



COUNCIL AGENDA: 12/15/2020

ITEM: 8.6

FILE NO: 21-006

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: December 11, 2020

SUBJECT: 2019-2020 Consolidated Annual Performance Evaluation Report.

RECOMMENDATION:

As recommended by the Neighborhood Services and Education Committee on December 10, 2020, conduct a Public Hearing on the Fiscal Year 2019-2020 Consolidated Annual Performance Evaluation Report (CAPER) regarding the use of federal funds from the U.S. Department of Housing and Urban Development (HUD) and approve the report.

CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Housing)

[Neighborhood Services & Education Committee referral - 12/10/20 - Item d (1)]



Memorandum

TO: NEIGHBORHOOD SERVICES &
EDUCATION COMMITTEE

FROM: Jacky Morales-Ferrand

SUBJECT: SEE BELOW

DATE: November 24, 2020

Approved

Date

12/03/20

**SUBJECT: FY 2019-2020 CONSOLIDATED ANNUAL PERFORMANCE
EVALUATION REPORT (CAPER)**

RECOMMENDATION

1. Accept the report on the progress towards achieving the housing and community development goals identified in the City's five-year Consolidated Plan (2015-2020) and the FY 2019-2020 Annual Action Plan (Housing) regarding the use of federal funds from the U.S. Department of Housing and Urban Development (HUD).
2. Cross-reference this report to the full City Council to be heard at the December 15, 2020, City Council meeting.

OUTCOME

Acceptance of the Consolidated Annual Performance and Evaluation Report (CAPER) will ensure compliance with HUD's reporting requirements and will enable the City to continue qualifying for much-needed federal funds for housing and community development programs.

EXECUTIVE SUMMARY

This memorandum summarizes the accomplishments contained within the FY 2019-2020 CAPER. The CAPER describes the progress towards achieving the housing and community development goals identified in the City's five-year Consolidated Plan (2015-2020) and the FY 2019-2020 Annual Action Plan. Highlights include achievements in the four priorities identified in the five-year Consolidated Plan, specifically:

- 1) Increase and Preserve Affordable Housing;
- 2) Respond to Homelessness and its Impact on the Community;
- 3) Strengthen Neighborhoods; and
- 4) Promote Fair Housing Choices.

The accomplishments reflect measures stated in grant agreements with contracted service providers, as well as the results of community development projects completed by various City departments. The CAPER summarizes only the goals associated with the City's federally-funded activities; it does not include activities carried out with local or State funds, so it is only part of the Housing Department's total accomplishments for the year.

For FY 2019-2020, the City expended over \$13,291,610 in federal funds for both annual activities as well as COVID-19 response contracts. Most of the year's outcomes are driven by use of the formula funds for non-COVID-19 uses, with the majority of COVID-19-related program goals to be reported in FY 2020-21 since these contracts were executed late in the year and many of the contracts have only reported data for one quarter. In aggregate, HUD's federal funds enabled the following achievement in the four priority areas:

Increase and Preserve Affordable Housing:

337 households served, of which 127 were female heads of household

- 337 households received tenant-based rental assistance, including case management, of which 127 were female-headed households. Some of this assistance was provided to families that lost income because of COVID-19. At least 177 children benefited from these activities.

Respond to Homelessness and its Impact on the Community:

2,814 households served, of which 384 were female heads of household¹

- 47 participants received homeless prevention services including case management and rental assistance; of these, 38 were female-headed households. 18 families participated, with a total of 39 children.
- 1,559 homeless persons received overnight shelter services, motel vouchers, and support, some of which was related to COVID-19. 120 families with children, with a total of 253 children, were assisted.
- 1,208 outreach contacts were made with homeless individuals, of which 346 were female heads of household; 42 families with children under 18 were served, with a total of 64 children benefiting from this activity.

¹ Not all agencies reported the extent to which female heads of household were served.

Strengthening Neighborhoods:

83,000 participants served, including more than 5,000 households with children, with a total of about 12,850 children served

- 82,523 lower-income people received COVID-related food assistance.
- 61 low-income business owners in San José received microenterprise grants and technical assistance, of which 23 were female heads of household; 27 of the participants represented families with children, and a total of 50 children benefited from the program.
- 324 participants received services through leadership training in several fields; 137 were female heads of household.
- 344 total households, of which 140 were female –heads of household, received a variety of repairs, from replacement of HVAC systems, to more minor repairs. Twenty-two of these households had children, with a total of 42 children who benefitted from the programs.

