

City of San José

Substantial Amendment to the 2015-2016 Annual Action Plan

Background

The City of San José's federal Annual Action Plan details the funding strategy for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnership, and Housing Opportunities for People with AIDS (HOPWA) programs each year. These Annual Action Plans implement a jurisdiction's Five-Year Consolidated Plan and are developed through significant public input, analyses, and planning.

The City's Citizen Participation Plan (CPP) describes the efforts that the City will take to encourage its residents to participate in developing these plans. It also provides requirements for public process when a "substantial amendment" to the Annual Action Plan is proposed. The following changes constitute a substantial amendment and require public notice as described in the CPP:

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

Proposed Substantial Amendment

The City is proposing the following amendments:

- 1.** Add Community Facility Rehabilitation Project and move funds from Unallocated Funds Project (CDBG) to support the following activities:
 - a.** Educare Play Structure Installation activity (CDBG project carryover from Program Year 14-15) - Invest \$250,000 from Unallocated Funds to this activity to complete installation of the play structure to provide recreational opportunities for youth and families in the Santee neighborhood;
 - b.** Former Head Start Building Rehabilitation activity (CDBG project carryover from PY 14-15) - Invest \$260,000 from the Unallocated Funds to this activity to complete rehabilitation of the building to provide resources to community members in the Santee neighborhood;
 - c.** Recovery Café Rehabilitation activity (CDBG project carryover from Program Year 14-15) – Invest \$486,189 from the Unallocated Funds project to this activity to complete rehabilitation of the social hall, commercial kitchen, classrooms, bathrooms, and ADA ramps to provide support for individuals and families impacted by homelessness, addiction, and mental health challenges.
- 2.** Add \$238,913 of ESG funds from previous year balances to support services for homeless individuals and families.

3. Make an administrative adjustment to move \$211,872 of CDBG funding for the San Jose Streets Team (SJST) from the Encampment and Place-based Clean Up project to the Services for Homeless and Unhoused Populations project. The total funding provided to SJST to implement the activity remains unchanged.

Analysis

This proposal qualifies as a substantial amendment because it meets two of the three criteria:

- Funding for a new activity: The proposed Community Facility Rehabilitation activities are not part of the approved FY15-16 Action Plan.
- Change in funding amount: Several of the project funding updates exceed the threshold level.

Public Process

The City of San José provided a public notice in five newspapers as part of the CPP requirements. Additionally, two public hearings will be held to provide opportunities for public comment:

- November 12, 2015 - Housing & Community Development Commission Meeting, 5:45pm, Wing Rooms 118-120
- December 1, 2015 - City Council consideration of Substantial Amendment adoption, 1:30pm, Council Chambers (Please review Council Meeting [agenda](#) when available to confirm item number)

Comments may also be provided to James Stagi by email (james.stagi@sanjoseca.gov) or phone (408-535-8238), or in writing addressed to:

City of San José Housing Department
200 E. Santa Clara Street, 12th Floor
San José, CA 95113

1. On pages 135 of the approved Annual Action Plan, amend Table 72 – Expected Resources – Priority Table as follows (additions or deletions):

Prog	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Prog Income: \$	Prior Year Resources : \$	Total: \$		
ESG	Public Federal	<ul style="list-style-type: none"> • Conversion and Rehab for Transitional Housing • Financial Assistance • Overnight Shelter • Rapid Re-Housing (Rental Assistance) • Rental Assistance Services • Transitional Housing 	\$725,731	\$0	\$0 <u>\$238,913</u>	\$725,731 <u>\$964,644</u>	\$2,365,921	This program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help them quickly regain stability in permanent housing.

2. On page 146 of the approved Annual Action Plan, amend Table 75 – Goals Summary (Five Years) as follows (additions or deletions):

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Respond to Homelessness and Its Impacts on the Community	2015	2020	Homeless	N/A	Homelessness	CDBG: \$4,172,852 HOME: \$3,363,849 ESG: \$3,091,652 <u>\$3,330,565</u>	<ul style="list-style-type: none"> • Homeless overnight shelter = 1,600 persons assisted • Rental Assistance/Rapid Re-housing = 650 persons assisted • Other – Outreach Contacts = 6,400 persons assisted

3. On page 162 of the approved Annual Action Plan, amend the Expected Resources table as follows (additions or deletions):

