22% increase from FY 2011-12 to 2012-13.
- ◆ Housing Opportunities for People with HIV/AIDS Program (**HOPWA**) – No change in funding from FY 2011-12 to 2012-13.

The proposed uses of these entitlement funds for Fiscal Year 2012-2013 are described below.

CDBG

With a 14% reduction in the size of the federal entitlement grant and the continued reliance on this funding source to make Section 108 debt service payments, the amount of funding available for public services and Community Development Improvements (CDI) is constrained. To address this situation, the City has adopted a Place-Based Strategy to target CDI funds to three neighborhoods as well as neighborhood clean-up services and targeted blight elimination these neighborhoods. Additionally, in the Public Services category, the City has limited the activities it will fund in FY 2012-13 to: school readiness/third-grade literacy programs in the three Place-Based neighborhoods; services to combat isolation among the City’s senior population; responding the foreclosure crisis; and ending homelessness.

Proposed Uses of CDBG funds for FY 2012-2013

Uses	Prior Years funds not committed or unused	Expected Funding in 2012-13*	Total Expected Funding available for 2012-13
Community Development Initiatives	\$0	\$5,526,186	\$5,526,186
Public Services	\$0	\$1,266,042	\$1,266,042
Fair Housing	\$0	\$385,000	\$385,000
Section 108 Debt Service	\$0	\$2,300,000	\$2,300,000
Administrative Costs	\$0	\$1,303,056	\$1,303,056
TOTAL	\$ 0	\$10,780,284	\$10,780,284

* Includes program income in addition to the federal allocation of \$7,840,284 for 2012-13

Description of CDBG programs:

CDI

The City of San José will employ a place-based, neighborhood focused strategy for the use of most of its CDI funds in Fiscal Year (FY) 2012-2013. The strategy was the result of challenges faced by San José on how to address and coordinate the needs of its low-income neighborhoods given current budget constraints. The initial three targeted low-income neighborhoods were selected on the basis of demonstrated need, neighborhood strengths and assets, opportunities for change, and existing strong partnerships. The neighborhoods are as follows:

- ❑ Santee/McKinley in partnership with the Franklin McKinley Children’s Initiative
- ❑ Mayfair in partnership with Somos Mayfair
- ❑ Five Wounds/Brookwood Terrace in partnership with CommUniverCity.

The City will fund the following categories of CDI activities:

- Blight Eradication targeted to the three Place-Based neighborhoods
- Housing Rehabilitation
- Minor and Emergency Housing Repairs
- Infrastructure and Facility Improvements in the three Place-Based neighborhoods
- Interim Assistance, including Neighbor Cleanups, in the three Place-Based neighborhoods

Public Services (15% limit)

The City will strategically target its Public Services funding to four specific categories of activities. They are as follows:

1. Senior services
2. Foreclosure Response services
3. Homeless services
4. School Readiness/ 3rd grade literacy services within the three Place-Based neighborhoods.

Section 108 Debt Service

The former Redevelopment Agency borrowed funds from the federal government under the Section 108 program, intending to make amortizing payments on the three Section 108 loans from its share of the redevelopment tax increment. Now that the Agency has been dissolved, another source of funding is needed to take on that debt service. Since the City’s General Fund has been experiencing its own revenue shortfalls, CDBG has been tapped to cover this debt service obligation. Of the three Section 108 loans in question, the proceeds from one were loaned by the Agency to developers who are making repayments; proceeds from the other two were disbursed to developers in the form of grants. Thus, the \$1,870,983 that is owed in 2012-13 will be partially offset by \$352,717 in loan repayments being paid by those developers who were loaned, not granted, Section 108 loan proceeds.

Administrative Costs (20% limit)

The City will program funding from its Administrative funds to support a consortium of agencies that will provide **Fair Housing** services. Services will 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. Additionally, the costs to the City to administer the CDBG programs will come out of this allocation.

HOME

Proposed Uses of HOME funds for FY 2012-2013

Of the total expected FY12-13 HOME Grant Allocation of \$2,458,038 plus approximately \$3,738,132 of previously uncommitted HOME funds, plus approximately \$3,711,544 in Program Income in FY12-13, the City of San José plans to disburse HOME funds in the following manner:

Uses	Prior Years funds not committed or unused	Expected Funding in 2012-13*	Total Expected Funding available for 2012-13
Homebuyer Program: Down Payment Assistance (“Welcome Home”)	\$0	\$1,000,000	\$1,000,000
Homebuyer Program: NSP2 Down Payment Assistance	\$0	\$1,250,000	\$1,250,000
NSP2/HOME Acquisition Assistance	\$0	\$1,000,000	\$1,000,000
Tenant-Based Rental Assistance	\$0	\$1,296,910	\$1,296,910
Project Development (Rental Housing Construction) & CHDO Reserve Fund	\$2,923,132	\$1256,868	\$4,180,000
CHDO Operating Expenses	\$0	\$120,000	\$120,000
Administrative Costs	\$815,000	\$245,804	\$1,060,804
<i>Totals</i>	\$3,738,132	\$6,169,582	\$9,907,714

* Includes program income in addition to the federal allocation of \$2,458,038 for 2012-13

Description of HOME programs:

- Homebuyer Program: Down Payment Assistance (“Welcome Home”)
Consistent with the City’s goal to assist in the creation and preservation of affordable housing for lower-income households, the City proposes to use HOME funds to provide direct financial assistance in the form of deferred loans for down payment assistance to low-income first-time homebuyers under the City’s Homebuyer Program.
- Homebuyer Program: NSP2 Down Payment Assistance
Consistent with the City’s goal to assist in the creation and preservation of affordable housing for lower-income households, the City proposes to use HOME funds to provide direct financial assistance in the form of deferred loans for down payment assistance to low-income first-time homebuyers to purchase homes that have been rehabilitated by the City’s NSP2 Acquisition, Rehabilitation and Resale Program.
- NSP2/HOME Acquisition Activities
Consistent with the City’s goal to assist in the creation and preservation of affordable housing for lower-income households, the City proposes to use HOME funds to provide loans to developers for the purpose of acquiring foreclosed and/or vacant properties so as to be rehabilitated and resold to low-income first-time homebuyers. The HOME funds will be used in conjunction with the City’s NSP2 Program dollars to acquire the properties. Program income from the sale of these properties will return to the HOME Program to make HOME whole, then the balance will be Program Income for the NSP2 Program. The program income returning to HOME will be used in the development of rental units.
- Tenant-Based Rental Assistance (TBRA)
Consistent with the City’s goal to assist in the creation and preservation of affordable housing for lower-income households, the City proposes to use HOME funds to provide tenant-based rental subsidies under the City’s TBRA Program. Since its inception in 2009, the City’s TBRA Program has targeted the special needs population of “chronically homeless and severely mentally ill” households. The program has assisted 85 households. In its continued effort to achieve its goal of assisting 100 households, the City has expanded its targeted population to chronically homeless households that have substance abuse/addiction disorders. It is the program’s goal to add 15 more clients in under this new special needs group in 2012-2013. It is also the program’s goal to add 40 additional clients who are currently living in homeless encampments.

Based on the data from the 2011 Santa Clara County Homeless Census and Survey the City of San José has identified substance abuse as the second-most cited cause of homelessness. Nearly half (46%) of survey respondents said they experienced alcohol and/or drug abuse problems in 2011. Based on this data, it was determined that “chronically homeless households that have substance abuse/addiction disorders” is a special needs population that has an unmet need for affordable housing. The City will collaborate with outside agencies to provide intensive case management services. Combined with rental assistance, such services will improve the chances that this special needs population will not only transition out of homelessness successfully, but also retain their permanent housing even after exiting the TBRA Program.

- Project Development / CHDO Reserve Funds (Rental Housing Construction)
Consistent with the City’s goal to assist in the creation and preservation of affordable housing for lower-income households, the City proposes to use HOME funds for property acquisition and new construction of rental units, and/or acquisition/rehabilitation of rental units for ELI/VLI/LI households as well as for special needs populations, such as single parents, seniors, disabled persons, people living with HIV/AIDS, emancipated youth, and other people 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.
- CHDO Operating Expenses
In compliance with HOME regulations, the City of San José sets aside a minimum of 15% of HOME program funds for CHDOs to carry out HOME-eligible activities. Up to an additional 5% of the annual HOME allocation may be made available to support operating expenses of CHDOs, for the developer to proceed with plans for affordable housing and/or continue construction of current developments. The City will continue to provide up to 5% of the HOME grant amount (approximately \$120,000) for CHDO operating support in FY 2012-2013.
- Administrative Costs
Up to 10% of the total HOME grant allocation (approximately \$245,804) will be used for reasonable planning and administrative costs associated with the administration of the HOME program and other related federal requirements. Approximately, \$815,000 of previously committed administrative monies will be carried over to spend in FY 2012-2013.

ESG

Proposed Uses of ESG funds for FY 2012-2013

Uses	Prior Years funds not committed or unused	Expected Funding in 2012-13*	Total Expected Funding available for 2012-13
Street Outreach**	\$122,650	\$321,511	\$444,161
Service to Youth & Families**	\$122,650	\$321,511	\$444,161
HMIS	\$0	\$90,000	\$90,000
Administrative Costs	\$29,659	\$59,434	\$89,093
TOTAL	\$274,959	\$792,456	\$1,067,415

* This column shows the proposed uses of the federal allocation of \$792,456 for 2012-13

** For Prior Year’s funds, these two categories each include Tenant-Based Rental Assistance

Description of ESG programs

With the introduction of the new Emergency Solutions Grant program, the City of San Jose will shift the use of the funds from such categories as Shelter Operations and Essential Services to categories in alignment with the new regulations. Further, in addition to FY 2012-2013 ESG funds, the City will

program its FY 2011-2012 “ESG 2” funds in FY 2012-2013. ESG will fund the following categories of activities:

Street Outreach

The City of San José will combine a portion of its CDBG Public Service in conjunction with ESG to fund full-service multidisciplinary outreach programs. The two main purposes of this program are:

- 1) To provide a consistent presence on the streets and other outdoor locations throughout San Jose to build rapport and trust with unsheltered homeless residents with the goal of moving them into and keeping them in permanent housing; and
- 2) To provide an avenue to alleviate resident concerns about homeless residents living in their neighborhoods or other areas of San José.

Services to Youth and Families

The City of San José will combine a portion of its CDBG Public Service in conjunction with ESG to fund full-service program(s) for homeless families and youth (including victims of domestic violence). Services will include the provision of shelter beds, case management services, deposit/rental assistance, and other services as appropriate. The goal of this program is to provide all of the services and support that the participating families and youth need to become permanently housed.

HMIS

For the first time, the ESG program will fund the Homeless Management Information System (HMIS) program. The City of San José requires the use of HMIS to monitor outcomes and performance measures for all of its funded homeless service agencies. In the coming years as the City of San Jose and its partners work to end homelessness, HMIS will play an increasingly critical role in illuminating the characteristic and needs of the County’s homeless residents. The HMIS system will help to inform on the success of specific strategies or programs in permanently housing homeless residents. The City expects to allocate \$90,000 in 2012-2013 for the support of HMIS.

Administrative Costs

The ESG program will set aside the maximum 7.5% administrative allocation for FY 2012-2013. This is expected to be about \$89,000 for 2012-2013.

HOPWA

Proposed Uses of HOPWA funds for FY 2012-2013

Uses	Prior Years funds not committed or unused	Expected Funding in 2012-13	Total Expected Funding available for 2012-13
Health Trust	\$0	\$801,851	\$801,851
San Benito County	\$0	\$50,000	\$50,000
Administrative Costs	\$0	\$26,346	\$26,346
TOTAL	\$0	\$878,197	\$878,197

Description of HOPWA programs:

Health Trust

The City will award \$801,851 to the Health Trust for its HIV/AIDS Services program. The program will provide rent subsidies and supportive services to help clients secure and maintain housing.

San Benito

The City will award \$50,000 to San Benito County to provide utility and rental assistance, nutritional supplementation and dental assistance to clients with HIV/AIDS.

Administrative Costs

The City will allocate 3% of the entitlement grant to administrative costs associated with managing with the HOPWA grant.

COMPETITIVE HUD GRANTS

HOPWA SPNS

Proposed Uses of HOPWA SPNS funds for FY 2012-2013

Uses	Prior Years funds not committed or unused	Expected Funding in 2012-13	Total Expected Funding available for 2012-13
Rental Subsidies and Supportive Services	\$0	\$409,453	\$409,453
Administrative Costs	\$0	\$11,480	\$11,480
<i>TOTAL</i>	\$ 0	\$420,933	\$420,933

In November 2010, the City received a notification of funding approval to renew its Housing Opportunities for Persons with AIDS (HOPWA) Special Project of National Significance (SPNS) competitive grant for an additional 3 years. The City anticipates receiving a total of \$1,262,800 for FY 2010-2013 and will continue to contract with the Health Trust to administer the HOPWA-SPNS grant including allocating \$1,228,360 (\$409,453 per year) to the Health Trust to provide long-term rental subsidies in shared housing and supportive services to persons with HIV or AIDS in Santa Clara County. Of the total HOPWA SPNS funds, \$34,440 (\$11,480 per year) will be allocated to the City of San José Housing Department to cover administrative costs.

Neighborhood Stabilization Program (NSP2)

Proposed Uses of NSP2 funds for FY 2012-2013

Uses	Prior Years funds not committed or unused	Expected Funding in 2012-13*	Total Expected Funding available for 2012-13
25% Set-Aside Program	\$3,500,000	\$0	\$3,500,000

Dream Home Program (Acquisition, Rehabilitation and Resale)	\$0	\$5,300,000	\$5,300,000
Administrative Costs	\$0	\$337,850	\$337,850
<i>TOTAL</i>	\$3,500,000	\$5,637,850	\$9,137,850

* Program Income

In February 2010, the San José NSP Consortium, consisting of the Housing Trust of Santa Clara County, the City of San José, and Neighborhood Housing Services Silicon Valley, received an NSP2 grant award of \$25 million under the American Recovery and Reinvestment Act (ARRA) of 2009. The grant is intended to restore neighborhoods adversely impacted by foreclosures and subprime loans in 35 target census tracts in San José.

The Housing Trust of Santa Clara County administers the Purchase Assistance Loan (PAL) program to provide Purchase Assistance Loans to low- and moderate-income households that purchase foreclosed properties within targeted census tracts in San José.

The City of San José administers the San Jose Dream Home Program to acquire, rehabilitate, and resell foreclosed and abandoned homes to low- and moderate-income households in 35 target census tracts. In addition to providing basic health and safety upgrades, energy efficient and eco-friendly upgrades are incorporated whenever feasible. In December 2010, the City executed agreements with two development entities, Community Rehabilitation Partners and the Cypress Group, to implement Phase I of the Dream Home program.

The City of San José also implements the 25% Set-Aside Program to comply with the NSP2 requirement to designate a minimum of \$6,250,000 targeted to housing for very low-income (VLI) households earning up to 50% of the Area Median Income (AMI). In FY 2011-2012, the City met its VLI set-aside obligation by committing up to \$3.5 million in NSP2 funds to Eden Housing, Inc. to redevelop a vacant, City-owned parcel on Ford Road east of Monterey Road with 19 special needs apartments, and by committing \$5 million for the acquisition, rehabilitation, and rental of 59 existing Taylor Oaks Apartments on Kollmar Avenue. The total of 78 VLI units in these two projects exceeded the Consortium's goal of 41 VLI units, as proposed in the grant application, so additional VLI commitments from NSP2 are not anticipated for FY 2012-2013.

Section 202 and 811 Grants

HUD 202 & HUD 811, federal production programs for seniors and disabled residents, are not anticipated to fund new developments in the coming year, as no new capital commitments are expected in these programs in FY 2012-2013 due to federal budget cuts.

OTHER FEDERAL FUNDING SOURCES

Public Housing Programs and Rental Vouchers

Acting as the City of San José Housing Authority, the City entered into an agreement with the Housing Authority of the County of Santa Clara (HACSC) to administer and manage the Section 8 Voucher program and public housing programs within the City of San José. The HACSC receives federal funding to run the programs below:

- Housing Choice Voucher Program (HCV) - This program provides rental assistance to very low and low-income families, including several special programs outlined below. Currently there are 21,006 families on the Section 8 waiting list for the HCV program in Santa Clara County. The Housing Authority will administer 6,436 vouchers on behalf of the City of San José in 2012-13
- Shelter Plus Care - This is a rental assistance program funded by McKinney Homeless monies for homeless persons with a disability—particularly mental illness, chronic alcohol and/or drug addiction, and HIV/AIDS. Participants receive on-going case management and access to supportive services.
- Family Self-Sufficiency Program - This is a five-year program to assist current Section 8 participants to improve their employment opportunities in an effort to become economically independent and self-sufficient. As a family's rent portion increases due to an increase in their earned income, HUD matches that amount in an escrow account in the family's name. At the end of five years, if the family has met their goals, remained off welfare assistance for the prior 12 months, and sought and maintained employment, the escrow money is awarded to them.
- Veterans Affairs Supportive Housing (VASH) – This program provides assistance for up to 435 homeless veterans in Santa Clara County, and HACSC was recently allocated an additional 100 VASH vouchers.
- The Family Unification Program – This program provides voucher assistance to families who have been separated due to a lack of adequate housing
- Non-Elderly Disabled (NED) Vouchers – These vouchers allow non-elderly disabled people to transition out of care-giving institutions.

The HACSC 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.

Mobilehome Seismic Retrofit Program

Uses	Prior Years funds not committed or unused	Expected Funding in 2012-13	Total Expected Funding available for 2012-13
Mobilehome Seismic Retrofit Program*	\$1,500,000	\$0	\$1,500,000
Administration	\$300,000	\$0	\$300,000
Total	\$1,800,000	\$0	\$1,800,000

* In addition to the FEMA grant, City Matching Funds of \$450,000 will also be available for spending;

The Mobilehome Seismic Retrofit Program is funded by a grant from the Federal Emergency Management Agency (FEMA) and is administered through the California Emergency Management Agency (CalEMA). Through a competitive application process, the City of San Jose was awarded a \$3,000,000 grant with a \$1,000,000 match fund requirement to seismically upgrade approximately 650 mobilehomes in San Jose. The program targets 10 mobilehome parks in San Jose and serves homeowners of all income levels. To date, staff has contacted approximately 1,600 mobilehome owners to participate in the program and received approximately 400 applications as of February 2012.

After conducting a competitive contractor selection process, the first round of earthquake retrofits began in January 2012. The deadline to complete the goal of 650 upgrades is October 2013.

Mortgage Credit Certificates (MCC)

The federal government allows homeowners to claim a federal income tax deduction equal to the amount of interest paid each year on a home loan. This itemized deduction only reduces the amount of taxable income. Through an MCC, a homeowners’ deduction can be converted into a federal income tax credit for qualified first-time homebuyers. This credit actually reduces the household’s tax payments on a dollar for dollar basis, with a maximum credit equal to 10 to 20 percent of the annual interest paid on the borrower’s mortgage. In past years, MCCs throughout Santa Clara County, including San José, were issued by the County directly to eligible homeowners. In the coming year, the City is planning to assume the responsibility for MCC program implementation for homeowners with properties within its municipal boundary.

Rental Housing Development Programs

In San Jose, developers of affordable housing typically leverage City subsidies using a range of other federal programs:

- Tax-exempt bonds, authorized by the IRS code, administered by the California Debt Limit Allocation Committee (CDLAC), and issued by the City or other public issuer
- Low Income Housing Tax Credits, administered by the California Tax Credit Allocation Committee (TCAC)

- Affordable Housing Program (AHP) funds from the federal government-sponsored enterprise, the Federal Home Loan Bank.

State Resources

Proposed Uses of State funds for FY 2012-2013

	Expected Funding 2012-13
Prop 1C – BEGIN	\$2,500,000
Prop 1C - CalHome	\$600,000
Prop 1C – Park Funds	\$1,269,650
<i>TOTAL</i>	\$4,369,650

Description of the State programs:

California Proposition 1C, approved by a statewide election in 2006 and funded by State bond issuances, has funded a number of housing programs. While funds are exhausted for the main Proposition 1C multifamily programs, and the future of the remaining Prop 1C pots is uncertain, San José is fortunate to still have committed funds from three of its housing programs in the coming year.

Building Equity and Growth in Neighborhoods Program (BEGIN)

The BEGIN Program makes grants to cities and counties that reduce local regulatory barriers to affordable ownership housing. The grants are used to provide down payment assistance loans to qualifying first-time low- and moderate-income buyers of homes in newly constructed single family developments that have benefited from barrier reduction. The City is the largest user of BEGIN in the State, having received 18 competitive awards totaling over \$27,000,000.

CalHome

The CalHome Program enables low- and very-low income households to become or remain homeowners. Grants are made to local public agencies and nonprofit developers to assist individual households with deferred-payment homebuyer and homeowner loans. Loans can be made to local public agencies and nonprofit developers to develop affordable multiple-unit ownership projects. Through the CalHome program, the State provides funds to local public agencies or nonprofit corporations for first-time homebuyer down payment assistance, home rehabilitation, homebuyer counseling or mortgage assistance programs.

Prop 1C Housing Related Parks Program

This program creates incentives and rewards local governments for building affordable housing by providing grant funds for much needed parks in their communities. Grant awards based on the number of bedrooms in newly constructed ownership and rental housing units affordable to very low and low income households. Bonus grant awards for infill projects, units affordable to extremely low income households, demonstration of progress in increasing overall housing supply and park projects serving disadvantaged and/or park deficient communities or located in communities included in an adopted

regional blueprint plan. Grant Funds may be used for the creation, development, or rehabilitation of park and recreation facilities such as sport play fields, informal play areas, non-motorized recreational trails, play structures, outdoor recreation areas, community gardens, landscaping and land acquisition.

As part of the State’s Housing Related Parks Program (HRPP) for Program Year 2010, the City will receive a grant award of \$1,269,650 that will be used towards Rosemary Park. The construction of this park is a condition of development for Rosemary Family and Rosemary Seniors projects, to be constructed off of North 1st Street and Route 880. Rosemary Park will also support other nearby affordable housing projects: Gish Apartments, and the newly-completed North Fourth Street Apartments and Archer Studios. The City did not meet the threshold to be eligible for the Program Year 2011 grant, but plans to apply for the minimum grant amount for Program Year 2012 if funds are available.

Mental Health Services Act (MHSA)

The State of California’s Mental Health Services Act (MHSA) program creates an ongoing source of funds that is administered at the county level to serve low-income mentally ill clients. The County of Santa Clara’s Office of Mental Health and its Office of Affordable Housing has used several million dollars in the past four years to fund housing units affordable to extremely low-income persons with mental illness. While production funds are almost exhausted, it is possible that the County will make additional MHSA funds available for housing production.

Local Resources

Proposed Uses of Local funds for FY 2012-2013

	Expected Funding 2012-13
20% Funds	\$36,872,143
Affordable Housing Investment Fund (loan repayments)	\$12,500,000
Inclusionary Housing In-Lieu Fees	\$6,260,349
Negotiated Fee Payments	\$6,885,000
City of San Jose Housing Trust Fund	\$850,000
<i>TOTAL</i>	\$63,367,492

Description of Local Funds:

20% Redevelopment Funds

On June 28, 2011, the California Legislature adopted two bills that directly impacted Redevelopment Agencies throughout the State. The first bill, ABX1 26, directed that all Redevelopment Agencies be dissolved. The second bill, ABX1 27, permitted dissolved agencies to reestablish themselves upon payment to the State of a required remittance. The State was sued in the California Supreme Court after enacting these laws. The Supreme Court’s ruling issued on December 29, 2011 upheld the constitutionality of ABX1 26, thereby dissolving all of the State’s Redevelopment Agencies, but struck down ABX1 27, which would have enabled agencies to “pay to play.”

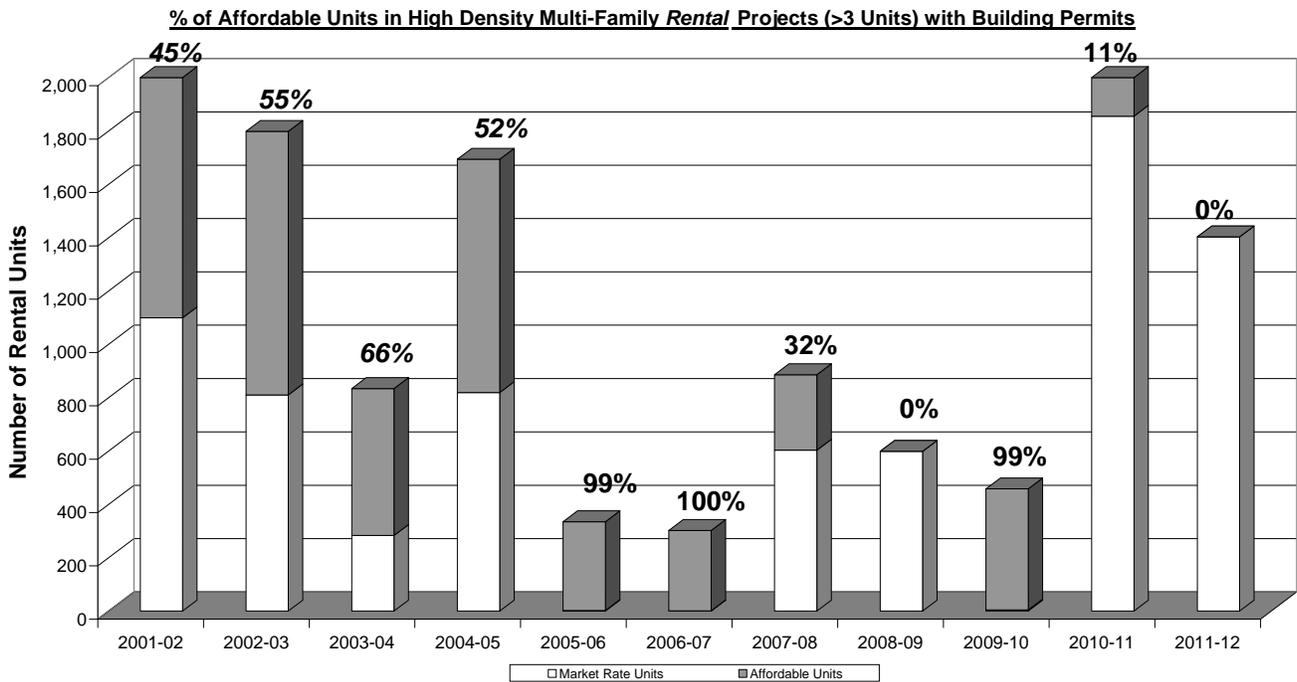
As a result of this decision, all Redevelopment Agencies throughout the State of California were dissolved effective February 1, 2012. With this dissolution, new 20% Redevelopment Funds will cease, no longer be available to run affordable housing programs.