Promote Fair Housing Choices:

1,822 participants served, of which 463 were female heads of household

- 172 households received fair housing investigations or legal representation services. Of this total, 31 were female heads of household.
- 1,626 participants received legal counseling through a legal hotline, education and outreach services, or other support such as representation for eviction proceedings. Of this total, 432 were female heads of household.

While the information detailed above describes the number of individuals and households that benefited from projects supported with federal funds, the impact of these services on the lives of those receiving services is described on the following pages. The federal resources supporting these services help to leverage local funding and to increase the City's impact in addressing the needs of the community.

BACKGROUND

As an entitlement community, San José receives federal funding each year directly from HUD through a formula allocation. Administered by the City's Housing Department, the federal funds are vitally-needed to support several City initiatives and to help the Department meet its mission to strengthen and revitalize San José's communities through housing and neighborhood investments.

To qualify for these funds, HUD requires that the City complete the following three documents:

1. A Five-Year Consolidated Plan, which documents the City's housing needs and its strategies for meeting those needs during a five-year period. For FY 2019-2020, the City was in its fifth and final year of its 2015-2020 Five-Year Consolidated Plan.

2. An Annual Action Plan, which details the investment strategy in each of the five years within a Consolidated Plan cycle to meet identified priorities. The City Council first approved the FY 2019-2020 Annual Action Plan on June 11, 2019. Since its initial approval, the City Council has also approved three amendments to the Annual Action Plan – in April, June, and September 2020.
3. A Consolidated Annual Performance and Evaluation Report (CAPER), which summarizes the City’s progress in meeting the objectives of each respective Annual Plan. The draft FY 2019-2020 CAPER is available on the Housing Department’s website.

The first two Plans guide the funding priorities for San José’s federal housing grant programs that are administered by the City’s Housing Department and overseen by HUD. This CAPER measures progress against the Plans. Because of the pandemic, the City is required to submit the CAPER to HUD by December 27, 2020, rather than the usual deadline of September 30. The December 15, 2020, City Council meeting will provide an opportunity for public input on the report as required by the City’s adopted Citizen Participation Plan and for the City Council to consider approval of the CAPER prior to its submission to HUD.

ANALYSIS

For FY 2019-2020, the City received a total allocation of \$14.1 million in federal formula funding from Community Development Block Grants, Home Investment Partnerships Program, Housing Opportunities for Persons with AIDS, and Emergency Solutions Grant programs. Additionally, through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, the City received federal grant funding through stimulus grants disbursed by HUD. These grants, issued piecemeal from April through September, were based both on the same formulas HUD uses to allocate annual federal housing grants and on formulas using COVID-related risk factors. In addition to its federal formula funds, in FY 2019-20, CARES Act approved funding included: \$350,000 in stimulus grants for Housing Opportunities for People with AIDS (HOPWA), \$12.8 million in CDBG, and \$35.5 million in Emergency Solutions Grants (ESG), which are primarily for homeless assistance. A total of \$62.7 million in funding was allocated in the FY 2019-2020 Annual Action Plan²

Major accomplishments achieved during the fiscal year are highlighted in the following sections. Each set of annual goals in the FY 2019-2020 Annual Action Plan are measured against progress toward the goals set in the five-year Consolidated Plan. Most of the outcomes are driven by use of the formula funds for non-COVID uses. The majority of COVID-related program goals will be reported in FY 2020-21 since these contracts were executed late in the year and the grantees are still providing services. Each of the federal grants has specific requirements on how funds

² An additional award of approximately \$7.5M in CDBG-CV3 stimulus funding will be brought to the City Council for commitment in early 2021, which will require an additional amendment to the 2019-2020 Annual Action Plan under HUD’s procedures.

can be used to meet the goals/areas of need. The main objective of each program is described below.