2015-2016 Funding	Allocation	Prior Year Balance	Estimated FY 2015-16 Program Income	Total Estimated Resources
Total CDBG	\$ 8,259,253	\$5,952,600	\$700,000	\$14,911,853
Total HOME	\$2,381,725	\$6,736,562	\$3,304,150	\$12,422,437
Total HOPWA	\$866,106	\$0	\$0	\$866,106
Total ESG	\$725,731	\$0 <u>\$238,913</u>	\$0	\$739,731 <u>\$964,644</u>
TOTAL	\$12,232,815	\$12,739,524	\$4,004,150	\$28,976,489

		<u>\$12,928,075</u>		<u>\$29,165,040</u>
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4. On page 163 of the approved Annual Action Plan, amend Table 76 - Fiscal Year 2015-2016 CDBG Budget Priorities as follows (additions or ~~deletions~~):

CDBG Fiscal Year 2015-2016 Annual Budgetary Priorities	
FY 2015-2016 Budget	\$14,711,853
Administration	\$1,791,850
Public Services Program	\$1,310,097
Neighborhood Engagement Program	\$150,000
Homeless Programs	\$872,197
Senior Programs	\$201,300
Fair Housing	\$86,600
Community Development Improvement Program	\$7,650,169 <u>\$8,382,486</u>
Place Based Street and Infrastructure Enhancements	\$1,430,000
Library Facility Improvements	\$295,900
Targeted Code Enforcement	\$1,418,882
Minor Repair	\$775,000
Encampment & Place-Based Clean Up	\$775,000 <u>\$563,128</u>
Acquisition and/or Rehabilitation for Affordable Housing	\$2,955,387
<u>Community Facility Rehabilitation</u>	<u>\$944,189</u>
Section 108 Repayments	\$2,159,737
Unallocated Funds	\$2,000,000 <u>\$1,267,683</u>
Total	\$14,911,853

5. On page 164 of the approved Annual Action Plan, amend Table 79 - Fiscal Year 2015-2016 ESG Budget Priorities as follows (additions or ~~deletions~~):

ESG Fiscal Year 2015-2016 Annual Budgetary Priorities	
FY 2015-2016 Budget	\$725,731 <u>\$964,644</u>
Administration	\$54,429 <u>\$54,406</u>
Emergency Shelter	\$145,146 <u>\$316,834</u>

Outreach	\$290,292 <u>\$266,031</u>
Rapid Re-housing	\$235,864 <u>\$325,857</u>
HMIS/Data Collection	<u>\$1,516</u>
Total	\$725,731 <u>\$964,644</u>

6. On page 167 of the approved Annual Action Plan, amend Table 80 – Expected Resources – Priority Table as follows (additions or ~~deletions~~):

Prog	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	Public Federal	<ul style="list-style-type: none"> • Conversion and Rehab for Transitional Housing • Financial Assistance • Overnight Shelter • Rapid Re-Housing (Rental Assistance) • Rental Assistance Services • Transitional Housing 	\$725,731	\$0	\$0 <u>\$238,913</u>	\$725,731 <u>\$964,644</u>	\$2,365,921	This program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help them quickly regain stability in permanent housing.

7. On page 172 of the approved Annual Action Plan, amend the second row (goal 2) of Table 81 – Goals Summary (One Year) as follows (additions or ~~deletions~~):

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Respond to Homelessness and Its Impacts on the Community	2015	2016	Homeless	N/A	Homelessness	CDBG: \$872,197 HOME: \$1,699,701 ESG: \$725,731 <u>\$964,644</u>	<ul style="list-style-type: none"> • Homeless overnight shelter = 335 persons assisted • Tenant-Based Rental Assistance/Rapid Re-housing = 215 persons assisted • Other – Outreach Contacts = 1,350 persons assisted

8. On page On page 177-178 of the approved Annual Action Plan, amend of the Project Summary table as follows (additions or deletions):

Project Number	Project Name	Target Area	Goals Supported	Funding	GOI
4	Encampment and Place-Based Clean Up	N/A	<ul style="list-style-type: none"> Strengthening Neighborhoods Homelessness 	CDBG: \$775,000 <u>\$563,128</u>	115 persons assisted
16	Homeless Services (ESG15 City of San José)	N/A	<ul style="list-style-type: none"> Homelessness 	ESG: \$725,731 <u>\$964,644</u>	250 persons assisted 800 outreach contacts
19	Unallocated Funds	N/A	<ul style="list-style-type: none"> N/A 	CDBG: \$2,000,000 <u>\$1,267,683</u>	N/A
<u>22</u>	<u>Community Facility Rehabilitation</u>	<u>N/A</u>	<ul style="list-style-type: none"> <u>Strengthening Neighborhoods</u> <u>Homelessness</u> 	<u>CDBG: \$944,189</u>	<u>Included in previous action plans</u>