On January 24, 2012, the City of San José was named the Successor Agency to administer the dissolution and wind down the activities of the former Redevelopment Agency. Additionally, the City's Housing Department is the Successor Housing Agency to oversee affordable housing activities for the City, including monitoring all housing assets and enforcing affordability restrictions.

After February 1, 2012, only existing enforceable obligations can be paid from tax increment. Therefore, the City's use of what used to be known as 20% Redevelopment Funds will be limited to paying down debt previously incurred and secured by this revenue stream (\$25.2 million) and performing on legally binding enforceable contracts. All remaining funds will be allocated to cover additional debt incurred by 80% Redevelopment Program. In 2012-2013, new tax increment will also provide final construction payments for six multifamily projects underway and will fund one replacement housing project in future years. Beyond these specific projects, this source of funds will not serve as a resource for new affordable housing activities in the future.

The loss of ongoing tax increment is a devastating blow to San José's housing program. The affordable projects assisted by local 20% Redevelopment Funds have represented a significant source of the rental housing production taking place in the City. Over the last 11 years, about 40% of all new rental housing developments have been affordable housing developments. The chart below illustrates that subsidized rental housing has been a major source of development in the City, particularly during the recent downturn in housing construction. Affordable housing rental projects were the only rental developments to obtain permits in 2005-06, 2006-07 and 2009-10.

Despite the loss of tax increment for affordable housing, the City is committed to finding ways to foster development of units however it can—until a new permanent funding source is established in California.



Affordable Housing Investment Fund (AHIF)

State Assembly Bill ABX1 26 allowed for the transfer of all affordable housing assets to the Successor Housing Agency. This action took place on January 24, 2012, allowing the Housing Department to retain land, long-term leases, and a portfolio of over \$550 million in loans made over time from 20% Redevelopment Funds. The proceeds of this portfolio now serve as the primary source of funding for the new Affordable Housing Investment Fund which will finance the Housing Department's administration of affordable housing programs as well as affordable housing construction and rehabilitation, homebuyer assistance, and other programs, such as homebuyer education services. Revenue from the fund is expected to be approximately \$6.5 million annually. Additionally, transactions within the portfolio such as refinances and payoffs may provide additional one-time funds. Proceeds from this fund will be used for administration of the Housing Department and to fund new affordable housing activities as possible.

Inclusionary Housing Programs and In-lieu Fees

Inclusionary housing programs are established through local policies and ordinances that require market-rate residential developers to set aside a certain portion of units in a development for income-restricted affordable housing, or satisfying their obligation through payment of an in-lieu fee. The local jurisdiction, in turn, directs these fees towards other affordable housing activities.

The City currently has an Inclusionary Housing Program in place in redevelopment project areas, which requires that 20% of residential units be affordable or that in-lieu fees are paid to the City. In January 2010, San José adopted a Citywide Inclusionary Housing Ordinance in order to provide additional opportunities for affordable housing in the City. The Citywide ordinance is expected to go into effect on January 1, 2013. It requires that 15% of a project's units built be restricted affordable if the affordable units are constructed on-site, which increases to 20% of units if the affordable units are constructed off-

site. Alternatively, the developer may also choose to pay an in-lieu fee instead of building affordable units. When the Citywide program takes effect, it will subsume the Inclusionary Housing Program now in operation in redevelopment project areas.

At the time that the San José City Council approved a citywide inclusionary housing ordinance, an affordability requirement for rental housing projects was included in the recommendations. However, on July 22, 2009, the 2nd District Court of Appeals decided a case called *Palmer/Sixth Street Properties v. City of Los Angeles*, 175 Cal.App.4th 1396 (2009). Although the case is not legally binding upon the City of San José's current inclusionary housing program, it calls into question the validity of inclusionary housing mandates upon rental housing projects. As a result, until this decision is overturned or reversed by case law or the State legislature, the City will only implement inclusionary requirements on for-sale projects and on rental projects seeking concessions from the City or entering into a Development Agreement.

In previous years, San José has been able to leverage additional funds for down payment assistance for the purchasers of affordable units created through the City's Inclusionary Housing Program. However, given the weakened housing market over the last several years and the existing stock of foreclosed and short-sale properties available, a limited number of new construction for-sale units are likely to be funded or created through the City's Inclusionary Housing Program in FY 2012-2013.

City of San José Housing Trust Fund

In June 2003, the City of San José established a Housing Trust Fund (HTF), which is administered by the Director of Housing. The purpose of the HTF (originally the Housing and Homeless Fund) is to ensure ongoing funding for affordable housing programs that address ending and preventing homelessness, in part by creating a vehicle eligible to compete for outside funding sources. In Fiscal Year 2012-2013, it is anticipated that the HTF will provide \$825,000 to be used for homeless prevention activities including: City staff compensation and non-personnel costs; Destination: Home administrative and programmatic costs; a Downtown Homeless Outreach Program to connect homeless residents with services and shelter with the goal of permanent housing; as the match for federal, State and regional grants; and emergency funds for persons displaced by fires or other disasters.

City-owned Land

The City also has used its past resources to purchase publicly-owned land to meet its housing and community development goals. The Housing Department continues to look for properties that are surplus to the needs of the City, County, and other State and governmental agencies; however, sources for the acquisition of these properties is very limited. The most recent parcel was purchased in 2006. This land constitutes a resource for potential new developments to proceed with a minimum of additional subsidy outlay.

Other Local Resources

The Housing Trust of Santa Clara County is a nonprofit organization that was created by Silicon Valley businesses and related organizations in 2001, and now is supported by local jurisdictions across the County, lenders, foundations, and private donors. The Housing Trust makes available loans for first-time homebuyers, affordable housing developments, and homelessness prevention. For creation of

housing units, the Housing Trust’s predevelopment funds are typically short-term, and must be retired by another funding source.

The County of Santa Clara—its Office of Affordable Housing and the Office of the Chief Operating Officer—are key partners in funding affordable housing developments and homeless programs.

Private Resources

Private lenders and investors are key partners in the financing of affordable housing, particularly in multifamily development programs. Conventional construction and permanent loans from commercial banks and nonprofit lenders, and tax credit equity from private investors, leverage federal, State, and local program resources that are listed above.

Leveraging

For the City’s housing production program, historically, the Housing Department has leveraged every dollar invested in a project with two-and-a-half to three dollars from outside public and private resources.

In the federal grant programs, the City requires leverage funds from nonprofit sub recipients as follows:

- In both the CDBG and HOPWA programs, sub-recipients are required to contribute at least 20% 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 1-to-1 match (that is, \$1 of non-federal funds for every \$1 of ESG funds).

Anticipated Resources for Fiscal Year 2012-2013

The table below indicates the anticipated funding amounts expected from all sources for the upcoming Fiscal Year. The City anticipates a total of over \$300 million in resources available from local, state, federal, and private sources over the next year for the development, preservation, or rehabilitation of affordable housing. The City expects to continue receiving—either directly or indirectly through sponsors of affordable housing projects or nonprofit service providers—funding for affordable housing rehabilitation efforts and programs to assist the homeless. Should the City of San José continue to receive tax increment funding for its Low- and Moderate-Income Housing Funds (20% Funds), it will utilize these funds for new affordable housing projects citywide.

Fiscal Year 2012-2013 Anticipated Funding Sources	City of San José Funds	Non-City Funds
Formula Programs		
Entitlement Funds plus Program Income		\$24,713,955
SUBTOTAL	\$0	\$24,713,955

Fiscal Year 2012-2013 Anticipated Funding Sources	City of San José Funds	Non-City Funds
American Recovery & Reinvestment Act & Housing & Economic Recovery Act – NSP2		\$0
Competitive Programs		
Shelter Plus Care		\$2,435,854
Section 8 Rental Vouchers – Tenant-based & Project-based		\$256,837,314
NSP2 Funds for 25% Set Aside		\$3,500,000
Mobilehome Retrofit	\$450,000	\$1,800,000
HUD 811		\$2,972,000
HOPWA Competitive (SPNS)		\$420,933
Proposition 1C - Multifamily Housing Program (MHP)		\$0
Proposition 1C – Transit Oriented Development Funds		\$0
Proposition 1C – Infill Infrastructure Grant Program		\$0
Proposition 1C – Homeless Youth Supportive Housing		\$0
Proposition 1C – Park Funds		\$1,269,650
Proposition 1C – CalHOME program		\$600,000
Proposition 1C – BEGIN program		\$2,500,000
Emergency Housing Shelter Program (EHAP)		\$0
Low-Income Housing Tax Credits (9%) Equity		\$0
Tax-Exempt Private Activity Bonds		\$3,695,000
Mortgage Credit Certificates (part of County allocation)		\$4,900,000
Proposition 63 – Mental Health Services Act (MHSA)		\$0
SUBTOTAL	\$450,000	\$280,930,751
Other Programs		
Inclusionary In-lieu Fees	\$6,260,349	
Negotiated Fee Payments	\$6,885,000	
Housing Trust Fund	\$850,000	
20% Redevelopment Funds - Project Development	\$4,125,000	
Low Income Housing Tax Credit (4%) Equity		\$2,768,000
Conventional Construction Financing		\$0
SUBTOTAL	\$18,570,349	\$2,768,000
GRAND TOTAL	\$12,570,349	\$308,412,706
Loan Repayments	\$6,500,000	
Interest Income	\$10,000	
Other Income	\$42,000	

SECTION 5 - ACTIVITIES TO ADDRESS PRIORITY NEEDS

Housing Needs and Goals

As noted in the Strategic Plan section of the City's 2010-2015 Consolidated Plan, there are several priority needs that the City intends to address. The chart below illustrates the number of households in San José, by income, paying more than 30% of their income on housing. Furthermore, the City has identified five-year and one-year goals to help respond to the need of residents for more affordable housing options. Table 2A below helps to demonstrate the overall need identified in the Consolidated Plan 2010-2015 and the goals for addressing this need.

The one-year Goals listed for Fiscal Year 2012-2013 include the anticipated commitments of new housing units, inclusionary housing units, households newly assisted through the Section 8 Voucher program, homeowner housing rehabilitation, and homebuyer purchase assistance.

Table 2A
Priority Housing Needs / Investment Plan Table & Goals
Five-Year and One-Year Goal

TABLE 2A - PRIORITY HOUSING ACTIVITIES

Priority Housing Needs – Households	Income Levels (# of Households)	Priority Need Level – High, Medium, and Low	Unmet Need based on Cost Burden	5 – Year Goal	Actual 2010-2011	1-Year Goal
				2010-2015		2012-2013
Small Related Renters (0-80%) - 20,974 (2-4 persons)	0-30%MFI (7,470)	H	6,125	70	0	20
	31-50%MFI (7,365)	H	5,523	47	0	81
	51-80%MFI (6,139)	M	2,701	150	0	0
Large Related Renters (0-80%) – 12,968 (5+ persons)	0-30%MFI (4,600)	H	3,956	9	46	15
	31-50%MFI (4,715)	H	2,923	25	159	213
	51-80%MFI (3,653)	M	876	0	34	200
Elderly Renters (0-80%) – 8,182	0-30%MFI (5,659)	H	3,723	0	94	30
	31-50%MFI (1,685)	H	1,078	0	0	44
	51-80%MFI (838)	M	444	0	0	0
Other Renter Households (12,533)	0-30%MFI (4,955)	H	3,518	344	0	0
	31-50%MFI (3,454)	H	2,798	0	19	0
	51-80%MFI (4,124)	M	2,557	0	0	0
Total Owner Households (0-80%) (38,411)	0-30% MFI (10,755)	H	7,528	509	109	33
	31-50% MFI (12,489)	H	7,118	508	85	44
	51-80%MFI (15,167)	M	8,190	611	70	97
Total			59,058	2,273	616	777

Geographic Distribution

Geographic Distribution of Housing and Services Race & Ethnicity Make-Up of San José

The City of San José is one of the most diverse jurisdictions in the nation. According to the 2010 Census, San José’s Hispanic and Asian population exceeded the population for Whites. The three ethnic groups represent 33%, 32% and 29% of the population respectively. The City works to disperse affordable housing to avoid concentrations of low-income and minority populations by helping ensure services and affordable housing are available throughout the City.

According to the 2010 Census, the non-Hispanic White population declined to 28.7 % of the total population, down from 36% of the total population in the 2000 Census. Conversely, strong growth

occurred within the Asian population, rising from approximately 238,378 persons in 2000 (26.6% of the City's population) to 300,967 persons in 2010 (31.7%).

The City's Hispanic population experienced tremendous increase throughout the course of the last twenty years, more than doubling in size from about 140,000 persons in 1980 to about 318,000 persons in 2010. As a proportion of the City's total population, the Hispanic population rose steadily from 22.3% in 1980, to 26.6% in 1990, 30.2% in 2000 and then to 33.2% in 2010. Hispanics are the most geographically concentrated major race/ethnic group in San José. According to the 2010 Census, Hispanic persons comprised over two-thirds of the population in nineteen census tracts, many of which are primarily within or near the Downtown area.

San José currently has a single race/ethnic group majority in five of its ten City Council Districts. Namely, District 9 contains a non-Hispanic White majority (59.2%), Districts 3 and 5 each contain a Hispanic majority (52.71% and 62.1%, respectively), and District 4 and 8 contain an Asian majority (61% and 53.2% respectively). With no single race/ethnic group majority, the remaining four City Council Districts (1, 2, 7, and 8) thus contain a diverse mix of the aforementioned and other race/ethnic groups. The map below demonstrates the race/ethnic make-up of San José.

Eligible Population for a Language Access Plan (LAP)

HUD has established criteria for determining the eligible population of Limited-English Proficiency (LEP) persons to be served by an LAP. LAP provisions are applicable to language groups that are “More than 5 percent of the eligible population or beneficiaries and more than 50 in number.” Based on Census 2000 data for San José, there are three language groups that meet these provisions: Spanish, Vietnamese, and Chinese speakers. For the LAP, “Chinese” will include both Mandarin and Cantonese dialects. The LAP sets forth a framework of the language services and procedures that the Housing Department will implement in order to meet the needs of LEP persons.

Place-Based Neighborhood Focused Strategy

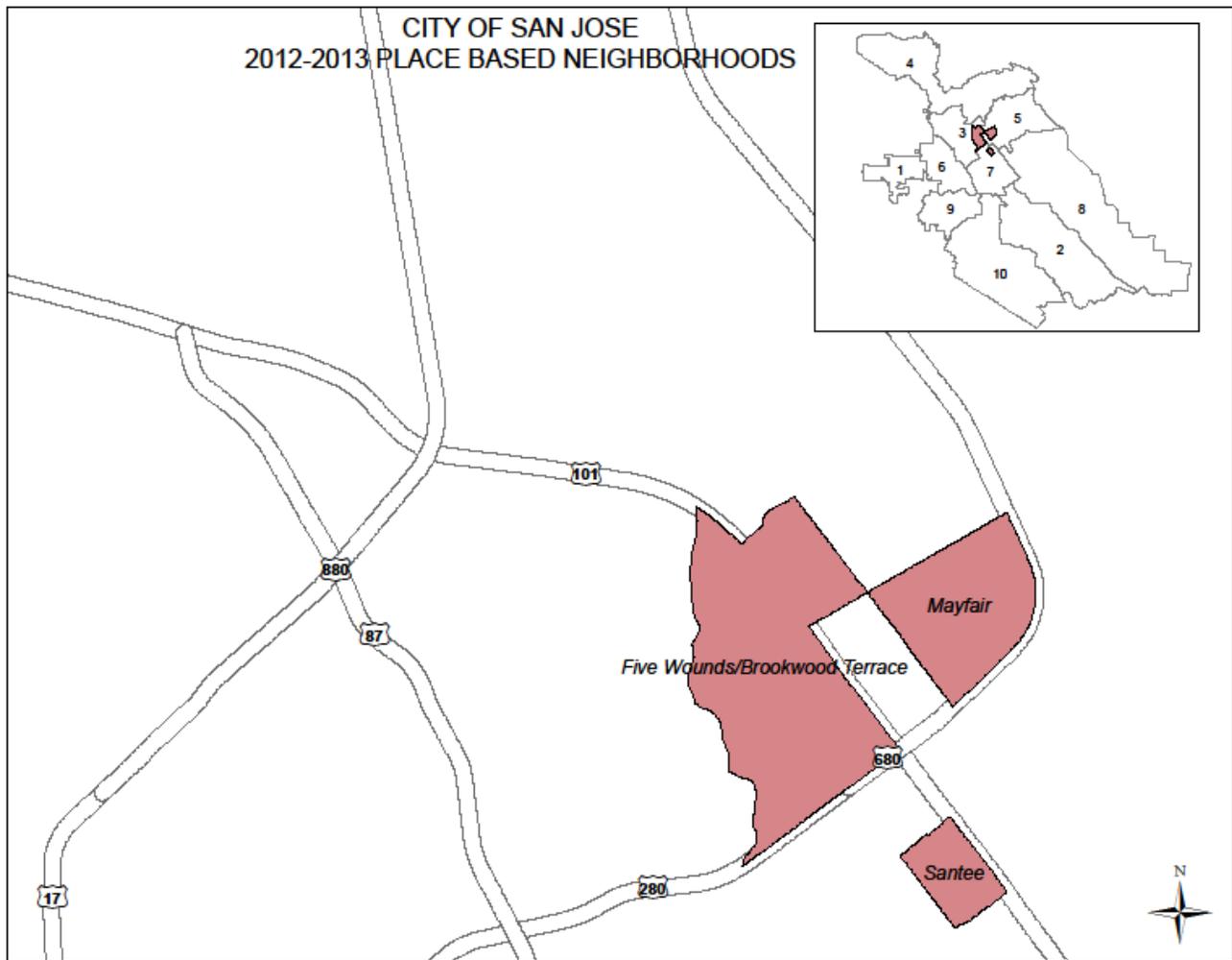
In light of current budget limitations, San Jose recognizes the importance of a coordinated effort to provide services to its neighborhoods. The underlying framework of the new place-based neighborhood-focused strategy is that maximum impact can be achieved by integrating federal funds with other public and private grant funds and other City programs and funds. Three neighborhoods were selected based on demonstrated need, opportunity to make substantial changes and strong community partnerships to sustain progress. They include:

1. Santee/McKinley in partnership with Franklin McKinley Children’s initiative
2. Mayfair in partnership with Somos Mayfair
3. Five Wounds / Brookwood Terrace in partnership with CommUniverCity

The primary focus of the Place-Based Strategy is to create clean and safe communities in the three neighborhoods identified above. Some CDBG funds will be targeted to these neighborhoods, while other funds will continue to be available to programs that assist residents Citywide.

Place-Based Strategy funding is not expected to be a long-term funding source for these neighborhoods. Rather, it is expected that they will be provided “Interim Funding” for a period of two to five years to get them to the point of independence. At that time, new neighborhoods that have take the steps to organize and become ready can become new place based neighborhoods.

The Place-Based Strategy builds on the Strong Neighborhoods program that was funded for many years by the Redevelopment Agency. Now that the Agency no longer exists, the City is re-directing some programs – including a portion of CDBG resources –in order to realize significant improvements a few neighborhoods at a time.



Dispersion Policy

The City's Housing Dispersion Policy is a positive statement of encouraging affordable housing development throughout the City. Pursuant to this policy, the Council's approvals of City-financed affordable housing development are made in the context of the goal to balance and promote economic integration.

Pursuant to 24 CFR 91.225 and 570.601, no area of the City is arbitrarily precluded from consideration as a site for affordable housing. However, the City recognizes that certain census tracts contain a disproportionate number of lower-income households. The Dispersion Policy is meant to track affordable housing by impacted census tracks. Impacted census tracts are defined as those census tracts in which over 50% of residents are low-income. In November 2004, the Housing Department revised the list of impacted census tracts, based on a special Census 2000 tabulation request obtained from the Census Bureau. As a result of that study, 22 tracts were identified as impacted. These tracts were located in Council Districts 3 (13 tracts), 7 (4 tracts), 5 (2 tracts), 6 (2 tracts) and 2 (1 tract).

Based on a recent review, 25% of all newly constructed low-income affordable units were located in impacted areas. The remaining 75% were built outside of "impacted Census tracts". The chart below

shows the distribution of the City’s low-income affordable housing developments (1988-89 through present), by impacted census tracts.

Citywide Dispersion of Affordable Housing – Tracked by Developments (1988-89 to February 2012 Under Construction)

<i>Impacted Tracts in San José</i>	<i>Council District</i>	<i>Total LI Units (Incl Beds)</i>
5120.18	2	188
5001.00	3	127
5009.02	3	63
5010.00	3	9
5014.00	3	80
5015.01	3	83
5015.02	3	0
5016.00	3	113
5031.12	3	422
5031.13	3	66
5036.01	3	46
5037.09	3	311
5008.00	3,6	231
5017.00	3,6	30
5037.02	5	258
5037.06	5	54
5019.00	6	228
5020.02	6	0
5031.05	7	199
5031.10	7	129
5032.13	7	0
5032.14	7	270
Total For Impacted Census Tracts in San José		2,907
Total For Non-impacted Census Tracts in San José		8,575
Total For Census Tracts in San José		11,482
% Impacted Units		25%

* *Impacted tracts are those tracts where more than 50% of the households are low-income households*

* *Includes only new construction of non-moderate, affordable units; excludes acq/rehabs, inclusionary and RDA assisted projects*

SECTION 6 - ANNUAL ACTION PLAN GOALS AND STRATEGIES

Through the Annual Action Plan, the Mayor and City Council approves the use of federal funds for programs and project activities designed to meet the goals of the 2010 -2015 Five-Year Consolidated Plan which include:

1. Assist in the creation and preservation of affordable housing for lower-income and special needs populations
2. Support activities to end homelessness in San José and Santa Clara County
3. Support activities that provide basic services, eliminate blight, and/or strengthen neighborhoods
4. Expand economic opportunities for low-income households
5. Promote fair housing choice – affirmatively further fair housing
6. Promote environmental sustainability.

The following section outlines each five-year goal and the strategies adopted to achieve the goals. In addition, the five-year targets, year to date performance and the 2012-13 annual targets for each goal are also listed.

The Goals, Strategies and the italicized *Need* section under each strategy are extracted directly from the adopted 2010-2015 Consolidated Plan document. The abbreviations used for the Outcome/Objective column in the tables below are per HUD guidelines and can be translated as follows:

	Availability / Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

GOAL #1 – Assist in the creation and preservation of affordable housing for lower-income and special needs households

Strategy #1A: Assist in the production of affordable rental housing

Need: Affordability of rental housing varies significantly by jurisdiction. However, across the Entitlement Jurisdictions, the average market rate rent far exceeds the maximum affordable rent for very low- and extremely low-income households. Moreover, the current economic recession and unemployment further exacerbate affordability concerns for many households.

Five-Year Goal:

	Sources of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/Objective
Goal #1: Affordable housing for lower-income and special needs households						
<i>Action 1A.1. Financial and technical assistance for affordable rental housing</i>						
Production Goals	HOME 20% Tax credits FHLB-AHP	# units with funding committed	129	249	354	
Inclusionary Goals	Private Developer Funds	# units with recorded restrictions	150	354	0	

Production of Rental Housing

The units financed by the City of San José’s affordable housing program represent a very significant part of the housing production taking place in the City. Over the last ten years, about 31% of the permits issued in the City of San José were for affordable housing projects.

It is the policy of the City of San José to provide financial assistance for affordable housing Development in the form of low-interest loans. Moreover, the City emphasizes gap financing, rather than primary financing, as a means to leverage its funds; the City requires that project sponsors leverage City funds with funds from non-City sources to maximize the total investment in affordable housing. Grants are provided in very limited circumstances.

The tables below identify expected completions and commitments of City-subsidized rental homes affordable to lower-income households that are expected for the fiscal year 2012-2013:

Fiscal Year 2012-2013 Potential New Commitments for Rental Housing - New Construction and Acquisition/Rehab

<i>Project Name</i>	<i>NC / A/R?</i>	<i>Council District</i>	<i>ELI, VLI, LI Units</i>	<i>Mod Units</i>
Three Developments	NC	TBD	249	0
TOTAL			249	0

Fiscal Year 2012-2013 Potential Completions for Rental Housing - New Construction and Acquisition/Rehab

<i>Project Name</i>	<i>NC / A/R?</i>	<i>Council District</i>	<i>ELI, VLI, LI Units</i>	<i>Mod Units</i>
Ford & Monterey Special Needs	NC	8	19	0
Taylor Oaks	A/R	2	58	0
TOTAL			77	0

Inclusionary Goals for Rental Housing

The City does not expect any new developments to be constructed by right under the Inclusionary Housing Program as a result of the *Palmer* case, which had the effect of suspending the inclusionary housing requirements for rental housing until such time as the limitation in the *Palmer* decision is overturned or modified by court or by the legislature.