Community Development Block Grant (CDBG): As the largest and most flexible of the four federal grants, the CDBG funds are divided into three categories. These include Public Services, Community Development Investment Activities, and Administration. Federal regulations typically only allow 15% of CDBG funds to be used for public services. However, due to COVID-19, HUD issued a waiver which eliminated the public service cap to allow jurisdictions greater flexibility in addressing the pandemic. The Community Development Investment category is further delineated into non-construction and construction projects.

HOME Investment Partnerships Program (HOME): These funds must be used to provide affordable housing opportunities.

Emergency Solutions Grant (ESG): These funds must be used for solutions to address homelessness.

Housing Opportunities for Persons With AIDS (HOPWA): The HOPWA grant must be used to fund agencies that provide housing and support services to low-income individuals living with HIV/AIDS.

On April 21, 2020, the City Council approved the first substantial amendment to the FY 2019-20 Annual Action Plan, which repurposed existing CDBG funds and additional allocations made in the CDBG, ESG, and HOPWA programs by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to respond to local needs created by COVID-19. A second substantial amendment for the 2019-2020 Annual Action Plan occurred on June 30, 2020, which reallocated some HOME and CDBG funds to COVID-19 related activities. A second tranche of ESG CARES Act funding of \$32,286,839 funds was approved through a third substantial amendment on September 22, 2020. The CARES Act funding had to be channeled through the 2019-2020 Annual Action Plan due to HUD procedures on how to program stimulus funds, rather on when the funds will be spent. Because many of these funds have yet to be substantially expended at this time, the reporting on those accomplishments will occur with the CAPER in FY 2020-21.

A summary of the total federal fund expenditures by goal and program is provided in **Table A** below. Many of the COVID response activities did not expend funds before the end of this reporting period, therefore, they will show in next fiscal year's report.

| Table A: Summary of the Federal Fund Expenditures by Goal and Program | | | | | | |
|--|--------------------|------------------|------------------|--------------------|--------------------|---------------------|
| Goal | CDBG | HOME | ESG | HOPWA | CARES | TOTAL* |
| Respond to Homelessness and its Impacts on the Community | \$1,655,827 | \$622,806 | \$858,730 | \$1,139,577 | \$1,516,362 | \$5,793,302 |
| Increase and Preserve Affordable Housing Opportunities | (\$106,359) | | | | | (\$106,359) |
| Strengthening Neighborhoods | \$4,569,770 | | | | \$1,200,000 | \$5,769,770 |
| Promoting Fair Housing Choice | \$296,404 | | | | | \$296,404 |
| Administration** | \$1,353,965 | \$184,528 | | | | \$1,538,493 |
| TOTAL | \$7,769,608 | \$807,334 | \$858,730 | \$1,139,577 | \$2,716,362 | \$13,291,610 |

*Note: The total expenditure amounts may differ from the amounts reflected in the annual budget due to timing differences regarding the treatment of program commitments and encumbrances. Numbers may not add due to rounding.

**Note: The HOME administrative funds include both administrative expenses for the Housing Department and the City's nonprofit Tenant Based Rental Assistance program administrator.

COVID-19 Response & 2019-2020 Substantial Amendments

On January 30, 2020, the World Health Organization declared COVID-19 a Public Health Emergency of International concern, and the following day the United States Secretary of Health and Human Services declared a Public Health Emergency. On February 10, 2020, the Santa Clara County (County) announced a local health emergency due to the spread of the novel coronavirus. With continued spread across the state, Governor Gavin Newsom issued a Proclamation of a State of Emergency in California on March 4, 2020. Days later, on March 11, the World Health Organization declared the coronavirus outbreak a pandemic and on March 13, 2020 the President issued a Proclamation on Declaring a National Emergency Concerning COVID-19 beginning on March 1, 2020. On March 6, 2020, the Director of the Office of Emergency Services of the City of San José issued a Proclamation of Local Emergency, pursuant to his powers under Chapter 8.08 of the San José Municipal Code, finding that the existence and threat of COVID-19 in the community give rise to conditions of extreme peril to the safety and health of persons within the City. On March 16, Santa Clara County issued a shelter-in-place order, providing that individuals could only leave their residence to perform essential activities. On the same day, the City's Emergency Operations Center (EOC) reached full operation.

