COUNCIL AGENDA: 1/10/12
ITEM: 4.2

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: MAYOR AND CITY COUNCIL

FROM: Mayor Reed
Councilmember Rose Herrera
Councilmember Nancy Pyle
Councilmember Donald Rocha

SUBJECT: Community Development Block Grant Funding Priorities

DATE: January 6, 2012

Approved Chuck Reed Date: 1/6/12
Rose Herrera (AG) Donald Rocha AG Nancy Pyle AS

RECOMMENDATION

Accept staff's recommendations regarding Community Development Block Grant (CDBG) funding priorities with the following amendments:

- Reduce the Homelessness and Foreclosure Response funding by $50,000 each
- Reallocate this $100,000 to fund additional senior services
- Defer approval of the decision on the payment source for the HUD 108 loans and return to Council with an analysis of alternative funding sources

ANALYSIS

This approach will allow the city to meet additional needs of seniors in our community while allowing the CDBG process to move forward. The proposed repayment of HUD 108 loans impairs the City's ability to be responsive to the needs of the community, and the City should work to find additional funding sources to preserve the federal entitlement.