However, through existing negotiated development agreements, the City estimates that approximately 380 restricted affordable inclusionary rental units without City subsidy will be committed and begin construction in 2012-2013.

<i>Project Name</i>	<i>NC / A/R?</i>	<i>Council District</i>	<i>ELI, VLI, LI Units</i>	<i>Mod Units</i>
St. Anton/Hitachi	NC	10	90	0
Shea/Hitachi	NC	10	109	0
Lennar/Hitachi	NC	10	155	0
TOTAL			354	0

Assistance in Searches for Affordable Rental Units

In September of 2010, the City and Santa Clara County launched a housing search database, SCChousingsearch.org, which was created to streamline access to real-time affordable rental housing information. The City worked with Social Serve, a nonprofit housing location database provider, to develop the database specific to the region. In FY 2012-2013, the City will continue working with Social Serve and local housing providers to increase the number of affordable housing units listed in the database.

Strategy #1B: Support affordable ownership housing

Need: Although the current housing market downturn has led to falling sales prices in virtually all the Entitlement Jurisdictions, ownership housing in North County and Central West County remains largely unaffordable to lower-income households. In contrast, home values in Central and South County are somewhat more affordable. It is also important to note, however, that credit markets have tightened in tandem with the decline in home values. As such, although homes have generally become more affordable, lender requirements for a minimum down payment or credit score present a greater obstacle for buyers. Considering these factors, homeownership for lower-income households remains an important goal.

2012 Update - The National Association of Home Builders released nationwide housing affordability data for the fourth quarter of 2011. Using an area median income of \$13,600, the study identified that San José-Sunnyvale-Santa Clara area was identified as the tenth least affordable area in the nation (215th out of 225 metropolitan areas) with only 56.8% of the homes sold being affordable to those earning the area’s median income. As the economy returns, the for-sale housing market will tighten and lead to higher prices, making San Jose an even less affordable city in which to live.

Five-Year Goal

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/ Objective
Goal #1: Affordable housing for lower-income and special needs households						
Production of Affordable Housing Goals	HOME	# units with funding committed	--	0	0	DH-1,2
Inclusionary Housing Goals	n/a	# units with recorded restrictions	--	15	0	DH-1,2
<i>Action 1B.1. Direct financial assistance to help lower-income households purchase homes (includes inclusionary);</i>	HOME NSP2, CalHome, BEGIN MCC	# non duplicated LI HBs assisted	357	64*	64	DH-2
<i>Action 1B.2. Financial literacy and homebuyer education programs</i>	AHIF	# LI households participating in classes and counseling sessions	2,285	636	422	DH-2,3

* An additional 33 moderate-income homebuyers will also be assisted in the purchase of homes

The City of San José uses HOME, CalHome, BEGIN, and other funds as available to assist low- and moderate-income households to purchase homes. The City works with various partner first-time homebuyer agencies to administer these homebuyer programs.

Production of Affordable Ownership Housing

The City does not plan to finance the construction of affordable ownership housing in FY 2012-2013.

Inclusionary Housing Ownership Units

Through its inclusionary program and negotiated agreements, the City expects no units affordable to lower-income households will be produced but estimates that approximately 15 restricted affordable ownership units for moderate-income households will be committed and will begin construction in 2012-2013. More units are anticipated for the following fiscal year.

Direct Financial Assistance Programs

The City of San José offers two homeownership programs – mortgage assistance programs, in which buyers are able to select an eligible home of their choice, and mortgage assistance programs that are targeted to specific sites and homes.

Welcome Home Program

In August 2008, the City started the Welcome Home program, which provides 30-year second mortgages of up to \$25,000 for lower -income homebuyers in the form of a deferred repayment loan. This loan may be layered with other forms of down payment assistance to help homebuyers purchase homes within San José’s municipal boundaries.

In 2012-2013, the City of San José will continue to administer the program which is designed to assist approximately 64 low- income first-time homebuyers purchase new or re-sale homes. The Program will have a budget of approximately \$1.6 million, jointly funded by \$600,000 of Proposition 1C money and \$1 million of federal HOME funds.

Mortgage Credit Certificate Program

This is a federal program that allows homeowners to claim a federal income tax deduction for the amount of interest paid each year on a home loan. In the past years, MCCs for the entire Santa Clara County, including San Jose, were being issued and managed by the County offices. In the coming year, the City is planning to assume responsibility for the MCC program implementation for homeowners whose properties lie within its municipal boundary. The City's expects to manage MCC credits of about \$4.9 million for the upcoming program year.

Purchase Assistance Loan (PAL) Program

In addition to the two programs managed by the City of San Jose, the Housing Trust of Santa Clara County (HTSCC) offers the PAL program. The PAL program, funded by NSP2, will assist 100 eligible homebuyers purchase foreclosed homes by providing mortgage, closing cost and related purchase assistance.

Site-specific Homeownership Programs

BEGIN Developments

The BEGIN program, funded by California's Department of Housing and Community Development (HCD), allows the City to provide deferred payment loans to qualifying low- and moderate-income first-time homebuyers who purchase a home in new housing developments for which the City has received a BEGIN award. The City is expected to assist 33 moderate-income homebuyers through the BEGIN program in 2012-13.

Financial Literacy and Homebuyer Education and Counseling

The City recognizes the value of a comprehensive homebuyer education program. In FY 2012-2013, the City will partner with Project Sentinel to provide pre-purchase homebuyer education courses to low- and moderate-income homebuyers on behalf of the City. The City will continue to require that all first-time homebuyers complete a pre-purchase homebuyer education course prior to receiving City assistance.

In 2012-2013, approximately 636 households will be assisted with pre-purchase homebuyer education. In addition to the City's partnership with Project Sentinel, qualifying first-time homebuyers may also receive mortgage assistance loans through the Housing Trust of Santa Clara County (HTSCC). The HTSCC is a private, nonprofit lender supporting affordable rental and ownership housing programs throughout Silicon Valley.

Targeted Outreach

On an ongoing basis, the City of San José, in partnership with Project Sentinel, the HTSCC and other groups, provides information on existing homeownership assistance programs that are available to low- and moderate-income households. The City will augment this ongoing effort by conducting a targeted outreach program directed to the following groups:

- Prospective homebuyers participating in homebuyer education services sponsored by Project

Sentinel.

- The Santa Clara County Association of Realtors (SCCAOR) and other real estate professional organizations.
- Various lenders providing homeowner loans in San Jose
- Low- and moderate-income residents and employees who work within the City of San José municipal boundaries outreached through public presentations and workshops.

Strategy #1C: Rehabilitation assistance to lower-income homeowners to preserve San José’s affordable housing stock

Need: The Housing Rehabilitation program will allow lower-income homeowners to remain in affordable, safe and decent housing. The City of San José identified 2,700 severely deteriorated housing units and another 9,500 moderately deteriorated units within its boundaries. These estimates do not include housing in need of minor repairs. Further, there are 11,891 low-income and moderate-income senior households in San José with housing problems, 6,323 of which were homeowners.

Five-Year Goal

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/Objective
Goal #1: Affordable housing for lower-income and special needs households						
<i>Action 1C.1. Rehabilitation assistance for lower-income homeowners, inclusive of all funding sources Housing Rehab Program - 110 Emergency & Minor Repair Program -113</i>	CalHOME, HOME, CDBG	# homeowners assisted	1,271	223	391	SL-3
<i>Action 1C.2. Rehabilitation assistance for lower-income homeowners through the CDBG program exclusively. (Subset of Action 1.C.1) Housing Rehab Program - 70 Emergency & Minor Repair Program -113</i>	CDBG	# homeowners assisted	1,000	183	266	SL-3
<i>Action 1C.3 Pursue funding opportunities for infrastructure improvements in low-income mobilehome parks</i>	n/a	n/a				SL-1,2,3

Rehabilitation Assistance for Lower-income Homeowners

Housing Department, Housing Rehabilitation Program (\$2,125,000): The project will provide housing grants and loans to improve and preserve the affordable housing stock and address health and safety concerns. Loans and grants will be made available Citywide, including for the City’s large stock of mobilehome units, but there will be a concentrated effort to use rehabilitation funding in conjunction with blight elimination efforts in the three place-based strategy neighborhoods.

Rebuilding Together Silicon Valley, Emergency, Critical and Minor Housing Repair Services for Low-Income San Jose Homeowners Project (\$400,000): The project will repair housing units to attend to immediate health and safety needs for extremely low-income homeowners in San Jose. The focus of

repairs will address emergency and critical repair needs, as well as minor accessibility and mobility needs within the home.

Funding Opportunities for Infrastructure Improvements in Mobilehome Parks

To date, the City has been unable to identify a viable funding source for this purpose.

Strategy #1D: Assist lower-income households including seniors, larger families, the disabled, in preserving and maintaining safe and affordable housing

Need for Senior Housing: According to the 2000 Census, 38 percent of Santa Clara County’s elderly households (age 65 years or older) face one or more housing problems. This includes overpaying for housing (spending more than 30 percent of their income on housing costs), living in an overcrowded situation, or living in a unit that lacks complete kitchen or plumbing facilities. Housing problems are more prevalent among elderly renters than owners. Approximately 60 percent of elderly renters experienced housing problems, compared to 31 percent of owners. Local service providers at each of the Consolidated Plan Workshops echoed these findings, and indicated a need for more affordable senior housing, particularly given the long waiting lists at existing developments.

Need for Larger Units: In 2000, 16 percent of Santa Clara County households had five or more persons. This figure varied substantially across Entitlement Jurisdictions. Approximately 24 percent of Gilroy’s households were large households while only six percent of Palo Alto and Los Gatos households had five or more individuals. This finding is consistent with the Consolidated Plan Workshops where participants noted the need for affordable units serving larger households in the South County.

2010 Census Update - Based on the 2010 Census, 15 percent of Santa Clara County households had five or more persons. This figure varied substantially across Entitlement Jurisdictions. Approximately 18 percent of San José’s households were large households. This finding is consistent with the Consolidated Plan Workshops where participants noted the need for affordable units serving larger households.

Need for Disabled Housing: The 2000 Census reports that there were approximately 9,400 individuals with disabilities in Santa Clara County, accounting for 17 percent of the County’s civilian, non-institutionalized population age five years and older. In 2000, approximately 60,600 seniors, or 39 percent of the elderly in Santa Clara County, had one or more disabilities. Consolidated Plan Workshop participants also cited the need for accessible units serving disabled persons. Census 2010 information on disabled persons is not yet available at the time of this report.

Five-Year Goal:

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/Objective
Goal #1: Affordable housing for lower-income and special needs households						
<i>Action 1D.1. Affordable housing for seniors, disabled individuals, large families</i>						
Production Goals (subset of 1.A.1)	HOME,	# units committed	29	89	143	DH-1,2,3

Rehab Goals (subset of 1.C.1) - Housing Rehab -- 50 - Emergency/Minor Repair -- 48	HOME, CDBG, CalHome	# homeowners assisted	254	98	190	SL-3
<i>Action 1D.2. Pursue funding opportunities to improve condition of housing stock for low-income renters</i>	n/a	n/a				SL-1,2,3

As described in the City Consolidated Plan, individuals and families with special needs include: seniors, the physically and mentally disabled, the frail elderly, and those with AIDS/HIV. The above table is an overview of the goals the City will undertake in the coming year to meet the needs of these vulnerable populations.

The City of San José has financially supported construction and rehabilitation projects, which, over the past 20 years, have resulted in over 1500 transitional and permanent housing units for homeless and special needs individuals.

In 2012-2013, the City expects to commit financing to at least three development projects, two of which will have a special needs component.

In 2012-2013, the City expects to complete construction of the Ford & Monterey Special Needs project. Housing special needs residents requires extremely low rents, making the need for a subsidy significant. The City has been successful in leveraging its scarce funds for this project with the project being built in a city-owned parcel and funded through HUD Section 811 program and the NSP2 program. Of the Project's 20 units, 19 will be affordability-restricted to VLI households earning up to 50% of Area Median Income (AMI) and one will be an unrestricted manager's unit.

Goal #2 – Support activities to end homelessness in San Jose and Santa Clara County (Continuum of Care)

Strategy #2A: Provide housing and supportive services to homeless individuals and families and households at risk of homelessness

Need: According to the 2009 Santa Clara County Homeless Census, 7,086 people were homeless on January 26-27, 2009, meaning that they were either sleeping in a place not fit for human habitation, or in emergency or transitional housing for homeless people. Although the 2009 Homeless Census reports a decrease in homeless individuals since 2007, local service providers report that they have seen an increase in clients seeking assistance as a result of the recession and unemployment. Furthermore, while there was an overall decrease in the number of homeless residents, there was actually a 35% increase in the number of chronic homeless residents in Santa Clara County. Therefore, additional funding for activities such as case management, outreach, transportation, and discharge planning will be critical to the County's ability to end chronic homelessness.

2011 Update - The 2011 point-in-time homeless count identified a total of 4,034 homeless persons in San José, which is a decrease of 4% from the 4,193 counted in 2009. Based on a formula that takes into account the point-in-time count, as well as the phenomenon that people will cycle in and out of homelessness, an estimated 10,844 individuals in San José will be homeless at some point during the year, an increase of 21% from the 8,941 individuals estimated in 2009.

The increase in the estimated annual number of homeless persons is largely due to the increase of residents who had been homeless for a short period of time (one week or less) at the time of the survey. In 2009, 3.4% of those surveyed had become homeless in the week prior to being surveyed compared with 5% in 2011. There was also a substantial increase in the number of chronically homeless persons (defined as an unaccompanied homeless individual with a disabling condition or a family with at least one adult member who has a disabling condition who has either been continuously homeless for a year or more OR has had at least four episodes of homelessness in the past three years); from 2009 to 2011 the estimated number of chronically homeless individuals in San José grew from 1,336 to 1,487, an increase of 10%. Therefore, additional funding for activities such as case management, outreach, transportation, and permanent supportive housing will be critical to the City's ability to end chronic homelessness

Five-Year Goal

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/Objective
Goal #2: Activities to end homelessness						
Action 2A.1. TBRA assistance to the homeless - Chronically homeless - 15	HOME	# unduplicated households	285	15	65	SL-1,2,3
Action 2A.2. Short-term emergency shelter	ESG CDBG	# individuals assisted	6,000	3,600	7,830	DH-1
Action 2A.3. Emergency rental assistance programs	ESG, CDBG HTF	# individuals assisted	2,000	400	1,496	DH-2
Action 2A.4. Programs that provide vital services to homeless individuals						SL-1,2,3
Homeless Services - Outreach Programs - Services for Youth & Families	ESG, CDBG	# individuals assisted	46,000	2,204	26,781	SL-1,2,3
Action 2A.5. Support Destination: Home	HTF	# individuals assisted		60		SL-1,2,3
Action 2A.6. Seek additional funding for countywide efforts to end homelessness	HTF	# individuals assisted		236	1290	SL-1,2,3
Action 2A.7. Seek additional funding for housing and services for recently emancipated youth	n/a	n/a				SL-1,2,3
Action 3A.1. Assist lower-income residents with basic/essential services and maintain self-sufficiency						SL-1,3
Homeless Services	ESG, HOPWA,	# individuals assisted	30,000	3,000	18,415	
CDBG	CDBG	# individuals assisted	44,000	2,000	4,919	

Efforts to End and Prevent Homelessness

In 2003, the federal government adopted a goal to eliminate chronic homelessness within ten years and called upon the nation's cities to adopt plans to make this goal a reality. The National Alliance to End Homelessness, the federal government, the U. S. Interagency Council on Homelessness, and the U.S. Conference of Mayors have all embraced this objective.

Tenant Based Rental Assistance (TBRA) Programs

By the end for FY 2011-12, the City of San Jose will be funding two TBRA programs targeting chronically homeless households the first focused on persons with severe mental illness, the second

targeting residents with substance abuse issues who live in and around St. James Park located in the City's downtown. In addition, the City plans to continue using the majority of its HOPWA funds on a TBRA program for low-income residents living with HIV/AIDS who are homeless or at-risk of homelessness.

TBRA – Chronically Homeless Program

In 2009 using HOME funds, the City, in coordination with the County of Santa Clara's Department of Mental Health and PRIDE, a nonprofit arm of the local Housing Authority, began implementing a TBRA program for chronically homeless residents suffering from severe mental disabilities. Although the program is winding down, in FY 12-13 the City will continue to provide rent subsidies for those residents still eligible for and participating in the program. In addition, in the spring of 2012 the City will begin implementing an expansion of the TBRA which will utilize HOME funds to provide housing subsidies to 15 chronically homeless residents with substance abuse issues, giving preference to those in and around San Jose's St. James Park area. The City's rent subsidies will be matched with case management services from the County of Santa Clara's Department of Alcohol and Drug Services.

The Program operates similar to the Housing Authorities' Section 8 program. Staff helps their clients to locate appropriate rental housing, performs inspections, facilitates placement and coordinates monthly subsidy payments per HOME TBRA guidelines.

Current clients who are coming up on the completion of their 2-year agreement for TBRA assistance will be reevaluated to determine if an extension will be needed to prevent another homeless situation. Exit plans and positive tenant status are just some of the aspects that will be taken into consideration to determine whether an extension is appropriate.

TBRA – Residents of Homeless Encampments

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

TBRA – HOPWA Program

In order to solicit proposals for its FY 2012-2013 HOPWA application, the City posted a Request for Proposals (RFP) on February 17, 2012. The RFP solicited agencies interested in providing services to individuals with HIV/AIDS who are homeless or at-risk of homelessness and living in the Counties of Santa Clara and San Benito. Agencies serving Santa Clara County residents must coordinate with the Housing 1000 campaign to identify and serve eligible persons designated as "vulnerable" on its vulnerability index as funds become eligible to serve new clients. The City will work with HUD, the Housing 1000 campaign, and other agencies as appropriate to ensure that the manner in which new clients are prioritized met all Fair Housing and other applicable regulations.

TBRA – HOPWA SPNS

In November 2010, the City's Housing Opportunities for Persons with AIDS (HOPWA) Special Project of National Significance (SPNS) administered in partnership with the Health Trust was renewed for an additional three-years. The City was awarded \$1,262,800 to be used evenly over the three-year period. In FY 2012-13, this program will continue to provide tenant-based rental assistance and supportive services to very low- and low-income Santa Clara County residents disabled by HIV/AIDS.

Short-Term Emergency Shelter, Emergency Rental Assistance and Homeless Services

In FY 2012-2013, the City of San Jose will combine its FY 2011-12 ESG 2 allocation of \$248,315 and \$26,644 in unallocated funds from FY 2011-12 with its FY 2012-13 ESG allocation of \$792,456 and \$467,000 of its CDBG allocation to fund the following programs:

In FY 2012-2013, the City of San Jose will combine its ESG and CDBG funds to support two types of homeless programs: 1) outreach program(s) that target persons living on the streets and services to families and youth (including victims of domestic violence) Activities will include:

- Multi-disciplinary outreach programs that may include outreach workers, shelter beds, and case management services, deposit/rental assistance to outreach and engage homeless individuals living on the streets and in encampments
- Full-service programs for homeless families (including victims of domestic violence) and youth including shelter beds, case management, and deposit/rental assistance.

These services would be available Citywide, though outreach that will be targeted to areas where the homeless residents congregate.

The funds projects are as follows:

1. Homeless Outreach Services:
 - a. EHC LifeBuilders, Citywide Outreach and Shelter Project (\$563,839): The project will provide comprehensive outreach services to homeless individuals in the City of San Jose. Services will include street-based outreach, emergency shelter, case management and financial assistance to attain permanent housing.
 - b. Bill Wilson Center (in partnership with InnVision The Way Home), San Jose CDBG/ESG Homelessness Outreach Project (\$249,023): The project will provide outreach and engagement services, intensive case management, shelter, housing search, deposit/rental assistance and linkages to services provided by other agencies including mainstream benefits.
2. Homeless Services to Youth and Families (including victims of domestic violence):
 - a. Next Door Solutions to Domestic Violence (in partnership with Asian Americans for Community Involvement, Community Solutions, Maitri and YWCA-Support Network), The Domestic Violence Collaborative Homelessness Intervention & Prevention Project (\$235,000): The project will provide emergency shelter, case management/safety planning, legal advocacy, counseling, self-sufficiency services and permanent housing placement to victims of domestic violence.
 - b. Bill Wilson Center (in partnership with InnVision The Way Home, Family Supportive Housing and Sacred Heart Community Services), CDBG/ESG Homelessness Families and Youth Project (\$306,909): The project will provide emergency shelter, outreach and engagement, case management, housing search, rental/deposit assistance and linkages to support services.
3. Homeless Management Information System (HMIS):
 - a. Community Technology Alliance, HMIS-Santa Clara County (\$90,000): The project will provide a web-based system to effectively and efficiently track all homeless clients who receive homeless services throughout the county.

The City will utilize its ESG funds for activities related to the administration of the Homeless Management Information System (HMIS). HMIS is a secure web-based case management and reporting tool that serves as the primary client data collection and management tool for Santa Clara County's homeless service agencies. The City of San Jose Housing Department requires the use of HMIS to monitor outcomes and performance measures for all of its funded homeless service agencies.

Support Destination:Home

On September 23, 2003, the San José City Council adopted a resolution approving a **Homeless Strategy** for the City of San José. In approving the Plan, the City joined dozens of other communities throughout the nation seeking to revise the current approach to addressing homelessness. The Homeless Strategy, adopted by the Mayor and City Council, outlines the extent of the homeless problem in San José, describes the many programs and policies the City has adopted over the years, and lays out a series of policies and actions designed to eliminate chronic homelessness in San José within ten years. More recently, the City in coordination with Santa Clara County, and representatives from local nonprofits and businesses, established a Blue Ribbon Commission (BRC) on homelessness and affordable housing to gain the political and community will and resources to make the homeless strategy a reality. The implementation of the BRC's recommendations is occurring under the name of Destination: Home.

In FY 12-13 the City will continue to support Destination: Home through staff participation on its Boards and Committees as well as financial commitments for its administration and programs. Destination: Home's major areas of focus include:

Prevention - Emphasize programs that seek to prevent homelessness, such as one-time rent to prevent eviction, a rental guarantee program, and an emphasis on the development of permanent supportive housing. In addition, the City is working with government and nonprofit agencies throughout the county to develop a discharge planning strategy to prevent persons being released from institutional settings, such as jails and hospitals, from becoming homeless.

Rapid Re-housing (Housing First) - Continue to support existing homeless and transitional shelters, but focus on moving people quickly into permanent housing with supportive services as seen in the successful **Housing First** approach. Efforts will include creating mutually beneficial partnerships with property owners and managers to remove the stigma of renting to extremely low-income and formerly homeless people, and increasing the number of units of permanent housing available to chronically unhoused people linked with supportive wraparound services.

Wraparound Services – In 2011, the City, in partnership with Destination: Home and the Santa Clara County Collaborative on Affordable Housing and Homeless Issues (Collaborative) joined the national 100,000 Homes Campaign on behalf of Santa Clara County. Using a health-focused strategy, this national campaign seeks to house 100,000 of the nation's most long-term and vulnerable homeless individuals by July 2013, with 1,000 of those persons being housed through Santa Clara County's local Housing 1000 campaign. In June 2011, Destination: Home completed the first stage of the Housing 1000 campaign by surveying almost 1,000 homeless residents to assess their mortality risk. The results of these surveys will be used to prioritize the provision of housing and case management services.

One of the components of the Housing 1000 Campaign is the "HUB Model" - an assessment and case management system charged with coordinating the care of the county's most vulnerable and long-term

homeless residents, as identified through the Housing 1000 surveys. Under the HUB Model, a coordinator provides the planning and coordination necessary to secure services for HUB clients, while case managers work with each client individually to identify their needs, ensure that they receive and utilize the specific services and assistance that will address these needs, and ultimately assist them in obtaining and maintaining housing.

In 2011, the City provided Destination: Home with a Housing Trust Fund grant of \$300,000 to pay for three intensive case managers including salary, benefits, agency overhead, and program expenses such as client rental deposits. The Housing Trust Fund grant combined with \$125,000 already secured by Destination: Home for the Coordinator position will allow Destination: Home to launch the HUB Model. The City anticipates that it will continue to support this effort through the continued participation by staff on the Housing 1000 Leadership Board and by renewing the funding for case management services in FY 12-13.

Proactive Efforts – Create a discharge plan that proactively anticipates and meets the needs of individuals who are being released or have recently been released from an institutional setting including mental institutions, hospitals, and the criminal justice system. The goal of the discharge plan is to coordinate services and develop a plan of action to provide these individuals with the assistance and resources they need to prevent them from becoming homeless. The City is working closely with the Santa Clara County Department of Corrections, the Hospital system, the County of Santa Clara, local homeless service providers, employment agencies, and other agencies as appropriate to develop a discharge plan to prevent those leaving the hospital or criminal justice system from being discharged to the streets.

In this regard, during the fall of 2008, Destination: Home opened the Santa Clara County Medical Respite Program for homeless individuals who have recovered enough to be released from a hospital setting. This respite program provides these individuals with a safe place to recover from their illness and receive light medical attention while getting the services needed for them to become permanently housed decreasing the likelihood of their return to the emergency room. The City received a grant from the federal Department of Health and Human Services to increase the number of available respite beds from 15 to 20 and double the number of medical exam/case management rooms from two to four. The facility improvements, which are anticipated to be completed by December 2012, will improve access to health care services for chronically homeless adults with complex medical conditions and related psychosocial problems.