Through the CARES Act, the City received additional federal grant funding through stimulus grants disbursed by HUD.³ The City received \$350,000 in Housing Opportunities for People with AIDS (HOPWA), \$12.8 million in CDBG, and \$35.5 million in Emergency Solutions Grants (ESG), which are primarily for homeless assistance.

³ These grants are in addition to the \$178 million in Coronavirus Relief Funds (CRF) that the City received from the U.S. Department of Treasury through the CARES Act.

The effects of COVID-19 and the local shelter-in-place have led to residents and businesses facing numerous challenges and emergencies. Since March 2020, the City has worked to support the continuity of essential City services (such as public safety) and to provide emergency-related services.

The Housing Department responded quickly to the emergency to allocate existing and new funding to support emergency shelter, food and necessities distribution, and local assistance. On April 11, 2020, the City Council accepted the Housing Department's proposed amendments to the City's 2019-2020 Annual Action Plan, which reallocated \$6.2 million in existing FY 2019-20 CDBG funding from HUD. On June 30, 2020, the City Council approved a second amendment to the 2019-2020 Annual Action Plan to allocate an additional \$589,000 in CDBG and \$9.7 million in HOME funds to COVID-related uses. On September 22, 2020, the City Council approved a third substantial amendment to the City's FY 2019-2020 Annual Action Plan to move the Council-approved expenditure plan for \$32.8 million in ESG CARES Act Round Two funding into the 2019-2020 Annual Action Plan to satisfy HUD's technical requirements.

Homeless Response

The unprecedented harm that COVID-19 poses to people experiencing homelessness in San José demanded immediate actions, at a large scale, for our homeless residents. COVID-19 was a catalyst to immediately begin implementing a variety of strategies within the Community Plan to End Homelessness. To address the public health crisis and the homelessness crisis, the Administration pursued an emergency response through three EOC Branches—one focused on meeting homeless housing needs, supportive services, and deep coordination with the County EOC, a second branch focused on emergency interim housing solutions that not only advanced State and County objectives to expand non-congregate shelter options (Emergency Interim Housing), but also responded to Council direction seeking to address the intersecting crises, and a third EOC branch focused on providing encampments trash service and large debris clean up.

Working collaboratively with the Santa Clara County Office of Supportive Housing, the Housing Department expanded temporary housing and shelter capacity in response to public health orders. To date, over 790 motel/hotel rooms are reserved across eight cities in the County (312 motel rooms are located in San José), over 385 temporary shelter beds were added across several sites including South Hall in downtown San José (Council District 3), Camden Community Center (Council District 9) and the County Fairgrounds (Council District 7), hours of operation were expanded at 10 shelters and safe parking sites, and bed capacity is being used at existing Bridge Housing Communities, Plaza Hotel and Casa de Novo.

The City is also in the process of completing construction of three Emergency Interim Housing sites that will add immediate capacity to serve populations at higher risk of severe illness if they contracted COVID-19, and which will add permanent interim housing capacity once the pandemic has receded. These three sites, located in Council Districts 2 and 6, will add 321 beds to the overall system, and one of the sites is being built specifically to house families with children. The first site at Monterey and Bernal is open, and the two additional sites are expected to open in December 2020.

In response to encampment abatement suspensions due to public health recommendations, City staff worked to provide increased hygiene supportive resources to improve sanitary conditions for those living in areas not meant for human habitation. This increase in resources included adding portable restrooms and hand-washing stations at large encampment locations throughout the City.

Additionally, per the expenditure plan of one-time ESG-CV federal stimulus funding approved by the City Council in June 2020, the Housing Department will enhance street-based supportive services starting in January 2021. A new program called Services Outreach Assistance and Resources (SOAR), focuses on 16 of the City's largest encampments, adding comprehensive street-based services; hygiene and trash services; and housing and shelter opportunities for homeless encampment residents. The street-based services include dedicated street outreach teams staffed by mental health clinicians; drug and alcohol counselors; and a storage program for encampment residents' personal belongings. SOAR has several housing and shelter opportunities including access to reserved shelter beds, motel vouchers and "housing problem solving," which is case management and financial assistance to help homeless identify immediate alternatives to shelter.