9. On page 180-181 of the approved Annual Action Plan, amend the Encampment and Place-Based Clean Up project (Project 4) as follows (additions or deletions):

4	Project Name	Encampment and Place-Based Clean Up
	Target Area	N/A
	Goals Supported	Strengthening Neighborhoods
	Needs Addressed	Strengthening Neighborhoods
	Funding	CDBG: \$775,000 <u>\$563,128*</u>
	Description	The primary purpose of the project is twofold: 1) to remove trash and other debris in homeless encampments and in three San José neighborhoods, and 2) to provide project participants with outreach case management , employment development services. And housing placement assistance.
	Target Date	06/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	115 homeless individuals
	Location Description	Santee, Mayfair, and Five Wounds/Brookwood Terrace
	Planned Activities	San José Streets Team – Encampment and Place-Based Clean Up

*Note that the total funding awarded to San Jose Streets Team (\$750,000) to implement this project did not change. Part of the award was shifted to the Services for Homeless and Unhoused Populations project.

10. On page 188-189 of the approved Annual Action Plan, amend the ESG15 City of San José project as follows (additions or ~~deletions~~):

16	Project Name	ESG15 City of San José
	Target Area	N/A
	Goals Supported	Homelessness
	Needs Addressed	Homelessness
	Funding	ESG: \$725,731 <u>\$964,644</u>
	Description	The City will utilize ESG funds to support a Citywide Homeless Outreach and Engagement program as well as a Supportive Services and Rapid Re-housing Program for homeless individuals and families...
	Target Date	06/30/2015
	Estimate the number and type of families that will benefit from the proposed activities	155 200 unduplicated homeless individuals will be provided shelter services 600 800 outreach contacts will be made with homeless individuals* 50 homeless individuals/families will receive rapid re-housing services (deposit/rental assistance)
	Location Description	Citywide
Planned Activities	<ul style="list-style-type: none"> • Emergency Shelter • Homeless Outreach • Rapid Re-housing • Administration 	

*The number of unduplicated families and individuals served under this project was revised based on the amended funding amounts and revised estimates for all ESG projects. At the time of Action Plan approval, the Housing Department had not finalized contracts with each ESG-funded agency. Since that time, ESG-funded projects and grant agreements have been approved by council and the number of individuals served has been updated.

11. On page 191 of the approved Annual Action Plan, amend the Unallocated Funds (CDBG) project as follows (additions or ~~deletions~~):

19	Project Name	Unallocated Funds
	Target Area	N/A
	Goals Supported	N/A
	Needs Addressed	N/A
	Funding	CDBG: \$2,000,000 <u>\$1,267,683*</u>
	Description	A portion of the CDBG grant allocation will be allocated at a future date. A substantial amendment will be submitted and funds will not be expended until the amendment is approved by HUD.
	Target Date	N/A

	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	N/A

*This amendment reduced this project by the amount included in the Community Facility Rehabilitation Project (\$944,189) and adds the funding shifted out of the Encampment and Place-Based Clean Up Project in an amount equal to the previous year ESG resources added (\$211,872).

12. On page 193 of the approved Annual Action Plan, add the Community Facility Rehabilitation project (Project 23):

23	Project Name	<u>Community Facility Rehabilitation</u>
	Target Area	N/A
	Goals Supported	N/A
	Needs Addressed	N/A
	Funding	<u>CDBG: 996,189</u>
	Description	<p><u>This project will support the installation of the Educare Play Structure and the rehabilitation of the Head Start building, both projects of the Franklin-McKinley School District. These projects were originally included in the PY14-15 Action Plan. Additional funding for FY15-16 has been added as follows:</u></p> <ul style="list-style-type: none"> • <u>Educare Play Structure = \$250,000</u> • <u>Head Start Rehabilitation = \$260,000</u> <p><u>This project also includes \$434,189 in additional funding to support the Rehabilitation of the Recovery Café, which includes rehabilitation of the social hall, commercial kitchen, two classrooms, two bathrooms, and ADA ramps.</u></p>
	Target Date	<u>06/30/2015</u>
	Estimate the number and type of families that will benefit from the proposed activities	<u>Included in previous action plans (FY14-15)</u>
	Location Description	<u>Educare Play Structure and Head Start Rehabilitation: Santee</u> <u>Recovery Café Rehabilitation: Downtown San Jose</u>
	Planned Activities	N/A

---- END OF ANNUAL ACTION PLAN AMENDMENT ----