Additional Activities and Efforts to End and Prevent Homelessness

In addition to the efforts describe above, the City anticipates funding the following activities targeted towards ending or preventing homelessness:

Skills to Succeed

In October of 2010, the City was awarded a federal appropriation for the “Skills to Succeed” program which provides case management, job training and employment assistance to formerly incarcerated women. This program, which is being administered by Santa Clara County’s Office of Women’s Policy, expects to provide employment training services to over 50 women by the end of its funding in the fall of 2012.

Downtown Homeless Outreach Program

In 2010, an increase in complaints about homeless people impacting San Jose's Downtown business community highlighted the lack of an outreach component to the County's homeless services' system. In 2011, through a combination of reallocated federal Emergency Shelter Grant (ESG) funds and funds from the City's Housing Trust Fund the City funded a five-month homeless outreach program targeted to residents in San José's downtown. This program provided outreach to homeless residents living in San José's downtown and connecting them with services available at the two One Stop Homelessness Prevention Centers, including providing transportation to the Centers. Additional components of the program include a hotline for community members to request assistance for homeless persons residing in the downtown area and reserved shelter beds.

To date, the Downtown outreach program has proven successful on several levels:

- Downtown businesses were pleased that homeless people are being assisted rather than sleeping on their doorsteps;
- Community members had a venue to voice their concerns about homeless residents in San José's Downtown; and
- Homeless residents were being housed.

The program has proven so successful that the City continued to fund the program in FY 11-12, including paying for 1 full-time Senior Outreach Case Manager; 2 half-time Outreach Workers; 5 shelter beds a night; transportation to the shelter or housing appointments for those staying in the shelter; and bus tokens or transit passes as needed. Given the continued success of the program, the City anticipates renewing its funding in FY 12-13 through its Housing Trust Fund.

UPLIFT

Since 2008, the City has been partnering with the County of Santa Clara to fund the UPLIFT transit pass program which provides monthly bus passes to residents who are homeless or at-risk of homelessness, are receiving ongoing case management services, and are making progress on their designated goals. The City anticipates continuing to support the program in FY 2012-2013 through a Housing Trust Fund grant of \$40,000.

Work2Future

The City is an active participant in Work2future, which consists of representatives from area employers, educators, and economic development and community service organizations. Work2future works to link job training programs and local employers. These linkages are critical to ensuring that residents have the skills and training needed to enter or return to the job market.

Data Collection

The City is working to ensure that data systems collect the information needed to determine the needs of the homeless and the success of program efforts. The City funds and works collaboratively with Community Technology Alliance, the County's HMIS administrator to ensure that all federal and City funded agencies are active participants of HMIS. City staff will continue to participate on the Collaborative's Technology Committee and otherwise coordinate with CTA and the local homeless service providers to enhance the existing data collection systems to better capture the needs of the area's homeless residents and the success of various efforts to end and prevent homelessness. In addition, the City will conduct its biannual Homeless Census and Survey in early 2013 to assess the changes in the number of homeless residents in the region and their characteristics.

Transitional and Permanent Housing Assistance

The City currently has **over 800 beds of emergency shelter, over 700 beds of transitional housing, and over 700 beds of permanent housing**, which serve homeless individuals, families with children, women with children, youth, and victims of domestic violence. In line with its goal of ending chronic homelessness, the City plans to start shifting its funding away from programs that provide emergency shelter or transitional housing. Instead, the City will target its funding towards the provision of permanent housing, affordable to extremely low-income households, combined with a comprehensive system of services that will foster the ability of homeless households from gaining and maintaining self-sufficiency.

HUD’s Homeless Emergency Assistance and Rapid Transition to Housing in the ESG Program

Please see Appendix F for additional information on the second allocation and reallocation of FY 2011-2012 ESG funds that the City will spend in FY 2012-2013.

Goal #3 – Support activities that provide basic services, eliminate blight, and/or strengthen neighborhoods

Strategy #3A: Support local service organizations that provide essential services to the community, particularly special needs populations

Need: Consolidated Plan Workshop participants emphasized the need to support a broad range of community services. Lower-income households and special needs populations require this multi-faceted network to address basic needs such as food, clothing, health, and shelter, as well as other services outlined in Section 4.10 of the Consolidated Plan. As the recession and unemployment have exacerbated demand for all types of services, reduced funding from the State and private sources has impacted service delivery. Therefore, continued support from local jurisdictions via CDBG and other sources has become more vital.

Five-Year Goals

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/ Objective
<i>Goal #3: Activities that provide services, eliminate blight, and/or strengthen neighborhoods</i>						
<i>Action 3A.3. Assist lower-income residents access healthcare</i>	CDBG	# individuals assisted	22,000	0	3269	SL-1,3
<i>Action 3A.4 Assist lower-income residents access legal services</i>	CDBG	# individuals assisted	7,000	1,736	1718	SL-1,3

As noted in a prior section, FY 2012-2013 represents the first of a multi-year place-based strategy. Part of this strategy will be to provide identified public service activities that both address the needs of the community and are in alignment with other city initiatives. Specifically, the City of San Jose will use CDBG and ESG funds to support the following activities.

Assist lower-income residents with basic/essential services

The Health Trust, Meals on Wheels (\$100,000): The project will provide daily home-delivered hot meals, personal connections, Wellness Checks, and resources for low-income, homebound San Jose seniors who cannot access services outside of their homes.

Assist lower-income residents maintain self-sufficiency

Catholic Charities of Santa Clara County (in partnership with Live Oak Adult Day Services, Respite and Research for Alzheimer’s Disease and Yu Ai Kai), Senior Isolation to Inclusion Project (\$100,000): This project will provide a continuum of community-based safety net services - including licensed adult day care, escorted transportation, and congregate senior meals - to San Jose's low-income, dependent seniors in order to prevent or reduce their isolation and depression, and to increase their community connections.

School Readiness/Third-Grade Literacy services within the three place-based neighborhoods (\$300,000). CDBG funds will fund activities that achieve school readiness and improve 3rd grade reading scores. Activities will include, but are not limited to, prevention and early intervention strategies for engaging parents, caregivers, and community members in preparing children to be ready to enter and succeed in school and working with the children themselves to develop their literacy and school readiness skills through after school tutoring programs. Activities will be targeted directly to neighborhood children ages 0-8 and their parents, caregivers, and other community members that will be influential to the children’s success.

Assist lower-income residents access health care

The City is not funding this activity in F 2012-2013.

Assist lower-income residents access legal services

Legal services will be provided in FY 2012-2013 under Fair Housing activities (see Goal #5).

Strategy #3B: Provide the public facilities and infrastructure needed to assure the health, safety, and welfare of the community

Need: Community Workshop participants expressed the need for ongoing maintenance and upgrades to local public facilities, such as parks, community centers, youth and senior centers, sidewalks and landscaping, recreation facilities, and others.

Five-Year Goals:

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/ Objective
Goal #3: Activities that provide services, eliminate blight, and/or strengthen neighborhoods						
Action 3B.1. Remove public accessibility barriers	CDBG	# individuals assisted in	n/a	14,000	0	SL-1,3

		low-mod areas				
<i>Action 3B.2. Physical improvements and rehabilitation of public facilities</i>	CDBG	# individuals assisted in low-mod areas	25,000	32,061	0	SL-1,3
<i>Action 3B.3. Eliminate blight, neighborhood clean-up and strengthen neighborhoods</i>	CDBG	# households / businesses / inspections	11,000	8,048	14,707	SL-1,3

The primary outcome of the Place-Based Strategy is to create clean and safe communities in the three identified neighborhoods. The City of San Jose will target some of the CDI funds to these neighborhoods, while others—such as housing rehabilitation and minor repair—will continue to be available to residents Citywide. To this end, the proposed uses of CDI funds include:

Remove public accessibility barriers

The City intends to complete the installation of ADA accessibility ramps in public rights-of-way in the Mayfair and Santee neighborhoods.

Physical Improvements and Rehabilitation of Public Facilities

Infrastructure and Facilities Improvements (\$1,504,000): The City of San Jose has identified and will implement key improvements in the three identified neighborhoods that respond to their highest priorities. These activities could include: infrastructure improvements such as street lighting and pedestrian safety improvements around schools, traffic calming measures, ADA ramps and community open space improvements and rehabilitation and improvement of community facilities as follows:

City of San Jose Department of Transportation

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

City of San Jose Department of Public Works

- o Install a section of the Five Wounds Trail along South 22nd Street in the Five Wounds neighborhood (\$86,000).
- o Complete the pedestrian-scale street light project on South 24th Street between Santa Clara and William Streets in the Five Wounds neighborhood (\$162,000).
- o Install embossed crosswalks at the following intersection in the Five Wounds neighborhood: three at 24th & Bulldog; two at 33rd & Berrywood (\$148,000).

City of San Jose Department of Parks, Recreation and Neighborhood Services

- o Convert two lighting fixtures in the Forestdale Park tot lot to LED (\$7,000).

Franklin-McKinley School District

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

Roman Catholic Diocese of San Jose

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

Elimination of blight and neighborhood clean-up to strengthen neighborhoods

The City of San Jose will fund two activities designed to address blight in the targeted neighborhoods. The City will implement a Blight Eradication Program (\$1,300,000): The project will identify deteriorated housing conditions within targeted areas and work with property owners to correct. The program will also survey the condition of the neighborhood housing stock to aid in the development of a comprehensive neighborhood improvement plan. Part of this plan will include the development of a tool-kit to provide the necessary resources to property owners.

Downtown Street, Inc., Downtown Streets Team- Neighborhood Cleanup Project (\$200,000) (\$200,000): The project will clean neighborhood streets, remove weeds, paint over graffiti, reverse urban decay, provide peer-to-peer outreach to homeless living in the area, and work alongside concerned residents within the three place-based neighborhoods, in advance of permanent improvements,

Strategy #3C: Mitigate lead-based paint hazards

Need: Approximately 45,600 rental units occupied by extremely low-, low-, and moderate-income households in Santa Clara County may contain lead-based paint (LBP). In addition, approximately 6,000 low- and moderate-income homeowners may occupy units containing LBP. However, homes with lead-based paint do not necessarily pose a health hazard, if the property is in good condition and the paint well-maintained. In fact, there has been a relatively low incidence of lead poisoning among Santa Clara County children. In Santa Clara County in 2006, there were only 65 confirmed cases of elevated blood lead levels among children, accounting for 20 percent of all confirmed cases in the Bay Area that year.

Five-Year Goal:

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/Objective
Goal #3: Activities that provide services, eliminate blight, and/or strengthen neighborhoods						
<i>Action 3C.1. Inspection of affordable housing for lead-based paint</i>	NSP, first-time homebuyers program, Rehab	# properties inspected	1,215	105	131	SL-1,3
<i>Action 3C.2. Seek funding opportunities to mitigate lead hazards</i>	n/a	n/a				SL-3, DH-1,2

The Department of Housing continues to provide lead testing and assessment services on all dwellings receiving rehabilitation that were built prior to 1978. In addition, lead-based paint testing is performed

on pre-1978 dwellings in the Project Alliance and NSP Programs. The Housing Department continues to contract with an outside environmental consultant to provide these testing and assessment services. This is in addition to the trained and lead certified Housing Department staff. These services are being provided in part to comply with Federal regulations 1012 and 1013 of Title X. Additionally, these services are being provided to ensure a safer environment for those we serve. Despite the fact that less than 40% of Program funding is derived from federal funds, 100% of eligible conventional homes built prior to 1978 are tested for lead. Regardless of the funding source, those properties testing positive for this hazard are mitigated in conjunction with rehabilitation.

Over the past four years, the Housing Department has tested over 536 properties for the presence of lead-based paint. Over the next five years, it is anticipated that, on average, 200 properties built prior to 1978 will be rehabilitated per year. Data over the past three years suggests that approximately 40% of the housing stock tested, tested positive for lead-based paint at levels over HUD’s acceptable limits. Based on these results, an estimated 80 properties per year will potentially receive some level of lead remediation or abatement.

Strategy #3D: Support a Neighborhood Stabilization Program to strengthen neighborhoods affected by foreclosures

Need: Since 2007, San José has experienced a significant increase in the number of home foreclosures as a result of sub-prime loan programs, reduced home values and increased unemployment. With entire neighborhoods being affected by the foreclosure crisis, San José intends to be proactive in devoting resources to increase stability and reduce blight in targeted areas hardest hit by the foreclosure crisis.

Five-Year Goal:

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/ Objective
Goal #3: Activities that provide services, eliminate blight, and/or strengthen neighborhoods						
Action 3D.1. Purchase of foreclosed properties and subsequent rehab and resale as affordable units	NSP	# units assisted	90	31	13	SL-3, DH - 1,2
Action 3D.2. Provide support to the City's ForeclosureHelp Initiative	CDBG	# of individuals assisted		1,200		DH-2,3
Action 3D.3. Provide support to the Don't Borrow Trouble campaign		n/a				DH-2,3
Action 3D.4. Research best practices and policies to respond to foreclosure crisis	n/a	n/a				DH-2,3

The City continues to experience a high volume of foreclosures. Between 2007 and 2011, San Jose residents received nearly 55,000 total foreclosure filings (including notice of default, notice of auction sale, and bank repossession) that resulted in 11,800 bank repossessions. This is a significant jump in foreclosures relative to that experienced prior to the economic recession. For example, SJ residents received less than 2,000 total foreclosure filings in 2006 whereas banks issued over 16,000 filings at the foreclosure peak in 2009. In the worst hit neighborhoods, up to 16% of owner-occupied units have been affected, and the Citywide median sales price of single-family homes has dropped from a high of \$747,000 in late-2007 to \$481,500 today. Homes in the foreclosure process continue to be concentrated

in certain areas in San José, particularly in East San José and along the 101 freeway where there is a higher population of lower-income as well as Vietnamese and Hispanic households. Besides the impact that foreclosures have on the families themselves, foreclosures also impact neighborhoods if they lead to vacant homes, blight, crime, or other undesirable activity. As a result, foreclosure prevention continues to be a core need for San Jose's residents and neighborhoods. To address this ongoing issue, federal funds will be used for the following Foreclosure Response activities.

Purchase of Foreclosed Homes

The City will use NSP funds to help with the purchase, rehabilitation and resale of foreclosed homes. The Purchase Assistance Loan (PAL) program being administered by the Housing Trust of Santa Clara County has a target of completing 80 loans by February 11, 2013. To date, the Housing Trust has closed 40 loans. In FY 2012-2013, the Housing Trust anticipates completing 40 additional loans.

The first phase of the San Jose Dream Home program, being administered by the City, consisted of 32 homes. As homes are sold to qualified households, program income would fund the purchase and rehabilitation of 32 additional homes during the second phase of the program, for a total of 64 properties. The NSP2 Developers have purchased 33 properties and sold 21 properties to income eligible families through the end of February 2012. In FY 2012-2013, the City anticipates completing the second phase of 31 homes, and meeting the HUD mandated February 2013 expenditure deadline.

Provide Support to ForeclosureHelp

A consortium of nonprofits will receive \$300,000 to provide expanded services as part of the ForeclosureHelp initiative being led by the Housing Trust of Santa Clara County (in partnership with Neighborhood Housing Services Silicon Valley, Project Sentinel, Law Foundation of Silicon Valley, SurePath Financial Solutions, Asian Inc., and Santa Clara County Association of Realtors). The project will assist homeowners and tenants at risk of being displaced from their homes with foreclosure prevention, intervention and family re-stabilization. Counseling, guidance, and appropriate referrals will be provided to families considering short sale, loan modification or legal assistance.

Provide support to the Don't Borrow Trouble Campaign

The Don't Borrow Trouble Campaign will be assisted under the ForeclosureHelp Initiative. No CDBG funds will be used to support the Campaign.

Other Foreclosure Response Measures

In FY 2012-13, the Housing Department will continue to facilitate foreclosure prevention efforts in the following ways:

1. Monitor the foreclosure situation in San José by tracking the number of homes in the foreclosure process and where they are located geographically. .
2. Monitor and advocate for legislation that seeks to mitigate the impacts of foreclosures.
3. Coordinate with banks who own foreclosed homes in San Jose to ensure the homes are maintained.

Goal #4 – Expand Economic Opportunities for Low-Income Households

Strategy #4A: Support economic development activities that promote employment growth and help lower-income persons secure and maintain a job

Need: The California Employment Development Department (EDD) reports a 12.1 percent unemployment rate for Santa Clara County in January 2010,. In response, Consolidated Plan Workshop participants stated the need for small business development, mentoring, and loan programs. These activities can help local entrepreneurs establish their businesses and lease space at more affordable rates during the down market. Participants also expressed the need for vocational programs that build basic job skills and train workers, especially youth, to enter or re-enter the workforce. As a challenge, these services are often best addressed at a county or regional scale, given the relative scarcity of funding resources at the local level.

Five-Year Goal:

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/Objective
Goal #4: Economic opportunities for low-income households						
Action 4A.1. Funding for local employment development and workforce training	CDBG	# jobs created	250	0	41	EO-1,3
Action 4A.2. Small business development, job training	CDBG	# individuals assisted	3,000	0	524	EO-1,3

CDBG funding for economic development activities will not be provided in FY 2012-13 because of the reduced size of CDBG entitlement grant from HUD and the need to pay for Section 108 debt service by the CDBG program.

Goal #5 – Promote Fair Housing Choice

Strategy #5A: Conduct outreach to the community regarding fair housing, in order to address local barriers to fair housing

Five-Year Goal:

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/Objective
Goal #5: Promote Fair Housing Choice						
Existing Priority Actions in 2010-15 Consolidated Plan						
Action 5.A.1. Ongoing education and outreach regarding fair housing	CDBG	# of events		42	56	DH-1
Action 5.A.2. Fair housing testing in local apartment complexes	CDBG	# of tests		60	134	DH-1

<i>Action 5.B.1. Ensure local ordinances are in compliance with State and Federal fair housing laws</i>	n/a	n/a		Continue to implement	Right to practice religion reviewed	DH-1
<i>Action 5.B.2. Ensure zoning ordinances have procedures for reasonable accommodation requests</i>	n/a	n/a		Continue to implement	Study session and 2 cases on reasonable accommodation	DH-1
<i>Action 5.B.3. Language assistance for limited English speaking residents</i>	n/a	n/a		Continue to implement	Implementation assistance for LAP	DH-1
<i>Action 5.B.4. Update local analysis of impediments</i>	n/a	n/a		Review and update fair housing actions, and align with 5-Year Consolidated Plan	ongoing	DH-1
New Priority Actions for 2012-13 Annual Action Plan to be Added to the 5-Year Plan						
<i>Action 5.C.1. Plan for and facilitate development of complete, mixed-use and mixed-income communities.</i>				Develop implementation strategies for urban villages/Envision 2040	n/a. New priority action for 2012-13	
<i>Action 5.C.2. Plan for and facilitate transit-oriented development.</i>				Develop implementation strategies for urban villages/Envision 2040	n/a. New priority action for 2012-12	

The City of San José is committed towards mitigating or eliminating impediments to fair housing choice through the eleven actions identified below as well as in its Analysis of Impediments and 2010-15 Consolidated Plan. These eleven actions seek to facilitate access to affordable housing, to fund fair housing services, to ensure the alignment of local zoning ordinances to fair housing requirements, to outreach with the County Housing Authority on the Section 8 voucher program, and to facilitate the creation of complete communities. This comprehensive fair housing plan recognizes that fair housing is a regional issue, leverages partnerships, and strategically focuses on the highest impacts especially given the need to adjust to limited and often diminishing resources.

As a result, the City of San José funds or partners with local and regional agencies that have expertise in this area, especially in the area of fair housing services. For FY 2012-13, approximately \$385,000 from the 20% set-aside for CDBG Administration is recommended for funding a consortium of agencies which are currently providing Fair Housing services Citywide (Legal Aid of Santa Clara County, the Law Foundation including the Mental Health Advocacy Project, Project Sentinel, the Asian Law Alliance, and Senior Adults Legal Assistance). This consortium has come together to provide services, with the Law Foundation taking the lead grantee role, focusing its efforts on implementing the federal Analysis of Impediments to Fair Housing plan. The services to be provided next fiscal year 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.

Housing Department staff will collaborate internally and with staff from other City departments and organizations in order implement the remainder of its fair housing strategy, including facilitating access to affordable housing, ensuring local ordinance alignment with fair housing laws, outreaching on the Section 8 voucher program, and creating complete communities

The following policies and actions respond to the fair housing needs identified in City's 2010-15 Consolidated Plan and its Analysis of Impediments.

Actions to Further Fair Housing

To further fair housing in San Jose, the City will implement the following actions in alignment with its Analysis of Impediments and Consolidated Plan:

Action #1: Facilitate access to below-market-rate units. The Entitlement Jurisdictions shall continue to assist affordable housing developers in advertising the availability of below-market-rate units via the jurisdictions' websites, the 2-1-1 information and referral phone service, and other media outlets. In addition, the City of San José, in coordination with the County of Santa Clara, is in the process of implementing a new housing search and location website. This new website, administered by the nonprofit Social Serve, will provide residents with the ability to search for affordable and appropriate housing throughout Santa Clara County utilizing a number of search criteria and a customer service calling number. The jurisdictions will also facilitate communication between special needs service providers and affordable housing developers, to ensure that home seekers with special needs have fair access to available units.

Status: Implement. The City will continue to implement this action. The Housing Department currently maintains a rental listing page on its website that contains information on existing, recently completed, and to-be-completed affordable housing developments. The website provides contact information, the type of housing (family, seniors, special needs), and the number of units for each development. Additionally, a Countywide rental housing search web tool called scchousingsearch.org has been completed and is available for public use. [Scchousingsearch.org](http://scchousingsearch.org) allows prospective renters to search for homes using a diverse set of criteria, including the unit size, the rent range, and proximity to amenities such as public transit, shopping, and hospitals. This search tool is also on the Housing Department's rental listings website.

Action #2: Maintain a list of partner lenders. The Entitlement Jurisdictions shall maintain a list of lenders that can help buyers access below-market-rate loans and locally-sponsored down payment and mortgage assistance programs.

Status: Implement. The City of San Jose Housing Department maintains a list of lenders that can assist buyers with below-market-rate loans and mortgage assistance programs. The list is located on the Department's website at: <http://www.sjhousing.org/program/HB/LenderList.pdf>. This list is updated on a periodic basis to ensure current information.

Action #3: Provide language assistance to persons with limited English proficiency. Many individuals living in San Jose for whom English is not their primary language may speak English with limited proficiency or, in some cases, not at all. As a result, persons who are limited English proficient (LEP) may not have the same access to important housing services as those who are proficient. The City

of San Jose and City-funded agencies shall implement and maintain a language access plan (LAP) consistent with federal guidelines to support fair access to housing for LEP persons.

Status: Implement. Since 2007, the City of San Jose has maintained an LAP to facilitate access to housing for those who lack English proficiency. The Plan has identified language assistance needs for Spanish, Vietnamese, and Chinese (Cantonese and Mandarin) speakers. Assistance may come in the form of either written or oral translation as determined by need and demand.

Action #4: Contract with local service providers to conduct ongoing outreach and education regarding fair housing for home seekers, landlords, property managers, real estate agents, and lenders. Outreach will occur via training sessions, public events, jurisdictions' websites and other media outlets, staffing at service providers' offices, and multi-lingual flyers available in a variety public locations.

Status: Implement. Through its federal CDBG program, the City will implement this action by contracting with a consortium of local fair housing service providers as indicated above.

Action #5: Contract with local service providers to conduct fair housing testing in local apartment complexes. The testing program looks for any evidence of differential treatment among sample local apartment complexes. Following the test, the service provider submits findings to the local jurisdiction and conducts educational outreach to landlords that showed differential treatment during the test.

Status: Implement. Through its federal CDBG program, the City will implement this action by contracting with a consortium of local fair housing service providers, as indicated above, to conduct fair housing testing.

Action #6: Ensure that local zoning ordinances are consistent with State and federal fair housing laws.

Modifications to be evaluated may include, but are not limited to, the following:

- Entitlement Jurisdictions shall revise their zoning regulations as necessary to ensure that the requirements for secondary units conform to State law.
- Entitlement Jurisdictions' zoning ordinances shall have a definition of family that is consistent with the Lanterman Developmental Disabilities Services Act and the federal Fair Housing Act and the Fair Housing Amendment Act.

Status: Implement. The Housing Department, in coordination with the City's Planning Department and Attorney's Office as appropriate, will review reports of zoning inconsistency with State and federal fair housing laws. If the City finds evidence of inconsistency, it will develop a plan to modify the ordinance. The plan will account for staff capacity, resources, and workload when determining a reasonable timeline for modification.

Action #7: Ensure that local zoning ordinances have effective procedures to respond to reasonable accommodation requests in order to accommodate the needs of persons with disabilities.

Status: Completed. The City of San Jose has a process for requests for reasonable accommodation. The process and reasonable accommodation request form can be found at: http://www.sanjoseca.gov/planning/applications/dev_ra_pr.pdf

Action #8: Assist local Housing Authorities with outreach. The Entitlement Jurisdictions shall continue to support the Housing Authority of the County of Santa Clara and the City of San José Housing Authority to ensure adequate outreach to minority, limited-English proficiency, and special needs populations regarding the availability of public housing and Section 8 vouchers. Outreach may occur via the jurisdictions’ websites and informational flyers in multiple languages available at public locations. Given the extended waiting lists for public housing and Section 8 programs, attention will primarily be paid to fair management of the list.

Status: Implement. The City of San Jose will continue to work with the Santa Clara County Housing Authority to ensure that Section 8 vouchers are made sufficiently available to San Jose households in need of affordable housing, and especially for the chronically homeless. The status of the Section 8 voucher program will be made available on the City of San Jose’s website and outreach will include steps to reach minority, LEP, and special needs populations.