Vulnerable Community Response

The impacts of COVID-19 are far reaching and the federal funds allowed the City to respond to a variety of community needs. As the shelter-in-place order continues with planned phases to reopen instituted by the State of California and County of Santa Clara, residents are still feeling the effects of job loss and many are currently unable to pay rent.

Additionally, students have been affected as schools have turned to distance learning. Even when some schools reopen for physical attendance, distance learning may still be a necessary component of instruction. Distance learning implementation necessarily will evolve, and to sustain quality online learning, consistent and universal access to the internet is essential.

The outbreak of COVID-19 and its continued effects have resulted in an increased number of individuals that require home-delivered meals and/or groceries. In response, the City Emergency Operations Center received a request in March from the County of Santa Clara EOC to set up, administer, and staff a countywide free food distribution program for children, adults, and senior citizens impacted by the COVID-19 Emergency.

Amendments to the Annual Action Plan in Response to COVID-19

On April 21, 2020, the City Council approved the first substantial amendment to the FY 2019-2020 Annual Action Plan, which utilized existing CDBG funds and additional allocations made in the CDBG, ESG, and HOPWA programs by the CARES Act to be spent in FY 2019-2020 to respond to local needs created by COVID-19. The funds in this substantial amendment were used for the following COVID response activities:

- Food services for homeless, senior, and disabled residents;

- Hotel/motel vouchers for families;
- Supporting San José microenterprises owned by low-income workers;
- Emergency and minor repair services for low-income homeowners;
- Emergency shelter set-up and operations; and
- Supporting persons living with HIV/AIDS.

To enable jurisdictions to respond quickly to the COVID-19 crisis, HUD issued regulatory waivers of certain HOME requirements. The goal of the waivers is to enable HOME participating jurisdictions affected by the COVID-19 pandemic to use HOME funds to address immediate housing needs and to help prevent spread of the virus. One of HUD’s regulatory waivers allows the flexibility to exceed HOME’s 10% cap on the amount of the grant funds allowed to be spent on administration to 25%. Most importantly, the waivers issued for the tenant-based rental assistance program allow jurisdictions to facilitate urgent housing assistance to the communities and families experiencing financial hardship. The City Council approved a second substantial amendment for the 2019-2020 Annual Action Plan on June 30, 2020, which reallocated some HOME and CDBG funds to COVID-19 related activities. The funds in this substantial amendment were used for the following COVID response activities:

- Rental assistance;
- Family calming kits;
- Community Wireless Network Infrastructure; and
- Motel vouchers for victims of domestic violence.

Since the start of the pandemic, the Housing Department has provided approximately \$25 million in rental assistance through partnerships with organizations including Destination: Home, Sacred Heart, Catholic Charities, Bill Wilson Center, YWCA, and Next Door Solutions to Domestic Violence.

PROGRESS ON PRIORITIES

The following are summaries of each of the four priorities and outcomes from programs serving each goal.

Respond to Homelessness and its Impacts on the Community

Table B summarizes major outcomes of federally-funded projects responding to homelessness.

| Table B: Respond to Homelessness and its Impacts on the Community | | | |
|--|------------------|--|--|
| Projects | Agency | Unduplicated Individuals/ Households Served | Outcomes |
| Overnight Warming Locations | <i>HomeFirst</i> | 330 individuals | The Overnight Warming Locations served individual homeless clients with shelter, showers, food and case management. The two locations served a total of 330 total individuals. |