Action #9: Plan for and facilitate development of complete, mixed-use and mixed-income communities.

Entitlement Jurisdictions shall plan for compact and complete communities that have a mix of housing, retail, services, and jobs that are easily accessible through non-auto oriented means, including walking and biking.

Status: Implement. The San Jose City Council recently adopted its updated General Plan called Envision 2040, which focuses on the creation of complete, mixed-use communities connected by transit. The City will begin implementation of the plan by creating a framework and zoning ordinance for these communities – also known as “urban villages” – in FY 2012-13. Additionally, the City’s Planning and Housing Departments will work together to seek appropriate grant funding for sustainable and complete communities. Finally, City staff will continue to work on the Bay Area’s regional One Bay Area Plan that implements California’s Sustainable Communities Strategy.

Action #10: Plan for and facilitate transit-oriented development. Entitlement Jurisdictions shall continue

to plan for higher residential and employment densities where appropriate to maximize public transportation linkages between employers and affordable housing.

Status: Implement. The San Jose City Council recently adopted its updated General Plan called Envision 2040, which focuses on the creation of complete, mixed-use communities connected by transit. The City will begin implementation of the plan by creating a framework and zoning ordinance for these communities – also known as “urban villages” – in FY 2012-13. Additionally, the City’s Planning and Housing Departments will work together to seek appropriate grant funding for sustainable and complete communities. Finally, City staff will continue to work on the Bay Area’s regional One Bay Area Plan that implements California’s Sustainable Communities Strategy.

Action #11: Facilitate safe and efficient transit and pedestrian routes. The Entitlement Jurisdictions shall continue to work with local transit agencies and other appropriate agencies and departments to

facilitate safe and efficient routes for various forms of transportation, including public transit, walking and biking.

Status: Implement. The San Jose City Council recently adopted its updated General Plan called Envision 2040, which includes a major strategy to create complete streets that emphasize a public realm for people, not cars. Additionally, City staff will continue to work on the Bay Area’s regional One Bay Area Plan that implements California’s Sustainable Communities Strategy. This Plan includes a transportation funding program called the One Bay Area Grant that directs transit infrastructure dollars to communities that meet defined criteria for sustainable planning, housing, and transportation needs.

Goal #6 – Promote Environmental Sustainability

Strategy #6A: Encourage the installation of energy- and water-efficiency measures in new and existing homes

Need: With energy efficiency, water conservation, and greenhouse gas reduction all growing policy concerns, local jurisdictions must further efforts to support environmentally-sustainable residential development. Moreover, existing homes should be upgraded to improve their energy and water efficiency.

Five-Year Goal:

	Source of Funds	Performance Measure	2010-2015 Goal	2012-13 Goal	Actual 2010-11	Outcome/ Objective
Goal # 6: Environmental sustainability						
Action 6.A.1. Energy efficiency in multi-family new homes		# units meeting build-it-green standards	946	249	354	SL-3
Action 6.A.2. Direct investments in energy efficient owner-occupied housing						SL-3
Rehabilitated homes	CDBG	# units meeting build-it-green standards	250	50	39	
Inclusionary / Homebuyer assistance		# new construction green homes purchased by LI homebuyers	35	0	30	
Action 6A.3. CDBG sponsored energy efficiency improvements	CDBG	# energy efficiency improvements	1,600	544	0	SL-3

In August of 2010 the Housing Department accepted a \$370,000 Innovator Pilot grant from PG&E to implement a Municipal Whole House Rehab Pilot Program (MWHRPP). The objective of this grant is to develop standard energy efficiency models based on Build-it-Green standards, effectively incorporating energy efficiency upgrades into standard housing rehabilitation. It is anticipated that the

Rehabilitation Program will incorporate energy efficiency measures funded through this grant into approximately 25 projects in the coming year. This one time grant will end in September of 2012.

Additionally, the Housing Rehabilitation Program had taken measures to incorporate Energy Efficiency and Eco-friendly or Green methods and materials into the projects funded through State and federal sources when feasible. Utilizing Build-it-Green Standards, the program goal is to exceed a 15% energy efficiency saving in each home receiving these upgrades and to meet the Build-it-Green certification standard. These program policies align with both federal and State funding objectives. The goal for this coming fiscal year is to upgrade 25 homes in addition to those receiving the MWHRPP.

The infrastructure improvements in the three Place-Based Strategy neighborhoods include converting existing street light fixture to LED fixtures, a much more energy-efficient option than the existing type of lighting.

SECTION 7 - HOUSING SUPPORT ACTIVITIES / REMOVING BARRIERS TO AFFORDABLE HOUSING

In addition to its housing production objectives, the City is strongly committed to improving the affordable housing delivery system by facilitating activities that support – and that mitigate barriers to – residential development. A key component to this commitment is the City’s *Housing Investment Plan*, which summarizes San Jose’s housing policies and creates a strategic roadmap for future affordable housing development. In June 2007, the City Council approved the Housing Department’s current *FY 2007-12 Housing Investment Plan (HIP)*. The *HIP* was developed with extensive input from community organizations, neighborhoods, and public citizens. Additionally, a task force composed of 21 experts in the areas of housing, neighborhood development, government agencies, business, and nonprofit agencies helped guide the policy development and recommendations of the *HIP*. Note that the City is currently in the process of developing its next *FY 2013-15 Housing Investment Plan*, which is anticipated to be completed in Fall 2012. The following highlights key policy actions from the current *HIP* that promote and encourage affordable housing development in San José:

- ◆ Given the cessation of redevelopment tax increment and dwindling State programs for affordable housing, support State and federal legislation to create a permanent dedicated source of funding for affordable housing creation, rehabilitation, and preservation, including ELI units. (*Housing Department and State of California*)
- ◆ Actively seek opportunities to access existing local, state and federal funding resources for the housing affordable to low- and moderate-income households, including remaining State Proposition 1C funds. (*Department of Housing*)
- ◆ Implement the City’s current Inclusionary Housing Policy in redevelopment project areas, including provision of guidance to developers regarding implications of *Palmer*. Also, in accordance with the City’s *HIP*, continue to review the current policy’s implementation to ensure it provides certainty to developers as well as incentives to comply by providing affordability or payment of in-lieu fees, whether under the Policy or on a negotiated basis in exchange for development concessions. (*Department of Housing*)
- ◆ Prepare for implementation of the Citywide Inclusionary Housing Ordinance, which was approved by the City Council in January 2010 and is expected to go into effect January 1, 2013. (*Department of Housing, Department of Planning, Building and Code Enforcement*)
- ◆ Focus on housing needs for the most vulnerable households by: 1) spending the City’s available funding in accordance with its Income Allocation Policy, as follows: 30% for ELI, 30% for VLI, and 25% for LI; 2) partnering with service providers to better target and provide needed services to ELI households; 3) integrating ELI units with various different types and income levels within projects; 4) seeking to appropriately leverage all funds to receive the greatest number of ELI units; and 5) maximizing other, outside, funding resources in order to deepen affordability. (*Department of Housing*)

- ◆ Include language in the City’s Mixed-income Housing Policy to state that to the extent feasible, the City encourages ELI units mixed effectively among other low-income and market-rate units. (*Department of Housing*)
- ◆ Continue to identify developable sites suitable for higher density and/or mixed-use development in order to maximize opportunities for development of both affordable and market-rate housing. This action aligns with the City’s recently-adopted *Envision 2040 General Plan Update*, which seeks to facilitate the creation of urban villages and complete communities. (*Department of Housing, Department of Housing and Department of Planning, Building, and Code Enforcement*)
- ◆ Continue to examine the City’s Dispersion Policy in order to ensure that its goals align with a more urban built environment based on sustainable planning principles contained in the City’s *Envision 2040 General Plan Update*. This will allow for both the identification and prioritization of sites for affordable housing in transit corridors and other opportunity sites, while ensuring that affordable housing is integrated in diverse, mixed-income communities. (*Department of Housing*)
- ◆ Continue to plan for the intensification of North San José along transit corridors. This will provide an additional opportunity for 32,000 units of new housing. (*Office of Economic Development, Department of Planning, Building and Code Enforcement, Department of Transportation, and Department of Housing*)
- ◆ Continue to provide education and outreach services to tenants and landlords covered by the Rent Control ordinance. (*Department of Housing*)
- ◆ Continue to advocate for reasonable development fees. (Department of Housing and Department of Planning, Building and Code Enforcement)
- ◆ Continue to seek developments that provide housing opportunities for persons with disabilities. (Department of Housing)
- ◆ Continue to analyze and make recommendations/improvements, if necessary, regarding the City’s secondary unit program. (*Department of Planning, Building and Code Enforcement and Department of Housing*)

Policy actions by the City of San José to address homelessness include:

- ◆ Work with its government, nonprofit, and business partners to allocate additional resources for efforts to end and prevent homelessness;
- ◆ Monitor and advocate for legislation at the State and federal level;
- ◆ Complete the implementation of the Metropolitan Transportation Commission funded Auto Repair Assistance Program (ARAP) which provides funding for car repairs to persons who are 1) homeless or at-risk of homelessness; 2) either employed or in a job training program; and 3) in need of a working car to get to their employment or job training;

- ◆ Continue coordinating with the City's Department of Environmental Services and other government and nonprofit partners to implement an encampment/creek clean-up program with the dual purpose of housing homeless residents and cleaning up the areas around the City's creeks; and
- ◆ Provide guidance and support to agencies implementing Project Homeless Connect events.
- ◆ Work with the Housing Authority of the County of Santa Clara to allocate one-third of every turnover Section 8 Housing Choice Voucher to the chronically homeless. The local Housing Authority has the flexibility to make this policy change given their Moving to Work designation.

In the upcoming year, the following new and continued policy actions will be undertaken to eliminate identified gaps in the institutional structure:

- ◆ Support maintenance of federal entitlement programs such as the Community Development Block Grant (CDBG) Program, Emergency Solutions Grant (ESG), Housing Opportunities for Persons with AIDS (HOPWA), HOME Partnerships, Section 8 Housing Choice Vouchers, Section 202 and Section 811 programs. *(Department of Housing, Housing Authority of the County of Santa Clara)*
- ◆ Participate in the creation of an implementation plan for the City's *Envision 2040 General Plan Update* in order to ensure that housing development for a range of incomes can continue in the City. *(Department of Housing, Department of Planning, Building, and Code Enforcement)*
- ◆ Continue to participate in the regional planning effort to integrate the Sustainable Communities Strategy (SCS) and the Regional Transportation Plan (RTP) in support of SB375 and AB32. Additionally, continue to participate in and shape the methodology for the regional housing needs allocation (RHNA) to be used in the development of the SCS/RTP, and to advance an appropriate allocation of housing and jobs for San José that achieves the goals of greenhouse gas reduction, economic development, and housing opportunities across incomes. *(Department of Housing, Department of Transportation and Department of Planning, Building, and Code Enforcement)*
- ◆ The City of San José Housing Element for 2007-14 was adopted by the City Council in June 2009. State law requires that the Element be updated at least once every five years. The purpose of the Element is for each locality to assess its housing needs for different populations and to identify strategies to meet those needs. Additionally, the Association of Bay Area Governments (ABAG) allocates regional housing needs (RHNA goals) to the counties and cities in the nine-county Bay Area. San José's most recent RHNA goal is over 34,000 total housing units, nearly 60 percent of which must be affordable to lower-income households. The Housing Element must identify strategies to plan for this ABAG housing allocation. *(Department of Planning, Building and Code Enforcement and the Department of Housing)*
- ◆ Advocate changes in federal laws and those run through State agencies such as TCAC, CDLAC and HCD to improve San José's position in receiving entitlement grants and in applying for scarce public dollars. *(Department of Housing and City Manager's Office)*

- ◆ Advocate change to the federal poverty line to a standard that recognizes high-cost areas. *(Department of Housing)*
- ◆ Examine the City’s policy which gives a set-aside of 10% of new affordable units to Section 8 participants and ensure that developments are not exceeding this percentage by more than 15%, unless supportive services are provided. *(Department of Housing)*
- ◆ Continue to work with the Housing Authority of the County of Santa Clara to limit the number of project-based Section 8 vouchers used in existing affordable housing projects, including those owned and operated by the Housing Authority and its subsidiaries. *(Department of Housing, Housing Authority of the County of Santa Clara)*
- ◆ Track and monitor foreclosures in the City. Analyze foreclosure rates and geographic concentration, and produce maps of foreclosures. *(Department of Housing)*
- ◆ Support legislation and secure funding sources to end homelessness *(Department of Housing)*.
- ◆ Utilize the ForeclosureHELP Program to assess needs, to develop programs to help families and communities impacted by foreclosures, and to implement those programs. Seek funding for the ForeclosureHelp Center. *(Department of Housing, Strong Neighborhoods Initiative)*

SECTION 8 - MONITORING AND PERFORMANCE MEASURES

Monitoring CDBG, HOME, HOPWA AND ESG

The City continues to follow the grantee monitoring requirements as 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. In 2006, the City-wide Grant Management Working Group and the Nonprofit Strategic Engagement Committee were formed to respond to findings from a 2005 internal City audit. In 2008, the City of San José Auditor performed a follow-up review of the 2005 Audit which included recommendations to 1) establish citywide consistent policies and procedures; 2) establish specific training requirements for staff involved in grants management and monitoring; 3) establish criteria when audited financial statements are obtained and reviewed; 4) establish risk-based criteria and help ensure grantee compliance with grant requirements.

The Grants Management Working Group continues to meet regularly and has met several of the recommendations made by the City Auditor. These accomplishments include the completion of the City-Wide Grant Management Handbook, which provides overarching guidance to City departments that award federal, State or local funding. The handbook also provides guidance on grants management and monitoring and establishes minimum criteria for the review of financial statements and reporting. To further aid staff in contract management, individual department grant applications and agreements are being reviewed for consistency and duplication. Lastly, a citywide Grant Management database began full implementation in January 2010.

To further strengthen its monitoring strategy, in FY 2010-2011 the Department of Housing created a new Compliance and Monitoring Division. This Division has sole responsibility of monitoring all projects funded with federal, state and local funds. Because of the great number of the grants the Housing Department manages, the new division developed a Risk Assessment to prioritize the number of projects to monitor and determine what level of monitoring will take place. The new division also modified existing monitoring forms to insure alignment with HUD CPD forms for each applicable federal program. Due to staffing cutbacks, this division has been absorbed within the Grants Management Division. Staff within this division will use the tools already developed and implement the monitoring process in FY 2012-2013.

The monitoring process also includes the following major elements:

- ◆ **Public Review** - Input is solicited from the **Housing and Community Development Advisory Commission (HCDC)** on the Consolidated Plan and the associated Performance Report. The HCDC provides recommendations to the City Council on housing policy matters. Each **Annual Action Plan** for the five-year Consolidated Plan is also subject to extensive public review and comment prior to submission to HUD.
- ◆ **Tracking** - The Department of Housing has begun use of the citywide Webgrants database system. It will use this database to track programmatic and financial performance and eventually allow potential applicants to apply for funds electronically.
- ◆ **Reporting** - The Department provides quarterly reports to the Housing and Community Development Advisory Commission and the City Council detailing rehabilitation and project development activities.

The intent of the monitoring process is to identify any potential red flags and, if necessary, provide the necessary technical assistance so that sub-recipients 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, ESG and HOPWA programs, service providers are required to submit monthly or quarterly Reimbursement Requests and Reconciliation Reports to document expenses and ensure that both line item budgets and total project budgets are not over-expended, and allows for review of project status. 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, Housing department staff review financial documentation of its sub-recipients. The sub-recipients 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, sub-recipients 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 sub-recipient. Sub-recipients 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.

Beyond simply monitoring its sub-recipients, the Housing Department understands that the agencies must have the tools necessary to implement successful and impactful programs. In FY 10-11 the department modified the “Playing by the Rules” training module provided by HUD and conducted a two day training for all sub-recipients. The intent of the training was to educate sub-recipient staff of their responsibilities and requirements in utilizing federal funds. The training was successful and the department plans to conduct the training at the beginning of each future funding cycle.

Performance Measures – Objectives and Outcomes

CDBG

The scope of services contained in the grant agreement is developed directly from the project proposal. It describes project activities that are to be accomplished each quarter and the level of service anticipated for each activity. Goals and objectives are very specific. See Table 2C below for specific objectives of the program related to public facilities, infrastructure, public services, economic development and other community development priorities.

HOME

The City of San José has been an entitlement jurisdiction under the HOME Investment Partnership Program since 1992. The use of these funds in past years has shifted from primarily financing multi-family rental developments to include funding for homebuyer programs. More recently, the creation of a Tenant-Based Rental Assistance (TBRA) program for chronically homeless and mentally ill/extremely low-income households has been included as a priority in the HOME Program. The City will continue to keep several programs as options under the HOME Program and be prepared to reallocate funding when necessary to maximize the City's resources. The City's objectives under the HOME program are as follows, and grantees are measured by completion:

- a. Improve the Quality of Owner Housing
- b. Increase the Availability of Owner Housing
- c. Improve Access to Affordable Owner Housing
- d. Increase the Supply of Affordable Rental Housing
- e. Improve Owner Housing through the Rehabilitation Program
- f. Improve Access to Affordable Rental Housing and
- g. Improve affordability through the creation of a tenant-based rental assistance program.

Additionally, the City reviews management plans for the multi-family, HOME funded projects for sponsor's marketing efforts and checks for compliance with affirmative marketing requirements and procedures. Announcements are mailed to nonprofits and advertisements are placed in the local newspaper and in online apartment search engines, where appropriate. The review is performed prior to the initial lease-up of the property. Typically, the sponsors receive more than enough eligible applicants to fully occupy the property. The remainder of the eligible applicants are kept on a waiting list that is maintained indefinitely. As new applicants learn of the existing properties and contact the property management companies, they are added to the waiting lists. The Housing Department produces an Affordable Housing Referral List of the majority of affordable housing properties assisted with City financing. The list is updated quarterly and its wide distribution has become an important outreach tool.

ESG

The City's ESG funding priority has been shelter operating costs. The City's objectives and outcomes for the FY 2012-2013 are to provide outreach services, primarily to the chronically homeless, and a full range of services to families and youth, including victims of domestic violence, who are homeless or at risk of homelessness. Additionally, City will support the operation of HMIS.

HOPWA

For FY 2012-2013 the HOPWA objectives include the provision of tenant-based rental assistance and supportive services to San José residents living with HIV/AIDS.

Objectives for the program include:

- Supportive Services - health, mental health, assessment, case management and housing advocacy, drug and alcohol abuse treatment, adult and child day care, personal assistance, nutritional services
- Tenant-Based rental assistance - rent payment subsidies

MBE/WBE & Section 3 Reporting Requirements

The City adopted policy guidelines in November 2006 on the federal reporting requirements and has informed all grantees of its requirement to collect Section 3 and MBE/WBE materials. These will be reported annually in the City's Consolidated Annual Performance Evaluation Report (CAPER).

SECTION 9 - HUD REQUIRED TABLES

Table 2A: Priority Housing Needs

	5-Yr (2010-15)	Year 1 (2010-11)	Year 2 (2011-12)	Year 3 (2012-13)	Year 4 (2013-14)	Year 5 (2014-15)
	Plan	Actuals	Forecast	Forecast	Forecast	Forecast
FEDERAL FUNDING						
CDBG						
Acquisition of existing rental units						
Production of new rental units						
Rehabilitation of existing rental units						
Rental assistance						
Acquisition of existing owner units						
Production of new owner units						
Rehabilitation of existing owner units	1000	266	245	240	245	245
Homeownership assistance						
HOME						
Acquisition of existing rental units				13		
Production of new rental units	30			120		
Rehabilitation of existing rental units						
Rental assistance (TBRA)	285	65	30	5		
Acquisition of existing owner units						
Production of new owner units						
Rehabilitation of existing owner units				35	35	35
Homeownership assistance (HOME & Welcome HOME)	300	43	12	60	60	60
NSP 2 Homeownership Downpayment Assistance			20	40		
NSP2 Acquisition Assistance			21	10		
HOPWA						
Rental assistance (unduplicated h.holds)	150	131	30	30	30	30
Short term rent/mortgage utility payments						
Facility based housing development						
Facility based housing operations						
Supportive services (unduplicated h.holds)	175	117	35	35	35	35
ESG						
Rental assistance						
Short term rent/mortgage utility payments						
Facility based housing development						
Facility based housing operations						
Supportive services (h.holds)	30,000	6000	6000	6000	6000	6000
NSP						
Acquisition, Rehab and Resale of Foreclosed homes		13	36	28		
Homebuyer Assistance		11	13	8		
NON-FEDERAL FUNDING						
PROJECT DEVELOPMENT						
Production of new rental units	99		719	77	148	
Acq/Rehab of rental units						
Production of new owner units		19				
Acq/Rehab of owner units						
HOMEOWNERSHIP ASSISTANCE						
2nd Mortgage Assistance (THP, BEGIN, CalHOME)	55	28	11	32	10	10
Inclusionary Program (Ownership+Rental)	152	2			50	100
Other Assistance (counseling)	2285	422	435	457	476	500
Annual Action Plan 2012-13						
REHABILITATION PROGRAM						
Rehabilitation of existing rental units	71					
Rehabilitation of existing owner units	1271	233	262	75	60	60

HUD Table 2B: Non-Housing Community Development Needs

Table 2B: Non-Housing Community Development Needs

	Priority Need	Dollars to	Performance	2012-13
	Level	Address Need	Measure	Forecast
Acquisition of Real Property	0			
Disposition				
Clearance and Demolition				
Clearance of Contaminated Sites				
Code Enforcement	1	10M	Inspections	11,000
Public Facility (General)				
Senior Centers	2	2M	Facilities	
Handicapped Centers	2	2M	Facilities	
Homeless Facilities	1		Facilities	
Youth Centers	2		Facilities	
Neighborhood Facilities	2		Facilities	
Child Care Centers	1	500K	Facilities	
Health Facilities	2	1M	Facilities	
Mental Health Facilities	2	3M	Facilities	
Parks and/or Recreation Facilities	2		Facilities	
Parking Facilities	3		Facilities	
Tree Planting	3	2.5M	Facilities	
Fire Stations/Equipment	2	4M	Facilities	
Abused/Neglected Children Facilities	1	1M	Facilities	
Asbestos Removal	2		Facilities	
Non-Residential Historic Preservation	3		Facilities	
Other				
Infrastructure				
Water/Sewer Improvements	1		Facilities	
Street Improvements	2	2M	Facilities	
Sidewalks	2		Facilities	
Solid Waste Disposal Improvements	2		Facilities	
Flood Drainage Improvements	1		Facilities	
Other - ADA Curb Cuts	1	5M	Facilities	
Public Services				
Senior Services	1	1M	Individuals	200,000
Handicapped Services	1	500K	Individuals	0
Legal Services	1	1M	Individuals	0
Youth Services	1	5M	Individuals	300,000
Child Care Services	1	2M	Individuals	0
Transportation Services	1	500K	Individuals	0
Substance Abuse Services	1		Individuals	0
Employment/Training Services	1	5M	Individuals	0
Health Services	1	2M	Individuals	0
Lead Hazard Screening	2		Individuals	0
Crime Awareness	2		Individuals	0
Fair Housing Activities	1	2M	Individuals	385,000
Tenant Landlord Counseling	2		Individuals	0
Other			Individuals	787,000
Economic Development				
Economic Development				
Job Creation	1	5M	Jobs	0
Technical Assistance	1	3M	Individuals	0
Small Business Loans	3		Loans	0
Other				

* Number included within rental housing objective

HUD Table 2C And 3A: Summary of Housing/Community Development Objectives 2012-2013/ Summary of Specific Annual Objectives

Table 2C: Summary of Housing/Community Development Objectives - 2012 - 2013

	Source of Funds	Performance Measure	Performance Goal 2012-13	Outcome/Objective
Goal #1: Affordable housing for lower-income and special needs households				
Action 1A.1. Financial and technical assistance for affordable rental housing				DH-1,2
Production Goals - New Construction	20%, HOME	# units	249	
Production Goals - Acquisition / Rehab	20%, HOME	# units		
Inclusionary Goals	n/a	# LI units with recorded restrictions	354	
Action 1B.1. Direct financial assistance to help lower-income households purchase homes (includes inclusionary homebuyers)	HOME, NSP, CalHome, BEGIN	# non duplicated LI homebuyers assisted	64	DH-2
Action 1B.2. Financial literacy and homebuyer education programs	NHSSV; Project Sentinel	# households participating in classes and counseling sessions	636	DH-2,3
Action 1C.1. Rehabilitation assistance for lower-income homeowners including mobilehome owners (including Minor Repair Program)	CalHOME, HOME, CDBG	# homeowners assisted	223	SL-3
Action 1C.2. Rehabilitation assistance for lower-income homeowners thro CDBG program	CDBG	# homeowners assisted	183	SL-3
Action 1C.3 Pursue funding opportunities for infrastructure improvements in low-income mobilehome parks	n/a	n/a		SL-1,2,3
Action 1D.1. Affordable housing for seniors, disabled individuals, large families				DH-1,2,3
Production Goals (subset of 1.A.1)	HOME	# units	89	
Rehab Goals (subset of 1.C.1) - Including Minor Repair Program	CDBG, CalHome, HOME	# homeowners assisted	98	
Action 1D.2. Pursue funding opportunities to improve condition of housing stock for low-income renters	n/a	n/a		DH-1,2,3
Goal #2: Activities to end homelessness				
Action 2A.1. TBRA assistance to chronically homeless	HOME	# unuplicated households	15	SL-1,2,3
Action 2A.2. Short-term emergency shelter	ESG	# individuals assisted	3,600	DH-1
Action 2A.3. Emergency rental assistance programs	ESG, HOPWA, HTF, HPRP	# individuals assisted	400	DH-2
Action 2A.4. Programs that provide vital services to homeless individuals	ESG, CDBG	# individuals assisted	2,204	SL-1,2,3
Action 2A.5. Support Destination:Home	n/a	# individuals assisted	60	SL-1,2,3
Action 2A.6. Seek additional funding for countywide efforts to end homelessness	n/a	n/a	236	SL-1,2,3

Action 2A.7. Seek additional funding for housing and services for recently emancipated youth	n/a	n/a	continue to seek funding sources	SL-1,2,3
Action 3A.1.2. Assist lower-income residents with basic/essential services & Maintain self-sufficiency				SL-1,2,3
Homeless Services	ESG, HOPWA,	# individuals assisted	3,000	
CDBG	CDBG	# individuals assisted	2,000	
Goal #3: Activities that provide services, eliminate blight, and/or strengthen neighborhoods				
Action 3A.3. Assist lower-income residents access healthcare	CDBG	# individuals assisted	0	SL-1,2,3
Action 3A.4 Assist lower-income residents access legal services	CDBG	# individuals assisted	1,736	SL-1,2,3
Action 3B.1. Remove public accessibility barriers	CDBG	# individuals assisted in low-mod areas	14,000	SL-1,3
Action 3B.2. Physical improvements and rehabilitation of public facilities	CDBG	# individuals assisted in low-mod areas	32,061	SL-1,3
Action 3B.2. Code enforcement activities that eliminate blight and strengthen neighborhoods	CDBG	# households / businesses / inspections	8,048	SL-1,3
Action 3C.1. Inspection of affordable housing for lead-based paint	NSP, first-time homebuyers program	# properties inspected	105	SL-1,3
Action 3C.2. Seek funding opportunities to mitigate lead hazards	n/a	n/a		SL-1,3
Action 3D.1. Purchase of foreclosed properties and subsequent rehab and resale as affordable units	NSP	# units assisted	31	DH-1,2,3
Action 3D.2. Provide support to the City's ForeclosureHelp Initiative	NSP	n/a	1,200	DH-1,2,3
Action 3D.3. Provide support to the Don't Borrow Trouble campaign	NSP	n/a	Continue to implement	DH-1,2,3
Action 3D.4. Research best practices and policies to respond to foreclosure crisis	n/a	n/a	Continue to implement	DH-1,2,3
Goal #4: Economic opportunities for low-income households				
Action 4A.1. Funding for local employment development and workforce training	CDBG	# jobs created	0	EO-1,3
Action 4A.2. Small business development, job training	CDBG	# individuals assisted	0	EO-1,3
Goal #5: Promote Fair Housing Choice				
Action 5.A.1. Ongoing education and outreach regarding fair housing	CDBG	# of events	42	
Action 5.A.2. Fair housing testing in local apartment complexes	CDBG	# of tests	60	
Action 5.B.1. Ensure local ordinances are in compliance with State and Federal fair housing laws	n/a	n/a	Continue to implement	
Action 5.B.2. ensure zoning ordinances have procedures for reasonable accomodation requests	n/a	n/a	Continue to implement	
Action 5.B.3. Lanugage assistance for limited english speaking residents	n/a	n/a	Continue to implement	
Action 5.B.4. Update local analysis of impediments	n/a	n/a	Review and update fair housing options	

Action 5.C.1. Plan for and facilitate development of complete, mixed-use and imixed-income communities	n/a	n/a	Develop and implement strategies for Urban Villages/Envision 2040	
Action 5.C.2 Plan for and facilitate transit oriented developments	n/a	n/a	Develop and implement strategies for Urban Villages/Envision 2040	
Goal # 6: Environmental sustainability				
Action 6A.1. Energy efficiency in multi-family new homes		# units - meeting build-it-green standards	249	DH-3
Action 6A.2. Direct investments in energy efficient owner-occupied housing				DH-3
Rehabilitated homes		# units meeting build-it-green standards	50	
Inclusionary / Homebuyer assistance		# new construction green homes purchased by LI and mod homebuyers	0	
Action 6A.3. CDBG sponsored energy efficiency improvements	CDBG	# energy efficiency improvements	544	DH-3

***Outcome/Objective Codes**

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

APPENDICES

A. GAP ANALYSIS – HOMELESS AND SPECIAL NEEDS

B. PUBLIC NOTICE, PUBLIC TESTIMONY AND COMMUNITY INPUT

C. HOME, HOMEBUYER AND TBRA PROGRAM GUIDELINES

D. APPLICATIONS FOR FEDERAL ASSISTANCE (SF 424)

E. CERTIFICATIONS

**F. ADDITIONAL INFORMATION PER HUD'S HOMELESS
EMERGENCY ASSISTANCE AND RAPID TRANSITION TO
HOUSING: EMERGENCY SOLUTIONS GRANTS PROGRAM AND
CONSOLIDATED PLAN CONFORMING AMENDMENTS**

Appendix A – Gap Analysis – Homeless and Special Needs Services

Table 1A: Housing Gap Analysis, San Jose

	Number of Beds			
	Current Inventory	Under Development	Unmet Need (a)	
Individuals				
Emergency Shelter	417	0	0	
Transitional Housing	254	10	18	
Permanent Supportive Hous	428	416	1,585	
Total	1,099	426	1,603	
Families with Children				
Emergency Shelter	233	3	0	
Transitional Housing	234	0	88	
Permanent Supportive Hous	626	578	0	
Total	1,093	581	88	
Part 1: Homeless Population (b)				
	Sheltered (c)		Unsheltered	Total
	Emergency Shelter	Transitional Housing		
Number of Families with Children (d)	37	59	11	107
Number of Persons in Families with Children	118	183	35	336
Number of Persons in Households without Children (e)	398	278	3,022	3,698
Total	516	461	3,057	4,034
Part 2: Homeless Subpopulations (f)				
	Sheltered	Unsheltered	Total	
a. Chronically Homeless	117	1,357	1,474	
b. Seriously Mentally Ill	496	1,553	2,049	
c. Chronic Substance	459	1,437	1,896	
d. Veterans	79	304	383	
e. Persons with HIV/AIDS	24	76	100	
f. Victims of Domestic Violence	117	367	484	
g. Unaccompanied Youth	39	562	601	

Notes:

(a) Unmet need derived from the 2011 Unmet Need calculations for Santa Clara County McKinney Vento application. For complete description of methodology and assumptions, contact the Executive Committee of the Santa Clara County Collaborative on Housing and Homeless Issues.

(b) Based on 2011 City of San Jose Homeless Census and Survey.

(d) Number of families derived from average household sizes from the Homeless Census and Survey.

(e) Persons in households without children include single persons and individuals in vehicles, encampments, abandoned buildings, or parks where family status could not be determined.

(f) These data are based on both the Homeless Census and data from the Homeless Survey. The results are estimates, calculated by applying the survey results to the point-in-time Homeless Census population.

Sources: Homeless Census and Survey, Applied Survey Research, January 2011;

(g) Based on the % of persons surveyed who responded that they were currently experiencing mental illness in 2011

(h) Based on the % of persons surveyed who responded that they experienced alcohol and/or drug abuse problems in 2011

Table 1B: Special Needs (Non-Homeless) and Homeless Populations, San José, 2012 - 2013

Special Needs Sub-Population	Priority Need Level (a)	Unmet Need		Dollars to Address Unmet Need (k)	Goals (l)
Elderly	High	13,950	(b)		
Frail Elderly	Medium	1,720	(c)		
Severe Mental Illness	High	5,260	(d)	\$1,500,000/annually	house 100 chronically homeless households with severe mental illness
Developmentally Disabled	Medium	5,150	(e)		
Physically Disabled	Medium	7,170	(f)		
Persons w/ Alcohol/Other Drug Addiction	High	5,420	(g)		
Persons with HIV/AIDS	Medium	280	(h)	\$1,171,033	381/individuals annually
Victims of Domestic Violence	Medium	0	(i)	\$78,000	Provide shelter, food and case management to 230 unduplicated clients
Large Households	Medium	41,400	(j)		

Notes:

(a) Based on historic need in jurisdiction and input from Consolidated Plan Workshops.

(b) Based on estimated number of elderly households with a housing problem in jurisdiction, according to data from 2000 Census and 2009 Claritas.

Excludes frail elderly.

(c) Based on same methodology as (b), multiplied by % of County seniors with self-care disability, per 2000 Census.

(d) Based on estimated adult local residents that are low-income with a housing problem, multiplied by % of adult population with severe mental illness, per 2000 Census and National Institute of Mental Health.

(e) Based on estimated adult local residents that are low-income with a housing problem, multiplied by % of County adult population with mental disability, per 2000 Census.

(f) Based on estimated adult local residents that are low-income with a housing problem, multiplied by % of County adult population with physical disability, per 2000 Census. Excludes frail elderly.

(g) Based on local share of countywide admissions to treatment facilities in 2003.

(h) Based on estimated adult local residents that are low-income with a housing problem, multiplied by % of County residents living with HIV/AIDS, per 2000 Census and CA Dept. of Health Services.

(i) From previous Consolidated Plan.

(j) Based on estimated number of large households with a housing problem in jurisdiction, according to data from 2000 Census and 2009 Claritas.

Source: US Census, CHAS Datasets, 2000; Claritas, 2009; CA Dept of Health Services, 2009; National Institute of Mental Health, 1993; Santa Clara County Department of Drug and Alcohol Services; BAE, 2009.

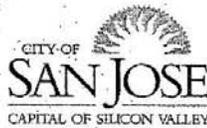
HUD Table 1C: Summary of Specific Housing/Community Development Objectives, San José

Table 1C: Summary of Specific Housing/Community Development Objectives, San José

	Unmet	Performance	2010-2015	2012-2013
	Need	Measure	Production	Production
			Goal	Goal
Homeless Individuals				
Emergency Shelter	0	Beds/Units	0	0
Transitional Housing	0	Beds/Units	0	0
Permanent Supportive Housing	2,219	Beds/Units	3	0
Homeless Families with Children				
Emergency Shelter	0	Beds/Units	0	0
Transitional Housing	67/21	Beds/Units	0	0
Permanent Supportive Housing	202/64	Beds/Units	0	0
Homeless Special Needs				
Chronically Homeless	1,179	Beds/Units	0	0
Seriously Mentally Ill	1,639	Beds/Units	11	0
Chronic Substance Abuse	758	Beds/Units	0	0
Veterans	153	Beds/Units	0	0
Persons with HIV/AIDS	40	Beds/Units	0	0
Victims of Domestic Violence	194	Beds/Units	0	0
Unaccompanied Youth (Under 18)	451	Beds/Units	0	0

Sources: 2009 Homeless Census and Survey, Applied Survey Research, January 2011;
2011 Santa Clara County Continuum of Care Application; BAE, 2011.

Appendix B – Public Notice, Public Testimony and Community Input



NOTIFICACIÓN DE AUDIENCIAS SOBRE EL PLAN CONSOLIDADO DE ACCIÓN ANUAL 2012-2013 Y LA ENMIENDA SUBSTANCIAL 2011-2012 DEL PLAN CONSOLIDADO DE ACCIÓN ANUAL PARA LA SEGUNDA ASIGNACIÓN Y LA REASIGNACIÓN DE LOS FONDOS DE LAS SUBVENCIONES PARA SOLUCIONES DE EMERGENCIA

ESTE AVISO ES PARA DAR A CONOCER LAS AUDIENCIAS QUE SE REALIZARAN EN LA CIUDAD DE SAN JOSÉ DEL PLAN CONSOLIDADO DE ACCIÓN ANUAL Y LA ENMIENDA SUBSTANCIAL DE LA CIUDAD 2011-2012 DEL PLAN CONSOLIDADO DE ACCIÓN ANUAL PARA LA SEGUNDA ASIGNACIÓN Y LA REASIGNACIÓN DE LOS FONDOS DE SUBVENCIÓN DE EMERGENCIA (ESG, SIGLAS EN INGLÉS), LOS FONDOS QUE SE SOSTENDRÁN ANTE LA COMISIÓN ASESORA DE VIVIENDA Y DESARROLLO DE LA COMUNIDAD Y EL CONCILIO DE LA CIUDAD DE SAN JOSÉ. Venga dé sus opiniones sobre la vivienda razonable y necesidades de desarrollo de comunidad en San José. Los comentarios serán utilizados para desarrollar Plan Consolidado de la Ciudad y el uso de nuevos y reasignados fondos del ESG.

El Plan Consolidado de Acción Anual delinea las necesidades de vivienda de la Ciudad y las necesidades de desarrollo de la comunidad y proporciona un Plan de Acción de un año sobre cómo la Ciudad debe hacer frente a esas necesidades. Este documento es elaborado en consulta con el público y es el documento de la Ciudad de planificación de sus fondos el derecho federal (el Programa de Subvención de Desarrollo Comunitario, el Programa de Subvención para Soluciones de Emergencia, Programa de Asociación de Inversiones CASA y el Programa de Oportunidades para personas con SIDA), que se prevé que es alrededor de \$12 millones de dólares para el año fiscal 2012-2013.

La Enmienda Substancial al 2011-2012 del Plan Consolidado de la Acción del Anual que dirige los fondos de ESG resume los usos propuestos de la segunda asignación de la Ciudad de los fondos de ESG y los cambios en el uso de su primera asignación de los fondos de ESG.

El siguiente cuadro muestra el calendario para la terminación del Plan Consolidado de Acción Anual 2012-2013 y la Enmienda Substancial 2011-2012 del Plan Consolidado de Acción Anual:

¿Qué?	¿Quién?	¿Dónde?	¿Cuándo?
La liberación de recomendaciones de financiación de personal para programas federales de subvención en 2012-2013	Departamento de Vivienda de la Ciudad de San José	Vivienda - Ciudad de San José 200 E. Santa Clara St.-12th Floor, San Jose, CA 95113	27 de marzo del 2012
El borrador del Plan Consolidado de Acción Anual 2012-2013 y el borrador de la Enmienda Substancial 2011-2012 del Plan Consolidado de Acción Anual estarán disponibles para el público para revisión y comentarios por 30 días	Visita la página de internet del Departamento de Vivienda en: http://www.sjhousing.org/report/consplan.html para encontrar las copias electrónicas o llamar al (408) 793-5542 ó (408) 294-9337 (TTY) por copias de papel	Departamento de Vivienda - Ciudad de San José - 200 E. Santa Clara St.-12th Floor, San Jose, CA 95113	23 de marzo del 2012
Primera Audiencia del Concilio del Plan Consolidado de Acción de Anual 2012-2013	Concilio de la Ciudad de San José	Municipalidad de la Ciudad de San José, 200 E. Santa Clara Street, Cámara de Concejales	3 de abril del 2012, 1:30 p.m.
Revisión y Aprobación del Plan Consolidado de Acción Anual 2012-2013 y la Enmienda Substancial 2011-2012 del Plan Consolidado de Acción Anual	Vivienda y la Comisión Asesora de Desarrollo de la Comunidad	Municipalidad de la Ciudad de San José, 200 E. Santa Clara Street, Room W-118, 119 (Wing)	12 de abril, 2012, 5:45 p.m.
El término del Periodo de Comentarios serán 30 días			30 de abril del 2012
La aprobación final del Plan Consolidado de Acción Anual 2012-13 y la Enmienda Substancial 2011-2012 del Plan Consolidado de la Acción del Anual	Concilio de la Ciudad de San José	Municipalidad de la Ciudad de San José 200 E. Santa Clara Street Cámara de Concejales	1 de mayo del 2012 1:30 p.m.
Someter la aprobación del Plan Consolidado de Acción Anual y la Enmienda Substancial para la aprobación del Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos	Departamento de Vivienda de la Ciudad de San José		11 de mayo del 2012

LA PARTICIPACION DE LA COMUNIDAD ES MUY APRECIADA. Específicamente, estamos en busca de su opinión sobre las necesidades de vivienda y de los residentes de la comunidad de bajos y moderados ingresos, personas mayores, las personas con discapacidad, y otros con necesidades especiales. Vea más arriba cómo puede obtener copias de los dos documentos en papel o en forma electrónica.

Por favor, dirija sus preguntas o solicitudes de copias del proyecto de Plan de Consolidación de la Ciudad de San José a Daniel Murillo del Departamento de Vivienda en el (408) 793-4195, por correo electrónico a daniel.murillo@sanjoseca.gov o para aquellos con habla y problemas de audición por favor llamar a (408) 294-9337 (TTY).

Los comentarios públicos se pueden presentar en forma de declaraciones hechas en las reuniones mencionadas anteriormente, por escrito a la Ciudad de San José, Housing, 200 E. Santa Clara Street, 12th Floor, San José, California 95113, o enviados por e-mail a la dirección que aparece arriba. Todas las reuniones públicas se llevan a cabo en lugares accesibles a las personas con problemas de movilidad.



ficas de su familia.

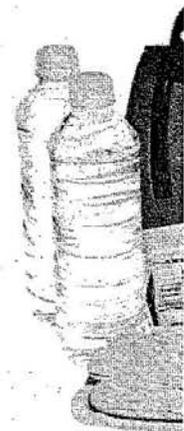
Si tiene niños pec tener siempre a mano p en polvo, ropa y me y si vive con algún a o una persona con c diferentes debe darle sus necesidades, com tación especial, un seg gafas, medicamentos, i elementos de uso parti aquellos que requieren cos o las personas hipe

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Pero además de te listo su kit de emergenc pensable tener un pla que conozca toda su fa



San Jose Mercury News

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PROOF OF PUBLICATION

IN THE
CITY OF SAN JOSE
STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

SAN JOSE, CITY OF
OFFICE THE CITY GROUP/REBECCA, 200 E SANTA
CLARA STREET, 2ND FLOOR
San Jose CA 95113

FILE NO. Not. of Hearing

In the matter of

The San Jose Mercury News

The undersigned, being first duly sworn, deposes and says: That at all times hereinafter mentioned affiant was and still is a citizen of the United States, over the age of eighteen years, and not a party to or interested in the above entitled proceedings; and was at and during all said times and still is the principal clerk of the printer and publisher of the San Jose Mercury News, a newspaper of general circulation printed and published daily in the city of San Jose in said County of Santa Clara, State of California as determined by the court's decree dated June 27, 1952, case numbers 84096 and 84097, and that said San Jose Mercury News is and was at all times herein mentioned a newspaper of general circulation as that term is defined by Sections 6000 and following, of the Government Code of the State of California and, as provided by said sections, is published for the dissemination of local or telegraphic news and intelligence of a general character, having a bona fide subscription list of paying subscribers, and is not devoted to the interests or published for the entertainment or instruction of a particular class, professional, trade, calling, race or denomination; that at all times said newspaper has been established, printed and published in the said city of San Jose in said County and State at regular intervals for more than one year preceding the first publication of the notice herein mentioned. Said decree has not been revoked, vacated or set aside.

I declare that the notice, of which the annexed is a true printed copy, has been published in each regular or entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

3/23/2012

10" x 6 5/8"

Dated at San Jose, California
03/23/12

I declare under penalty of perjury that the foregoing is true and correct.

Signed: *David Henderson*
Principal clerk of the printer and publisher of the San Jose Mercury News.



NOTICE OF HEARINGS ON THE 2012-2013 CONSOLIDATED ANNUAL ACTION PLAN AND A SUBSTANTIAL AMENDMENT TO THE 2011-2012 CONSOLIDATED ANNUAL ACTION PLAN FOR THE SECOND ALLOCATION AND REALLOCATION OF EMERGENCY SOLUTIONS GRANT FUNDS

THIS NOTICE IS TO ANNOUNCE THAT HEARINGS ON THE CITY OF SAN JOSE'S 2012-2013 CONSOLIDATED ANNUAL ACTION PLAN AND A SUBSTANTIAL AMENDMENT TO THE CITY OF SAN JOSE'S 2011-2012 CONSOLIDATED ANNUAL ACTION PLAN FOR THE SECOND ALLOCATION AND REALLOCATION OF EMERGENCY SOLUTIONS GRANT (ESG) FUNDS WILL BE HELD BEFORE THE HOUSING AND COMMUNITY DEVELOPMENT ADVISORY COMMISSION AND THE SAN JOSE CITY COUNCIL. Come give your views on affordable housing and the use of city funds in San Jose. Comments will be used to develop the City's Consolidated Annual Action Plan and the use of new and relocated ESG funds.

The Consolidated Annual Action Plan outlines the City's housing and community development needs and provides a one-year action plan on how the City plans to address those needs. This document is developed in consultation with the public and is the City's planning document for its federal entitlement funds (the Community Development Block Grant program, the Emergency Solutions Grant program, the HOME Investment Partnership program, and the Housing Opportunities for Persons with AIDS program), which are anticipated to total about \$12 million for Fiscal Year 2012-2013.

The Substantial Amendment to the 2011-2012 Consolidated Annual Action Plan addressing ESG funds outlines the proposed uses of the City's second allocation of ESG funds and changes in the use of its first allocation of ESG funds.

The following table highlights the schedule for the completion of the 2012-2013 Consolidated Annual Action Plan and the Substantial Amendment to the 2011-2012 Consolidated Annual Action Plan:

What?	Who?	Where?	When?
Release of staff funding recommendations for federal grant programs in 2012-2013	City of San Jose Housing Department	City of San Jose - Housing 200 E. Santa Clara St., 12 th Floor, San Jose, CA 95113	March 27, 2012
The draft 2012-2013 Consolidated Annual Action Plan and the draft Substantial Amendment to the 2011-2012 Consolidated Annual Action Plan available to the public for review and comment for 30 days	Visit the Housing Department's website at http://www.sjhousing.org/reacp/ocaplan.html to find electronic copies or call (408) 793-5542 or (408) 294-0337 (TTY) for paper copies	City of San Jose - Housing 200 E. Santa Clara St., 12 th Floor, San Jose, CA 95113	March 20, 2012
First Council Hearing on the 2012-2013 Consolidated Annual Action Plan	San Jose City Council	San Jose City Hall 200 E. Santa Clara Street City Council Chambers	April 3, 2012, 1:30 p.m.
Review and Approval of the 2012-2013 Consolidated Annual Action Plan 2012-13 and the Substantial Amendment to the 2011-2012 Consolidated Annual Action Plan	Housing and Community Development Advisory Commission	San Jose City Hall 200 E. Santa Clara Street Room W-118,119 (Wing)	April 12, 2012, 5:45 p.m.
End of 30-Day Public Comment Period			April 30, 2012
Final approval of the 2012-13 Consolidated Annual Action Plan and the Substantial Amendment to the 2011-2012 Consolidated Annual Action Plan	San Jose City Council	San Jose City Hall 200 E. Santa Clara Street City Council Chambers	May 1, 2012 1:30 p.m.
Submit the approved Annual Action Plan and the Substantial Amendment to the US Department of Housing and Urban Development	City of San Jose Housing Department		May 11, 2012

COMMUNITY INPUT IS GREATLY APPRECIATED. Specifically, we are looking for your input on the housing and community needs of low and moderate-income residents, seniors, people who are disabled, and others with special needs. Note above how electronic or paper copies of the two documents may be obtained. Please direct questions on either the Annual Action Plan or the Substantial Amendment to Daniel Murillo of the City of San Jose Department of Housing at 408-793-4195, by e-mail to dmurillo@sanjoseca.gov, or for those with speech/hearing impairments please call (408) 294-0337 (TTY).

Public comments can be submitted in the form of statements made at the above listed meetings. In writing to City of San Jose, Housing, 200 E. Santa Clara Street, 12th Floor, San Jose, California 95113, or submitted via e-mail to the address listed above. All public meetings are held in locations accessible to those with mobility impairments.

PARA RESIDENTES QUE HABLAN ESPAÑOL: Este anuncio es tocante a una enmienda significativa que se va a llevar a cabo en el Plan Consolidado para el Año Fiscal 2011-12 en el programa de Subsidio de Soluciones de Emergencia (ESG) y describe como el Departamento de Viviendas de la Ciudad de San Jose propone usar estos fondos y cambios que se haran en la primer distribución de estos fondos. El Plan Consolidado identifica las necesidades de viviendas y del desarrollo comunitario para la ciudad, también le prioridades y adopta estrategias para dirigir fondos federales. Para más información, favor de llamar a Alejandra Herrera (408) 793-4424.

對於低收入階級的緊急西市房屋: 此公告是關於於2012-2013 財政年度聯邦政府房屋及都市發展部的綜合計劃年度進行計劃。綜合計劃 - 年度計劃計劃列出本社區發展的需求。並為本市如何滿足這些需求提供第一年的計劃。此公告是關於於2011-2012 財政年度的綜合計劃之緊急補助方案的大概修改。修改的內容包括對方案的第一分配用途的更改及第二分配的建議用途。若有任何查詢，請聯絡劉小姐 535-8242。

Dành cho những người cư trú nói tiếng Việt:
Đây là thông cáo về các cuộc điều tra liên quan tới Chương trình Công cố và Phát động Công tác Niên-khoá 2012-13. Chương trình kể trên nêu rõ các nhu cầu thuộc phạm vi Phát-triển Gia cư và Công đồng của Thành-phố, đồng thời cũng nêu chương trình Phát động Công tác trong vòng một năm, nhằm giúp Thành phố trở lại xử dụng các nhu cầu đó như thế nào. Thông cáo này cũng còn được coi như phần bổ lực đầy đủ cho chương trình tổng hợp thuộc tài-khoá 2011-12 dành cho Quỹ tài trợ giải quyết tình trạng khẩn cấp tài khoá 2011-12, đồng thời vạch ra cách xử dụng tài khoản trợ cấp của Thành phố đã được dự trù cho quỹ tài-trợ ESG cũng như bất cứ sự thay đổi nào trong việc xử dụng tài-khoán trợ cấp lần đầu tiên cho Quỹ ESG. Quý vị nào muốn biết thêm chi tiết xin vui lòng liên lạc với Theresa Trần, điện-thoại số (408) 793-5549.