| Table B: Respond to Homelessness and its Impacts on the Community | | | |
|--|------------------------------|--|---|
| Projects | Agency | Unduplicated Individuals/ Households Served | Outcomes |
| Motel Voucher Program – (COVID-19) | <i>LifeMoves</i> | 94 individuals | The COVID MVP program served 94 individual participants. This consists of 12 households without children and 23 family households with a total of 45 children under the age of 18, including a total of 18 female heads of household. |
| Motel Voucher Program | <i>LifeMoves</i> | 308 individuals | The MVP (Non-COVID) program served 308 individual participants. This consists of 84 family households with 176 children under the age of 18, including 70 female heads of household. 84% of households moved into shelter or stable housing within 120 days of intake. |
| Citywide Outreach for Unsheltered Populations | <i>HomeFirst</i> | 689 individuals | Project provided outreach engagement, case management and rapid response assistance, and completed 240 new assessments. Of the total clients served, 346 were female heads of household; there were a total of 37 households served with minor children, resulting in 59 children benefiting from the assistance. 15% of participants were moved to temporary destination or permanent housing. |
| Citywide Outreach for Unsheltered Populations | <i>PATH</i> | 519 individuals | Project provided outreach engagement, case management and rapid response assistance. No data available on number of female-headed households served at time of report. Five households had children under the age of 18, representing 5 children. 35% of participants moved from street to temporary destination. 15% of participants moved from street to permanent housing. |
| Homelessness Prevention | <i>Bill Wilson Center</i> | 47 individuals | Provided rental assistance and intensive case management. Of these, 38 were female heads of household. Eighteen families with children were served, representing a total of 39 children. 70% of households remained stably housed six months after completing the program. |
| HMIS | <i>County of Santa Clara</i> | N/A | 560 HMIS nonprofit users. The County conducted trainings for 11 HMIS nonprofit partners and administrators. |
| Coordinated Care Program (CCP) | <i>County of Santa Clara</i> | 176 individuals | The County has currently served 176 of the County's most vulnerable and long-term homeless residents and secured housing for 91% of them, effectively housing 166 of those clients. |
| UPLIFT | <i>County of Santa Clara</i> | 1,512 individuals | The County provided UPLIFT transit passes to over 1,500 clients, 500 more than the contract target. |

Under the HOME-funded non-COVID Tenant Based Rental Assistance program and Emergency Solutions Grant-funded Homeless Prevention program, 177 homeless households received rental subsidies to assist them in obtaining or maintaining permanent housing.

The City continued to support homeless street outreach services through a Citywide program operated by HomeFirst, as well as a targeted mobile case management program operated by PATH. The programs provided street-based outreach and case management, emergency shelter, transportation, a homeless helpline, and service connections. These two programs play a vital role in funding staff to complete assessments of homeless individuals and families, so they are eligible to receive services through the Countywide system of services. A comprehensive review of all of the City investments and outcomes in homeless services will be provided to the City Council in early 2021.

Increase and Preserve Affordable Housing Opportunities

In FY 2019-2020, the City monitored progress on two HOME-funded affordable housing developments – construction progress on Leigh Avenue Seniors, and conversion to permanent financing of Second Street Studios. HOME funds of \$14.9 million that had been designated for new development commitments were redirected to increase the amount of tenant-based rental assistance for COVID-19 response.

Strengthening Neighborhoods

Activities pertaining to strengthening neighborhoods were solely funded through CDBG in FY 2019-2020. This category provides funding for programs, services and projects that contribute to viable urban communities through decent housing, suitable living environments, and expanded economic opportunities. These objectives were addressed in conjunction with the funding priorities identified by the community. These fall into the following three categories: 1) Public Services; 2) Community Development Investment (CDI) Non-construction Projects; and 3) CDI Construction Projects.

Public Services Projects

Senior Services: The City provided CDBG funding for two services to support the needs of senior residents in San José. Last year, the City funded the Meals on Wheels Program and the Senior Access and Health Support Program. The two programs combined to serve over 26,000 meals, coordinated 451 assisted door-to-door transportation services, and provided 12,700 social visits and wellness checks. Together, the two programs served 201 low-income seniors in FY 2019-2020.

Neighborhood Services: The City funded two nonprofit agencies to provide leadership development training, basic needs services, and skill building workshops for 324 residents and potential future community leaders. One example of a key outcome includes: 188 hours of training that helped participants increase their ability to confront problems and find solutions for their low-income communities. Basic needs include addressing food, housing, job, and health issues that may keep a family or individual from participating in development training and improving their situation. Additionally, 75% of participants in the economic opportunity pipeline

reported that they increased their skill sets to better position themselves for economic opportunities.