SJMN #4374986

March 23, 2012



公聽會通知：2012-2013 年綜合年度行動計劃，和 2012-2013 年綜合年度行動計劃第二分配與再分配應急補助資金的一個大幅修改方案

本通知宣佈對聖荷西 2012-2013 年綜合年度行動計劃，和一個 2012-2013 年綜合年度行動計劃第二分配與再分配應急補助資金 (ESG) 的大幅修改方案。有關應急補助資金的會議在住房和社區發展諮詢委員會和聖荷西市議會召開會議前舉行。來吧，請就聖荷西可負擔房屋和社區發展的需要提出您的意見。相關意見將被採納用於開發城市的綜合年度計劃，並使用新的和重新分配應急補助資金 (ESG)。

綜合年度行動計劃概述了城市房屋和社區發展的需要，和提供為期一年的行動計劃，以滿足城市計劃的需要。這個文件是與公眾協商後擬定，是一個為聯邦權利基金 (市府社區發展計劃文件整筆撥款項目、應急方案解決資金項目、HOME 投資夥伴關係項目，和為 AIDS 的房產機會項目) 的市府規劃文件，預計 2012-2013 財務年度總額為 1200 萬元。

2011-2012 年度綜合行動計劃大幅修改，提出 ESG 資金的概述，作為市府第二次 ESG 資金分配的用途，和改變使用其第一次 ESG 資金的分配。

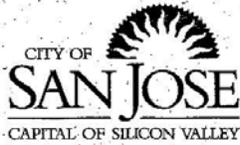
以下表格指明完成 2012-2013 年度綜合行動計劃和大幅修改 2011-2012 年度綜合行動計劃的時間表：

什麼?	誰?	何地?	何時?
2012-2013 年聯邦贈款項目建議人員經費的通知	聖荷西房屋部門	City of San Jose Housing 200 E. Santa Clara St. -12th Floor, San Jose, CA 95113	2012 年 3 月 27 日
2012-2013 年綜合年度行動計劃草案和 2011-2012 年綜合年度行動計劃大幅修改，開放給公眾審核和評論，限 30 天內	請上網查閱房屋部門網站： http://www.sjhousing.org/report/complan.html 獲得電子拷貝，或電：(408) 294-9337 (TTY) 獲得紙張的複印件	City of San Jose Housing 200 E. Santa Clara St.-12th Floor, San Jose, CA 95113	2012 年 3 月 29 日
2012-2013 綜合年度行動計劃首次聽證會	聖荷西市議會	聖荷西市府大樓 200 E. Santa Clara St. City Council Chambers	2012 年 4 月 3 日 下午 1 時 30 分
審核和批准 2012-2013 年綜合年度行動計劃和大幅修改的 2011-2012 年綜合年度計劃	房屋和社區發展諮詢委員會	聖荷西市府大樓 200 E. Santa Clara St. Room W-118,119 (Wing)	2012 年 4 月 12 日 下午 5 時 45 分
30 天公眾評論期結束			2012 年 4 月 30 日
最終批准 2012-13 年綜合年度行動計劃和大幅修訂 2011-2012 年綜合年度行動計劃	聖荷西市議會	聖荷西市府大樓 200 E. Santa Clara St. City Council Chambers	2012 年 5 月 1 日 下午 1 時 30 分
向聯邦住房和城市發展部提交批准年度行動計劃	聖荷西房屋部門		2012 年 5 月 11 日

社區的參與是極大的寶貴。具體而言，我們正在尋找您提供的低收入和中等收入居民、老人、殘疾人和其他需要特殊住房和社會需要的人士。以上的通知是知道如何可以得到這兩個文件的電子版和紙張的複印件。請就年度行動計劃或大幅修訂計劃議題，直接向聖荷西房屋部門的 Daniel Murillo 聯絡，電話是 (408) 793-4195；或發電子郵件至：daniel.murillo@sanjoseca.gov；或語言/聽力有障礙者，請電：(408) 294-9337 (TTY)。

上述列出會議接受公眾的意見，以書面形式提交給聖荷西房屋部門 (200 E. Santa Clara Street, 12th Floor, San Jose, CA 95113)；或通過電子郵件提交的方式 (請看上述列出的地址)。所有公開召開會議的場所都向行動不便者提供方便。





**THÔNG BÁO VỀ NHỮNG BUỔI HỌP VỀ KẾ HOẠCH HOẠT ĐỘNG NĂM 2012-2013
VÀ THAY ĐỔI LUẬT NĂM 2011-2012
VỀ KẾ HOẠCH HOẠT ĐỘNG HÀNG NĂM LẦN THỨ HAI VÀ
NHỮNG GIẢI PHÁP CHO VIỆC PHÂN PHỐI NGÂN SÁCH KHẨN CẤP**

THÔNG BÁO NÀY ĐỂ LOAN BÁO VỀ NHỮNG BUỔI CỦA THÀNH PHỐ SAN JOSE 2012-2013 VỀ KẾ HOẠCH HOẠT ĐỘNG NĂM VÀ THAY ĐỔI LUẬT VỀ KẾ HOẠCH HOẠT ĐỘNG HÀNG NĂM LẦN THỨ HAI VÀ NHỮNG GIẢI PHÁP CHO VIỆC PHÂN PHỐI NGÂN SÁCH KHẨN CẤP (ESG) SẼ ĐƯỢC HỌP TRƯỚC BỘ GIA CƯ VÀ BAN PHÁT TRIỂN CỘNG ĐỒNG VÀ HỘI ĐỒNG THÀNH PHỐ SAN JOSE. Hãy đến và đóng góp ý kiến cho các chương trình có liên quan đến nhà cửa và những cần thiết về phát triển cộng đồng tại San José. Các ý kiến sẽ được áp dụng vào việc phát triển thành phố về kế hoạch hoạt động hàng năm và ngân sách mới và ngân sách tái trợ của ESG.

Những phúc thảo của kế hoạch hoạt động hàng năm của Bộ Gia Cư và Phát Triển Cộng Đồng của thành phố cần và một kế hoạch hoạt động một năm trên những dự án của thành phố để đáp ứng các nhu cầu cần thiết. Tài liệu này được thiết lập dưới sự tham khảo của cộng chúng và là những phúc thảo hoạch định của thành phố cho việc tiếp nhận ngân sách từ liên bang (chương trình the Community Development Block Grant, chương trình the Emergency Solutions Grant, chương trình the HOME Investment Partnership, và chương trình the Housing Opportunities for Persons with AIDS), tổng cộng ngân sách khoảng \$12 triệu cho tài khóa năm 2012-2013.

Sự Thay đổi luật năm 2011-2012 ngân sách kế hoạch hoạt động hàng năm ESG để xứng những sử dụng những phân phối quỹ ESG và sự thay đổi thứ hai của Thành phố trong sử dụng quỹ ESG.

Bảng sau đây chi tiết sáng chương trình (cho) sự hoàn thành 2012-2013 được công bố Hàng năm Kế hoạch Hoạt động và sự Thay đổi Thứ hai 2011-2012 cũng có Kế hoạch Hoạt động Hàng năm!

Việc gì?	AI?	Ở đâu?	Khi nào?
Phiên bản (của) nhân viên cấp vốn những khuyến cáo (cho) liên bang những chương trình của năm 2012-2013.	Bộ Gia Cư thành phố San José	City of San Jose Bộ Gia Cư 200 E. Santa Clara St.-12 th Floor, San Jose, CA 95113	Ngày 27 tháng 3, 2012
Phúc thảo 2012-2013 cho Kế hoạch Hoạt động và phúc thảo Hàng năm Thứ sự Thay đổi tới 2011-2012 cho Kế hoạch Hoạt động Hàng năm sẵn có đối với quần chúng (cho) tổng quan và bình luận trong 30 ngày.	Có thể vào trang mạng của Bộ Gia Cư tại http://www.sjhousing.org/report/compplan.html để xem những bản sao điện tử hoặc gọi số (408) 793-5542 hoặc (408) 294-9337 (cho người khiếm thính) hoặc bản sao trên giấy tờ.	City of San Jose Bộ Gia Cư 200 E. Santa Clara St.-12 th Floor, San Jose, CA 95113	Ngày 29 tháng 3, 2012
Buổi họp đầu tiên của Hội đồng cho năm 2012-2013 cho Kế hoạch Hoạt động Hàng năm	Hội Đồng thành phố San José	Tòa Thị Chính San Jose 200 E. Santa Clara Street Phòng họp của hội đồng Thành phố.	Ngày 3 tháng 4, 2012, 1:30 p.m.
Duyệt xét và ghi nhận kế hoạch Hoạt động cho năm 2012-2013 Hàng năm để Lập kế hoạch 2012-13 và luật thay đổi của năm 2011-2012 cho dự án kế hoạch Hoạt động Hàng năm.	Bộ Nhà cửa và ủy nhiệm Tư vấn Phát triển, Cộng đồng	Tòa thị chính San Jose 200 E. Santa Clara Street Phòng W-118,119 (Cánh)	Ngày 12 tháng 4, 2012, 5:45 p.m.
Kết thúc 30-ngày Thời kỳ góp ý Công cộng			Ngày 30 tháng 4, 2012
Chấp nhận Cuối cùng của năm 2012-13 cho việc hoạch định Hoạt động hàng năm và sự Thay đổi luật cho năm 2011-2012 về Kế hoạch Hoạt động Hàng năm.	Hội Đồng thành phố San José	Tòa Thị Chính San Jose 200 E. Santa Clara Street Phòng họp của hội đồng Thành phố.	Ngày 1 tháng 5, 2012 1:30 p.m.
Đề trình bản Kế hoạch Hoạt động Hàng năm được phê chuẩn và sự Thay đổi luật tới Bộ Gia Cư và Phát Triển Thành thị Hoa Kỳ	Bộ Gia Cư thành phố San José		Ngày 11 tháng 5, 2012

Ý KIẾN CỦA CỘNG ĐỒNG RẤT ĐÁNG KẾ. Đặc biệt, chúng tôi sẽ tham khảo những ý kiến của cộng đồng về những nhu cầu nhà cửa cho cộng đồng để giúp những cư dân có thu nhập thấp và những vị cao niên, những người mà tàn tật, và cần sự giúp đỡ đặc biệt. Ghi chú ở trên những sự sao chép điện tử hay giấy của hai tài liệu có thể được kiểm chứng như thế nào. Vui lòng đặt những câu hỏi trực tiếp cho Kế hoạch Hoạt động Hàng năm hoặc sự Thay đổi luật tới Murillo Daniel của Bộ Gia Cư Thành phố San José số 408-793-4195, bằng e-mail đến daniel.murillo@sanjoseca.gov, hoặc cho nhân viên khiếm thính xin gọi (408) 294-9337 (khiếm thính).

Những ý kiến của Công cộng có thể được trình bày trong mẫu (dạng) (của) những sự phát biểu được làm trên liệt kê những cuộc gặp, trong việc viết tới Bộ Gia Cư của Thành phố San José 200 E. Santa Clara Street, 12th Floor, San José, California 95113, hoặc nộp đơn qua e-mail đến địa chỉ ghi trên. Tất cả các cuộc họp đều có phương tiện giúp người tàn tật và khiếm thính.



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

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

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

Public Comment	Staff Response
Commissioner Norimoto asked for clarification on how San Benito County qualifies for federal funding in Santa Clara County.	Staff responded that federal grants are allocated to a geographical designation known as the Standard Metropolitan Statistical Area (SMSA). Several years ago, San Benito County was included in Santa Clara County's and is therefore eligible for grant funding.
Commissioner Ellak asked for clarification on what it meant for the San Jose Conservation Corps to be disqualified due to lack of proper match.	Staff responded that the RFP required a minimum match of 20 percent by the organization or consortium applying for grant funding.
Vice Chair Tom asked if there is a summary of the evaluation process in the Consolidated Annual Action Plan.	Staff responded that the Plan includes a summary of the evaluation process.
Commissioner Norimoto asked if there were any objections	Staff responded that it did not receive

by community based organizations regarding the grant funding methodology.	any objections.
Commissioner Norimoto indicated that he understood that there is limited funding and that economic development activities was not a funded category. He asked if there were any longer term plans for funding economic development activities.	Staff responded that it anticipates CDBG's financial obligation to backfill Section 108 payments on behalf of the former Redevelopment Agency may be relieved, at which point there is the potential for funding to be freed up for economic development, assuming that the amount of CDBG funding provided by HUD does not decrease from current levels.
Commissioner Norimoto asked for clarification on the nexus between 3 rd grade literacy and fighting blight.	Staff responded that the place-based strategy is more than blight removal and urban decay, that there is a human and social investment component to neighborhoods as well. By improving early literacy rates, other social and physical issues could potentially be addressed as well.
Commissioner Norimoto asked of the 3 rd grade literacy programs are funded from the services or CDI pool of money.	Staff responded that it is from the public services pool.
Colleen Hudgen from Live Oak Adult Day Services thanked City staff for funding the consortium – of which Live Oak is a part – led by Catholic Charities of Santa Clara County to provide services to seniors, and that she is pleased to hear that an additional \$200,000 will be made available for senior services. Ms. Hudgen indicated these organizations provide an important social safety net of services.	Staff acknowledges receipt of comment
Maria Solis from Yu-Ai Kai, who is also a member of the Catholic Charities consortium, thanked City staff for funding to the consortium.	Staff acknowledges receipt of comment
Chair Darrow asked for clarification on the maximum amount of ESG dollars that could be allocated for administration costs.	Staff responded that the maximum amount is 7.5% of total program dollars based on federal ESG I and ESG II funding criteria.
Chair Darrow asked for clarification on the homeless population to be served. The Consolidated Plan indicates that the goal is to serve 30,000 individuals but the 2011 homeless census indicated only 7,000 homeless individuals in Santa Clara County.	Staff responded that the census count of 7,000 is based on unduplicated individuals on any given day (with a significantly larger number of individuals having at least one homelessness experience over the course of a year), while the homeless services program can treat the same individual multiple times as is often the case for the most difficult to serve.
Commissioner Ellak indicated that it would be helpful to see	Staff will respond to this request at a

data of the homeless population on a graph. This will be helpful to see how the situation has changed over time, to develop accountability measures, and to ensure that elected officials are meeting their stated goals of ending homelessness.	future Commission meeting, which will be outside the context of the Consolidated Plan process.
Commissioner Norimoto asked if there are different strategies for working with different subgroups of the larger homeless population.	Staff responded the City, the County and the private sector are partnering in Destination:Home, which is developing a variety of service and housing options to address the variety of homeless residents' needs.
Commissioner Ellak suggested exploring the possibility of sending medical staff directly to encampments rather than requiring that the homeless seek out medical services.	The Santa Clara Valley Medical Center already provides this service on a limited basis.
Commissioner Ellak expressed concerns regarding San Jose's significant rent increases as mentioned in the executive summary of the Consolidated Plan. This could lead to more homelessness. The increased rents could especially impact seniors on fixed income, as housing costs are significantly outpacing cost of living adjustments to Social Security. Elected officials need to understand this and do something about it.	Staff acknowledges that rents are increasing. Other than providing funding for housing development and services, Staff is unable to offer solutions for market supply and demand factors.

- **City Council Meeting– May 1, 2012**

Public Comment	City Response
Kevin Zwick, Executive Director of the Housing Trust of Santa Clara County, expressed his support for Annual Action Plan and its outreach. He commented that foreclosures, homelessness and support for senior services remain community priorities and is looking forward to working with the City through the Foreclosure Help Consortium.	Staff acknowledges receipt of comment
Vice Mayor Nguyen requested a status update on discussions with the Housing Authority regarding allocation of one-third of turned over Section 8 housing choice vouchers for the chronically homeless.	The Director responded that it is expected that the City will receive 30% of the vouchers, capped at 100, for the upcoming year, rather than the promised one-third allocation. Both the Housing Authority and the Housing Department understand the need to revise their agreement and this item will be further discussed during contract negotiations.

- **Additional Public Comments**

April 25, 2012

The Honorable Mayor and City Council
City of San José
200 E. Santa Clara Street, 18th Floor
San José, CA 95113

RE: FY 2012-13 Consolidated Annual Action Plan

Dear Honorable Mayor and City Council:

On behalf of the Housing and Community Development Advisory Commission, I am writing to express the Commission's support for the FY 2012-13 Consolidated Annual Action Plan. At our April 12, 2012 meeting, the Commission voted to recommend Council approval of the Plan and to forward it to the Department of Housing and Urban Development (HUD) by the required May 15, 2012 deadline.

Approval by the City Council and acceptance by HUD would allow the City of San José to continue qualifying for important federal funding for housing programs and activities in six priority areas: 1) assisting in the creation and preservation of affordable housing for lower-income and special needs households; 2) supporting activities to end homelessness; 3) supporting activities that assist with basic needs, eliminating blight, and/or strengthening neighborhoods; 4) expanding economic opportunities for low-income households; 5) promoting fair housing choice; and 6) promoting environmental sustainability. At a time when public dollars for services and investments are severely diminished and the need for housing and services remain high, securing federal dollars to meet the needs of San José's residents is critical.

The Commission supports Council approval of the FY 2012-13 Consolidated Annual Action Plan and the submission to HUD by May 15, 2012.

Sincerely,



Brian Darrow, Chair
Housing & Community Development Advisory Commission

Appendix C – HOME, Homebuyer and Tenant Based Rental Assistance Program Guidelines

a. HOMEBUYER PROGRAM GUIDELINES

All homes purchased with HOME funds, are subject to the requirements as set forth in 24 CFR 91 and 92 of the HOME regulations. The City of San José uses HOME funds to provide loans to qualified homebuyers. who want to buy a home in San José

These Homebuyer Guidelines have been developed in accordance with the U.S. Department of Housing and Urban Development (HUD) requirements for both programs and City policies indicated in its *Consolidated Plan*. The Homebuyer Guidelines are extensive and can be found on the Housing Department's website <http://www.sjhousing.org/program/HB/Underwriting.pdf>

d. TENANT BASED RENTAL ASSISTANCE PROGRAM GUIDELINES

1.0 GENERAL PROJECT DESCRIPTION

The City of San José shall operate a Tenant Based Rental Assistance (TBRA) Program in accordance with the provisions of the grant agreement between the CITY and U.S. Department of Housing and Urban Development ("HUD"), and all rules and regulations of the HOME Investment Partnership Program (24 CFR Part 92).

The TBRA Program is a rental subsidy program created to help households afford housing costs such as rent and security deposits. The City's TBRA Program will target the chronically homeless with a focus on two special needs populations identified by the City's Consolidated Plan as having an unmet need. The special needs populations are chronically homeless individuals and/or households that are:

- Severely mentally ill; and/or
- People with substance abuse/addiction disorders. Clients in this special needs population that live in or around a targeted area will be given priority placement over others in this special needs population that reside outside of the targeted area. The targeted area for the pilot program will be St. James Park in San José, CA.

TBRA will assist up to 100 special-needs households to attain permanent housing by subsidizing rents for up to two (2) years with the possibility of renewal.

Supportive services in the form of case management and clinical services will be provided by various agencies within the County of Santa Clara.

The Project Area for the purposes of this Program means that no less than fifty-one percent (51%) of the persons benefited and served under this Program are residents of the City of San José within the County of Santa Clara, State of California. Participants of this program must be willing to reside within San José city limits and will be based on specific occupancy standards.

There are two main divisions of this Program, the Case Management & Referral side and the Administrative side; both divisions and their responsibilities are discussed in detail herein.

2.0 CASE MANAGEMENT AGENCY'S DUTIES

Case managers for clients shall perform the following duties:

- A. Market affirmatively and explain the TBRA Program to clients.
- B. Develop and maintain a waitlist for eligible clients.
- C. Develop and maintain confidential files.
- D. Perform intake assessments on participating households to identify housing and supportive services needs and link clients to appropriate recourses.
- E. Assist clients in completion of TBRA application. This activity includes, but is not limited to:
 - 1. Verification of clients' homelessness, mental illness or whether they live in or around the targeted area.
 - 2. Verification of income.
 - 3. Perform initial rent/subsidy calculation.
- F. Assist clients with developing a Self-Sufficiency Plan which can include a budget and money management plan
- G. Assist clients in searching for housing that meets the rent and habitability standards of the Program.
- H. Be the liaison between landlords and the Administrative Agency regarding, but not limited to:
 - 1. Initial unit inspection.
 - 2. Lease and habitability issues.
 - 3. Potential eviction issues.
 - 4. Perform home visits.
 - 5. Perform exit interviews and ensure clients have a permanent affordable housing option at the completion of the program.

3.0 ADMINISTRATIVE AGENCY

The ADMINISTRATIVE AGENCY shall perform the following duties:

- A. Assist in the facilitation of meetings with cooperative agencies to monitor the progress of the Program.
- B. Provide Case Management Agency(ies) with program materials, policies and procedures, training, technical assistance, etc.
- C. Review applicant file (see section 4.0 below) compiled by the Case Management Agency(ies) for eligibility with HOME requirements such as income (less than 60% AMI), rent calculation (rent does not exceed 30% of client income), and make final decision on client selection.
- D. If client has zero income, client still must contribute a program minimum of \$20.00 per month.
- E. Review and enforce occupancy standards to determine the clients appropriate unit size.
- F. Assign TBRA coupons.
- G. Inspect each property to ensure that it meets HUD Housing Quality Standards prior to occupancy and upon exit of program.
- H. Ensure the payment (rent) standard is similar to the Fair Market Rent (FMR) established by HUD.
- I. Review and approve each lease agreement. Lease must be for one year (unless mutually agreed upon), and may not contain language stated in 24CFR 92.253(b).
- J. Perform annual income re-certifications. Adjust subsidy share as needed.
- K. Perform requested income re-certifications if client's rent share will change more than 10%.
- L. Review and approve any requested rent increases.
- M. Submit to the City monthly reimbursement requests.
- N. Submit TBRA IDIS information data for tenant set-up in IDIS by the City.

- O. Security deposits returned (if any) will be returned to the tenant unless tenant violates their lease. If tenant changes residency during their TBRA tenure, any deposit that is returned must be used for the new residence.
- P. Submit monthly reports to the City on all required information, including client income, rent changes, re-certifications, etc.

4.0 REVIEW OF APPLICANT FILE

Administrative Agency shall receive a case file ("REFERRAL") from the client's case manager for consideration into the TBRA Program. The applicant must be pre-screened by the case manager. The Administrative Agency shall review the file for completeness and accuracy in order to determine eligibility. Eligibility requirements that must be reviewed include, but are not limited to:

A. Household Composition Eligibility

1. All household members must be "chronically homeless" and provide documentation to verify homelessness. The term "chronically homeless" shall mean a homeless individual or family that has either been continuously homeless for a year or more OR has had at least four episodes of homelessness in the past three years.
2. At least one household member must have meet one of the priorities for the program, either:
 - a. A diagnosed, severe mental illness that documentation verifies the disability; verification may be submitted at intake.
 - b. A substance abuse/addiction disorder, with priority given to those in or around the targeted area (i.e., St. James Park).
3. At least fifty-one percent (51%) of total program participants must be residing in San José at the time of the intake; if household is homeless at intake, they will be considered a San José resident.
4. Clients may NOT be currently receiving subsidized housing under the Section 8 Housing Choice Voucher program or through the provision of other HOME-Funded programs.
5. Clients must document citizenship or eligible immigration status and meet citizenship or immigration rules.

**Note: Items 1-3 will be verified by the case managers and the Administrative Agency shall review the verification for completeness.*

B. Initial Income Eligibility

1. Eligible clients must have incomes at or below sixty percent (60%) of the area median income, adjusted for family size. Eligibility is determined by comparing the household's anticipated gross annual income for the upcoming twelve months.
2. Income must be determined by reviewing source documents evidencing annual income (e.g., wage statement, interest statement, and unemployment compensation) for the household. The definition of income is the Section 8/Part 5 definition of annual income.
3. Income determinations for new TBRA recipients are valid for six (6) months.
4. If clients or household members that are being assisted have knowingly given false information, appropriate sanction must be exercised which may include termination of assistance.

C. Tenant Conduct Eligibility

1. Clients must not have been evicted from any federally subsidized housing within the last three (3) years, unless proof can be supplied that a rehab program has been successfully completed or that the involved family member is in prison or deceased.

2. Household members must not have been convicted of drug-related criminal activity for the production or manufacture of methamphetamines within the last three (3) years. If prior convictions exist, the client must submit evidence of successful completion of a rehabilitation program.
3. Household members must not be subject to a lifetime registration requirement under a state's sex offender program (e.g., California Penal Code Section 290).

5.0 PROGRAM RULES AND REGULATIONS

HOME regulations (24 CFR Part 92) specify certain aspects of the program that affect the subsidy amount and Total Tenant Payment. The Administrative Agency shall adhere to the following requirements when calculating subsidy amounts and Total Tenant Payment:

A. Program Model

The TBRA Program will be modeled after the Section 8 Certificate Program. Tenants shall pay thirty percent (30%) of their monthly adjusted income, but no less than \$20.00, toward rent less any utility allowance. The TBRA assistance then makes up the gap between the tenant's payment and the actual rent plus utilities.

B. Payment (Rent) Standard

The Payment (Rent) Standard represents the rent plus utility cost of moderately priced units that meet HUD Housing Quality Standards. The Payment (Rent) Standard is based on current Section 8 Fair Market Rents.

C. Security Deposits

The Administrative Agency shall approve the landlord's requested security deposit amount, if applicable. The term "security deposit" is defined by the local tenant-landlord law covering the jurisdiction.

1. The maximum amount of HOME funds that may be provided for the security deposit is the equivalent of one month's rent for the unit.
2. The security deposit will be made in the form of a grant to the tenant paid directly to the landlord. When the client leaves the unit, any security deposit returned by the landlord will stay with the tenant so long that the tenant did not violate the lease.

D. Rent Increases

Administrative Agency shall review and approve rent increases by landlords and disapprove a lease if the rent is not reasonable.

E. Recertification of Income

Administrative Agency shall re-examine, at least annually, the income of tenants receiving rental assistance using source documentation. Family income, size and composition must be reevaluated. Rent and assistance is adjusted accordingly, based on the circumstances in effect at the time of recertification. If a client's income goes above the Section 8 low-income limit at re-examination, assistance must be terminated after reasonable notice to the client and the landlord.

F. Interim Eligibility Determinations

The client is required to notify the Case Manager of all changes in income and family composition. Case Manager must then submit proof of such changes to Administrative Agency. If this occurs, the following procedures apply:

1. **Increase in Household Income:** Households must report an increase in income of \$200 or more per month. Further, the household must report if there is an increase due to the addition of a new family member with income. Increases in household income will result in a recertification of eligibility. As a result of an interim recertification, the tenant's rent share will go up, or it may be determined that the tenant no longer qualifies for the program and assistance must be terminated with a 60-day notice.
2. **Decreases in Household Income:** If the family reports a decrease in income, an interim recertification must be completed. The decrease in tenant payment and subsequent increase in assistance payment must take effect the first month following verification of the decrease. Both the owner and tenant must be notified in writing of change in the payment structure.

6.0 **TBRA SUBSIDY AND TENANT CONTRIBUTION CALCULATION**

The level of TBRA subsidy is based upon the income of the household, the particular unit the household selects and the Payment (Rent) Standard. Administrative Agency shall be responsible for correctly calculating and setting the subsidy amount and the tenant's share of housing costs (rent + utilities). At no time shall the TBRA subsidy be greater than the difference between the Payment (Rent) Standard and thirty percent (30%) of the household's monthly adjusted income less any utility allowance.

A. **Using Section 8 Rental Certificate Model**

The Section 8 Rental Certificate Model assumes a fixed tenant payment - that is, the tenant's share of housing costs, or Total Tenant Payment ("TTP"), is calculated by formula.

Administrative Agency shall use the Section 8 Rental Certificate Model for computing TTP.

The Section 8 Certificate Model requires a tenant to pay the greater of:

- 30% of monthly *adjusted* income;
- 10% of monthly *gross* income; or
- Program Minimum of \$20.00 (i.e., Total Tenant Payment).

B. **Utility Allowances**

To determine the portion of the housing cost that will be paid by TBRA and the portion that will be paid by the household, the Administrative Agency shall use the current Section 8 Utility Allowance schedule for Santa Clara County which estimates the average cost of utilities for typical types of housing and for various utilities and fuel sources.

Example - Household of 1-person for a 1-bedroom. Household adjusted annual income is \$12,000.00

- (1) Unit Rent is \$1,000.
- (2) Utility allowance for chosen unit is \$95.
- (3) 30% of the household's monthly income is \$300 ($\$12,000.00/12 * 30\%$).
- (4) Household contribution is as follows:

\$95	Utility allowance
+\$205	Rent to owner
- (5) TBRA pays the difference between the rent and the amount paid by the tenant.

\$1,000	Rent to owner
- \$205	Paid by family
\$795	TBRA Subsidy

C. **Minimum Payment**

The minimum monthly household payment for TBRA clients is set at \$20.00.

D. Rental Proration

Administrative Agency must prorate rental assistance during the initial month using the number of days in the specific month that residency takes place. Leases should begin on the first day of the actual tenant occupancy.

7.0 PAYMENT OF RENT

The process of rent payments shall be as follows:

- A. Administrative Agency shall pay the subsidy amount directly to the landlord from the Housing Trust Fund Reserve. The tenant will pay their Net Tenant Payment (NTP) directly to the landlord.
- B. Reimbursement requests for subsidies and eligible expenses must be submitted to the City along with back up documentation in a timely manner. Requests shall be processed within 15 days if request and back up documentation is complete.
- C. No utility reimbursements shall be made to the tenants.

8.0 HOUSING TRUST FUND RESERVE

Any balance of the Housing Trust Fund Reserve shall be returned to the City within 45 days after the termination of the contract.

9.0 UNIT STANDARDS

Assisted units may be publicly or privately owned; however, units covered under a project-based rental assistance agreement or Public Housing Authority units are not eligible. Rents must be reasonable and based on rents that are charged for comparable unassisted rental units. Administrative Agency shall conduct an inspection of the prospective unit.

A. Inspections (Section 8 HQS)

Section 8 Housing Quality Standards ("HQS") must be used for HOME TBRA activities. Inspections to verify compliance with HQS and occupancy standards are to be made at both initial move-in and annually during the term of the TBRA assistance. Lead Inspections - All administrators will be responsible for discussing lead paint issues and providing an EPA/HUD combination lead based paint FACT SHEET (form EPA- 747-F-96-002).

B. Occupancy Standards

Administrative Agency must determine eligible unit size (i.e., number of bedrooms) appropriate for the household. This determination is based on household size and composition. The Occupancy Standards are based on the San José Municipal Code 17.20.270 and are summarized as follows:

SRO/Studio	Min. – 1 person Max. – 2 persons	<i>Maximum number is dependent on landlord regulations.</i>
1 Bedroom	Min. – 1 person Max. – 4 persons	<i>Maximum number is dependent on landlord regulations, the size of the bedroom (must be over 120 sq. ft. to accommodate more than two people), and if the living room qualifies as a sleeping area. A 1-bedroom typically sleeps no more than three (3) people.</i>
2 Bedroom	Min. – 2 person	<i>See note for 1-bedroom and reference City municipal code 17.20.270 to determine max. number of occupants.</i>

3 Bedroom	Min. – 3 person	<i>See note for 1-bedroom and reference City municipal code 17.20.270 to determine max. number of occupants.</i>
4 Bedroom	Min. – 3 person	<i>See note for 1-bedroom and reference City municipal code 17.20.270 to determine max. number of occupants.</i>

Household composition determines the number of bedrooms for which a prospective client qualifies. For example, persons of different generations (e.g., grandparents to children), persons of opposite sex over the age of five (5) and unrelated adults (other than spouses or significant others) will be allocated separate rooms. A live-in aide will be provided a separate bedroom from other household members. Aide will not have any right to the subsidy.

10.0 LEASING REQUIREMENTS

Prospective TBRA household has 90 days to locate and enter into a lease before TBRA coupon expires. Administrative Agency shall review all lease agreements and confirm the following:

- A. Term.** The term of the initial lease between the tenant and the owner must be **at least** one year, unless both agree otherwise.
- B. What the lease may *not* say.** The lease *may not* contain the following provisions. These provisions will be spelled out in the Addendum:
 1. Agreement by the tenant to be sued or to admit guilt, or a judgment in favor of the owner in a lawsuit brought in connection with the lease;
 2. Agreement by the tenant that the owner may take, hold or sell the personal property of household members without notice to the tenant and a court decision on the rights of the parties (this does not apply to personal property left by the tenant after move-out);
 3. Agreement by the tenant not to hold the owner or its agents legally responsible for any action or failure to act, whether intentional or negligent;
 4. Agreement by the tenant that the owner may institute a lawsuit without notice to tenant;
 5. Agreement that the owner may evict the tenant (or other household members) without a civil court proceeding where the tenant has the right to present a defense, or before a court decision on the rights of the tenant and the owner;
 6. Agreement by the tenant to waive a trial by jury;
 7. Agreement by the tenant to waive the tenant’s right to appeal or otherwise challenge a court decision; or
 8. Agreement by the tenant to pay attorney fees or other legal costs, even if the tenant wins in court.

C. Addendum.

After the unit passes inspection, the tenant and landlord sign a lease and TBRA Lease Addendum which outlines relevant HOME regulations. The TBRA Lease Addendum runs until the termination of the subsidy. No rent payment may be made after the termination of the lease until the household enters into a new lease. The TBRA Lease Addendum will provide the standards for termination or refusal to rent.

11.0 RECORD KEEPING & REPORTING REQUIREMENTS

A. Record Retention Requirements.

Administrative Agency shall keep all case file records for **five years** after rental assistance ends.

B. Reporting Requirements.

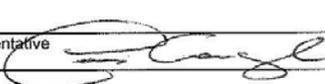
Each month, on or around the 10th day, Administrative Agency shall submit a report to the CITY. This report must detail income and subsidy amounts, tenant's share, utility allowance, household composition and other data as requested. The CITY may request other data and make adjustments to the reporting form(s) as needed.

Appendix D – Applications for Federal Assistance (SF-424)

APPLICATION FOR FEDERAL ASSISTANCE

OMB Approved No. 3076-0006

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED 5/10/2012		Applicant Identifier	
Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		3. DATE RECEIVED BY STATE		State Application Identifier	
5. APPLICANT INFORMATION		4. DATE RECEIVED BY FEDERAL AGENCY		Federal Identifier CAH-12-F-06-004	
Legal Name: City of San José			Organizational Unit: Department: Housing Department		
Organizational DUNS: 063541874			Division: N/A		
Address: Street: 200 East Santa Clara Street			Name and telephone number of person to be contacted on matters involving this application (give area code)		
City: San José			Prefix: Ms	First Name: Leslye	
County: Santa Clara			Middle Name		
State: CA		Zip Code 95113	Last Name Corsiglia		
Country: USA			Suffix:		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 94-6000419			Phone Number (give area code) (408) 535-3851	Fax Number (give area code) (408) 292-6203	
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>			7. TYPE OF APPLICANT: (See back of form for Application Types) C. Municipal Other (specify)		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): HOUSING OPPORTUNITIES FOR PEOPLE WITH AIDS (HOPWA)			9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development		
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): Santa Clara County, San Benito County			11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: AIDS Services; Planning and Administration;		
13. PROPOSED PROJECT Start Date: 07/01/2012 Ending Date: 06/30/2013			14. CONGRESSIONAL DISTRICTS OF: a. Applicant 11,13,14,15,16,17 b. Project		
15. ESTIMATED FUNDING:			16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
a. Federal	\$	878,197 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:		
b. Applicant	\$	⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
c. State	\$	⁰⁰	<input checked="" type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
d. Local	\$	0 ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
e. Other	\$	⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
f. Program Income	\$	⁰⁰			
g. TOTAL	\$	878,197 ⁰⁰			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.					
a. Authorized Representative					
Prefix Ms		First Name Leslye		Middle Name	
Last Name Corsiglia			Suffix		
b. Title Director			c. Telephone Number (give area code) (408) 535-3851		
d. Signature of Authorized Representative 			e. Date Signed 5/8/12		

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Prescribed by OMB Circular A-102

**APPLICATION FOR
FEDERAL ASSISTANCE**

OMB Approved No. 3076-0006

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	2. DATE SUBMITTED 5/10/2012	Applicant Identifier
			3. DATE RECEIVED BY STATE	State Application Identifier
			4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier B-12-MC-06-0021
5. APPLICANT INFORMATION				
Legal Name: City of San José		Organizational Unit: Department: Housing Department		
Organizational DUNS: 063541874		Division: N/A		
Address: Street: 200 East Santa Clara Street		Name and telephone number of person to be contacted on matters involving this application (give area code)		
City: San José		Prefix: Ms		
County: Santa Clara		First Name: Leslye		
State: CA		Middle Name		
Zip Code 95113		Last Name Corsiglia		
Country: USA		Suffix:		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 94-6000419		Email: leslye.corsiglia@sanjoseca.gov		Phone Number (give area code) (408) 535-3851
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		Fax Number (give area code) (408) 292-6203		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 14-218		7. TYPE OF APPLICANT: (See back of form for Application Types) C. Municipal Other (specify)		
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of San José, California		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development		
13. PROPOSED PROJECT Start Date: 07/01/2012		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Community Development Initiatives; Public Service Projects; Fair Housing Projects; Section 108 Debt Service; Planning and Administration;		
Ending Date: 06/30/2013		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 11, 13, 14, 15, 16		
15. ESTIMATED FUNDING:		b. Project		
a. Federal	\$ 7,840,284.00	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
b. Applicant	\$.00	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON		
c. State	\$.00	DATE:		
d. Local	\$.00	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
e. Other	\$.00	<input checked="" type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
f. Program Income	\$ 600,000.00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
g. TOTAL	\$ 8,440,284.00	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.				
a. Authorized Representative				
Prefix Ms		First Name Leslye		Middle Name
Last Name Corsiglia		Suffix		
b. Title Director		c. Telephone Number (give area code) (408) 535-3851		
d. Signature of Authorized Representative		e. Date Signed 5/8/12		

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APPLICATION FOR FEDERAL ASSISTANCE

OMB Approved No. 3076-0006

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1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED 5/10/2012	Applicant Identifier
<input type="checkbox"/> Construction	<input type="checkbox"/> Pre-application	3. DATE RECEIVED BY STATE	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier M-12-MC-06-0215
<input type="checkbox"/> Non-Construction	<input type="checkbox"/> Pre-application		
5. APPLICANT INFORMATION			
Legal Name: City of San José		Organizational Unit: Department: Housing Department	
Organizational DUNS: 063541874		Division: N/A	
Address: Street: 200 East Santa Clara Street		Name and telephone number of person to be contacted on matters involving this application (give area code)	
City: San José		Prefix: Ms	First Name: Leslye
County: Santa Clara		Middle Name	
State: CA		Last Name Corsiglia	
Zip Code 95113	Suffix:		
Country: USA		Email: leslye.corsiglia@sanjoseca.gov	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 94-6000419		Phone Number (give area code) (408) 535-3851	Fax Number (give area code) (408) 292-6203
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		7. TYPE OF APPLICANT: (See back of form for Application Types) C. Municipal Other (specify)	
Other (specify)		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): HOME INVESTMENT'S PARTNERSHIP PROGRAM (HOME) 14-239		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: New Construction of rental units for ELI, VLI, large families; Home-ownership assistance programs; CHDO expenses; Planning & Administration; TBRA	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of San José, California		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 11,13,14,15,16 b. Project	
13. PROPOSED PROJECT Start Date: 07/01/2012 Ending Date: 06/30/2013		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372-PROCESS? a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE: b. No. <input type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input checked="" type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
15. ESTIMATED FUNDING:		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
a. Federal	\$ 2,458,038 ⁰⁰		
b. Applicant	\$ ⁰⁰		
c. State	\$ ⁰⁰		
d. Local	\$ ⁰⁰		
e. Other	\$ ⁰⁰		
f. Program Income	\$ 3,711,544 ⁰⁰		
g. TOTAL	\$ 6,169,582 ⁰⁰		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative			
Prefix Ms	First Name Leslye	Middle Name	
Last Name Corsiglia			Suffix
b. Title Director	c. Telephone Number (give area code) (408) 535-3851		
d. Signature of Authorized Representative	e. Date Signed		5/8/12

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APPLICATION FOR FEDERAL ASSISTANCE

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Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED 5/10/2012	Applicant Identifier
Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		3. DATE RECEIVED BY STATE	State Application Identifier
5. APPLICANT INFORMATION		4. DATE RECEIVED BY FEDERAL AGENCY Federal Identifier E-12-MC-06-021	
Legal Name: City of San José		Organizational Unit: Department: Housing Department	
Organizational DUNS: 063541874		Division: N/A	
Address: Street: 200 East Santa Clara Street		Name and telephone number of person to be contacted on matters involving this application (give area code)	
City: San José		Prefix: Ms	First Name: Leslye
County: Santa Clara		Middle Name	
State: CA	Zip Code 95113	Last Name Corsiglia	
Country: USA		Suffix:	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 94-6000419		Phone Number (give area code) (408) 535-3851	Fax Number (give area code) (408) 292-6203
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify)		7. TYPE OF APPLICANT: (See back of form for Application Types) C. Municipal Other (specify)	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): EMERGENCY SOLUTIONS GRANT (ESG) 14-231		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of San José, California		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Full Service, Multi-disciplinary Street Outreach Programs; Full Service Programs for Homeless Youth and Families; Homeless Management Information System; Planning and Administration;	
13. PROPOSED PROJECT Start Date: 07/01/2012		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 11, 13, 14, 15, 16	
Ending Date: 06/30/2013		b. Project	
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$ 792,456 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$ ⁰⁰	DATE:	
c. State	\$ ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
d. Local	\$ ⁰⁰	<input checked="" type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
e. Other	\$ ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
f. Program Income	\$ ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
g. TOTAL	\$ 792,456 ⁰⁰		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative			
Prefix Ms	First Name Leslye	Middle Name	
Last Name Corsiglia			Suffix
b. Title Director	c. Telephone Number (give area code) (408) 535-3851		
d. Signature of Authorized Representative	e. Date Signed		5/8/12

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Appendix E – Certifications

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
 - (a) The dangers of drug abuse in the workplace;
 - (b) The grantee's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
 - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

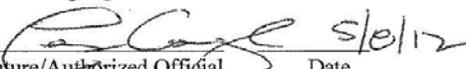
Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.


 Signature/Authorized Official _____ Date _____

Director
 Title

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) ~~2010, 2011~~, 2012 (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its

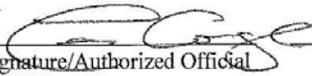
jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;

Compliance with Laws -- It will comply with applicable laws.

 5/9/12
Signature/Authorized Official Date

Director
Title

Specific HOME Certifications

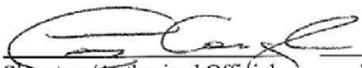
The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

 5/8/12
Signature/Authorized Official Date

Director
Title

ESG Certifications

The Emergency Solutions Grants Program Recipient certifies that:

Major rehabilitation/conversion – If an emergency shelter’s rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the jurisdiction will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the jurisdiction serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The jurisdiction will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

Matching Funds – The jurisdiction will obtain matching amounts required under 24 CFR 576.201.

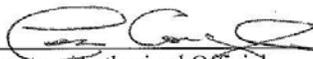
Confidentiality – The jurisdiction has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, the jurisdiction will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan – All activities the jurisdiction undertakes with assistance under ESG are consistent with the jurisdiction’s consolidated plan.

Discharge Policy – The jurisdiction will establish and implement, to the maximum extent practicable and where appropriate policies and protocols for the discharge of persons from

publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.



Signature/Authorized Official

5/8/12

Date

Director

Title

HOPWA Certifications

The HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

 5/8/12
Signature/Authorized Official Date

Director _____
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

City of San José, 200 East Santa Clara Street, San José,
CA 95113

Check if there are workplaces on file that are not identified here.

This information with regard to the drug-free workplace is required by 24 CFR part 21.

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Appendix F – Additional Information per HUD’s Homeless Emergency Assistance and Rapid Transition to Housing: Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments

Additional Information per HUD’s Homeless Emergency Assistance and Rapid Transition to Housing: Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments

Local entitlement jurisdictions eligible to receive FY 2012-2013 Emergency Solutions Grant (ESG) funds are required to report on new regulations per HUD’s Homeless Emergency Assistance and Rapid Transition to Housing: Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments. The following provides responses to those new requirements directly related to the City’s decisions, policies, and practices regarding its FY 2012-2013 ESG funds:

1) A jurisdiction that receives an ESG grant must consult with the Continuum of Care in determining how to:

- **Determine how to allocate ESG funds for eligible activities;**

City Response: City staff are members of the local Continuum of Care’s (the Santa Clara County Collaborative on Affordable Housing and Homeless Issues – “the Collaborative”) Executive and Steering Committees and participates on other ongoing and adhoc Committees including the Tech Committee and the Service Providers Network.

The City of San Jose provided the information in Attachment A to the Collaborative at its March 15, 2012 Steering Committee meeting. As described in Attachment 1, the City recommended that the FY 2011 funds be used for 1) administration costs; and 2) rapid re-housing and tenant-based rental assistance activities as part of larger citywide outreach programs and full-service programs for homeless families and youth (including victims of domestic violence).

A member of the Collaborative commented that shelters are still needed and that funds should continue going to supporting these facilities.

- **Develop the performance standards for activities funded under ESG; and**

City Response: Over the next year, the Collaborative plans to develop performance measures for both its agencies and the Continuum of Care as a whole. The Collaborative members in attendance agreed with the City’s recommendation that the performance measures for ESG funded activities be developed in concert with the Collaborative’s performance measurement development process.

- **Develop funding, policies, and procedures for the operation and administration of the HMIS**

City Response: The Collaborative currently has policies and procedures for the operation and administration of the applicable HMIS, and supports funding of the system via its McKinney-Vento funding priority process. The Collaborative members supported the City’s recommendation that any consideration or changes to the funding, policies, and procedures for the operation and administration of the HMIS be done in concert with the Collaborative.

2) The jurisdiction shall describe their consultations with the Continuum of Care that serves the jurisdiction’s geographic area

City Response: Please see response in Section 1 above.

3) The jurisdiction must include its written standards for providing ESG assistance, including:

- **If applicable, a description of the Continuum of Care’s centralized or coordinated assessment system.**

City Response: The Collaborative has not yet developed such as system.

- **The jurisdiction’s process for making subawards including how it makes its allocation available to private nonprofit organizations:**

City Response: The following provides the City’s process for making awards of the ESG FY 2011 funds to subgrantees:

- January 19, 2012 – General information on the City’s upcoming RFP provided at the Collaborative Steering Committee meeting
- January 30, 2012 – Request for Proposals (RFP) for funding for homeless projects was released
- February 3, 2012 – Mandatory application workshop for all potential funding applicants
- January 30, 2012 – February 13, 2012 – written questions on completing the application accepted by City staff
- February 27, 2012 – RFP responses due to the City
- March 13, 2012 – Application evaluation panel meeting
 - Panel included staff from the Housing Department’s Homeless Team, County of Santa Clara Department of Mental Health, HomeBase – a nonprofit homeless policy organization and HUD technical assistance provider, and a retired employee of a local nonprofit homeless shelter and service agency
 - Applicants were allowed to give a five minute presentation to the panel on their application followed by up to 30 minutes of questions from the panelists
 - The evaluation panelists scored the applications based on a series of questions/criteria. The value of each question was weighted based on its importance.
 - The panelists’ weighted scores combined with points based on the applicant’s past performance were calculated.
- Housing Department staff used the scores to determine the funding allocations contained in the ConPlan.

- **Homeless Participation Requirement**

City Response: Over the next year, the City will develop and implement a method to receive input from homeless and formerly homeless residents on its ESG policies and decisions. Potential avenues for receiving this information include:

- Surveying clients receiving assistance through ESG funded programs
- Incorporating survey questions into the January 2013 homeless census and survey and the ongoing Housing 1000 surveys

- **One or more performance indicators**

City Response: The percentage of homeless residents who are housed through the funded program who will remain housed for 6 months.

- **Consultation with the Continuum of Care on how to allocate ESG funds, developing performance standards, and developing funding, policies, and procedures for the administration and operation of the HMIS.**

City Response: Please refer to Section 1 above.

Attachment 1: City of San Jose ESG Information for Collaborative
FY 2011 2nd Allocation and FY 2012 Allocation
March 15, 2012

Allowable Uses of ESG Funds

Allowable components:

- Street outreach
- Emergency shelter
- Homelessness prevention
- Rapid re-housing assistance
- Housing relocation and stabilization services
- Short-term and medium-term rental assistance
- HMIS
- Admin (City)

- Total amount of fiscal year grant expended on street outreach and emergency shelter cannot exceed the greater of:
 - 60% of current fiscal year grant (total FY 2011 allocation) OR
 - Amount of FY 2010 grant funds spent on “homeless assistance” activities
- Otherwise funds must be spent on newly eligible activities (Rapid Re-Housing, Prevention, HMIS, Administration)
- Over 91% of the FY 2011 1st allocation went to shelter programs. Therefore, all of the available FY 2011 funds must be used for newly eligible activities (see above)
- Up to 7.5% of the total year’s allocation may be spent on admin costs (City)

Required Consultation with Continuum of Care

- Determining how to allocate ESG funds for eligible activities;
- Developing the performance standards for activities funded under ESG; and
- Developing funding, policies, and procedures for the operation and administration of the HMIS

FY 2011 ESG - Available Funds and Recommended Uses

FY 2011 ESG FUNDS	
ESG Resource	Amount
2 nd Allocation	\$248,315
Unallocated funds from 1st allocation*	\$ 26,644
Total amount available	\$274,959

*The FY 2011 fund allocation was the 2nd year of a two-year grant cycle. One agency stopped providing their funded program during the first year, resulting in unallocated funds in FY 2011.

FY 2011 – Recommended Use of Available Funds	
Use	Maximum Funding Allocation
Admin (City)	\$ 29,659
Rapid Re-Housing/Tenant-Based Rental Assistance (as part of the Outreach and Families & Youth Programs - see information below):	\$245,299
Total	\$274,959

FY 2012 ESG - Available Funds and Recommended Uses

Use	Maximum Funding Allocation
Admin (City)	\$ 59,434
Citywide Outreach Program*	\$1,354,771
Full-Service Program for Homeless Families and Youth (including victims of domestic violence)*	
HMIS	\$90,000
Total	\$1,504,205
* Will be combined with CDBG funding	

Required Program Standards:

The following standards must be created in consultation with the Continuum of Care. These standards go beyond performance indicators to provide a measure to evaluate subrecipients success at, for example:

- Targeting those who need assistance most
- Reducing number of people living on streets or in shelters
- Shortening time spent homeless
- Ensuring assistance provided is effective at reducing housing barriers and housing stability risks

(We can choose to use just one of these measures)

HMIS

The Collaborative has existing policies, and procedures for the operation and administration of the HMIS