A summary of the obtained outcomes for addressing the goal of Strengthening Neighborhoods via public service projects is provided in Table C.

| Table C: Strengthening Neighborhoods – Public Service | | | |
|--|---------------------------------|--|---|
| Projects | Agency | Unduplicated Individuals/ Households Served | Outcomes |
| Microenterprise Grants (COVID-19 Response) | <i>Opportunity Fund</i> | 61 individuals | Of the 61 participants served, 23 were female heads of household. Twenty-seven households with children were served by this program, helping 50 children under the age of 18. |
| Homegrown Talent | <i>SOMOS Mayfair</i> | 313 individuals | There were 91 participants in Safety Net Services Provision, 113 participants in Leadership Development Training, 26 participants in Nonprofit & Community Leaders Training Program, 25 participants in Child Care Owners & Providers Training Program, 21 participants in Artists and Creators Professional/Leadership Training, and 37 participants in Urban Agriculture Entrepreneurs Training Program. Of the total participants, 137 were female heads of household. |
| Community Leadership Program | <i>SJSU Research Foundation</i> | 11 individuals | This project provided 188 hours of training that helped participants solve problems facing their communities. |
| Meals on Wheels | <i>The Health Trust</i> | 106 individuals | Project served 106 low-income seniors, totaling 20,015 meals and 12,647 social visits/wellness checks. |
| Senior Access and Health Support | <i>POSSO</i> | 95 households | A total of 451 door-to-door transportation services for seniors and 5,000 home delivery of hot meals were provided. |
| San José Feed Our People Program (COVID-19 Response) | <i>Loaves & Fishes</i> | 82,322 | A total of 180,500 meals were provided just between March and May of 2020 during the pandemic. More than 1,650 households with children were served by the program, representing a total of approximately 4,200 children who were served. |

Community Development Investment (CDI) - Non-Construction Projects

Work Experience Project (WEP): The City funded the Downtown Streets Team a nonprofit agency with the goal of creating opportunities for homeless individuals to gain skills to help them succeed while also developing relationships with local businesses for job placement. This project assisted recently housed individuals into employment, leading to housing and increased self-sufficiency. SJST provided service to 9 clients with the program, only achieving 13% of its goal. In FY 2019-2020, Downtown Streets Team was short staffed in the first two quarters of the fiscal year. In the third and fourth quarters, which have historically been strong

enrollment quarters, the COVID-19 pandemic shut down outreach efforts and team meetings. New enrollments ceased. The criteria for the Work Experience program also changed which only made it more difficult to meet the program requirements. Further, the pandemic brought job losses and therefore, attention shifted into assisting participants with unemployment and figuring out new ways to engage with business partners. Additionally, business were impacted due to COVID-19 and were not looking to create new partnerships or hire new employees since so many had to temporarily close. Shelter in place was especially difficult for participants and supporting them with resources and shelter became the priority.

Targeted Code Enforcement: The City funded targeted Code Enforcement in Santee, Five Wounds/Brookwood Terrace, Roundtable, Hoffman/Via Monte, Foxdale, and Cadillac neighborhoods in FY 2019-2020. Within these areas, Code Enforcement performed enhanced multifamily services beyond those typically provided. The code enforcement efforts included 448 inspections and re-inspections, which resulted in 735 violations corrected. One key outcome includes: 89% of substandard housing violations identified by inspectors were corrected within 120 calendar days from the date inspectors notified property owners of their violations.

As a result of the March 2020 shelter-in-place order issued by the County, staff worked remotely and followed up on outstanding cases. To comply with the Center for Disease Control’s guidelines, staff developed an alternative process to inspect units for which a complaint had been filed. This included a new process of video/virtual inspections using a Zoom platform to continue the CDBG Enhanced Inspections through FY 2020-2021. There are three options to conduct the Enhanced Routine Inspections; 1) remote video/virtual inspection with the property owner/manager; 2) remote video/virtual inspection with the occupant; or 3) in-person inspection with the occupant or property owner/manager. Code Enforcement Inspectors wear appropriate personal protective equipment (PPE) and maintain social distancing protocols for in-person inspections.

Minor Repair Program: The City’s Minor Repair Program funded two nonprofit agencies, Habitat for Humanity Silicon Valley and Rebuilding Together Silicon Valley, which combined to assist 217 low-income San José residents with 2,113 items of urgent, safety, and accessibility/mobility repairs to ensure safe and decent living environment. Some of the key outcomes of this program include: 100% of all households have improved safety conditions in their home.

A summary of the obtained outcomes for addressing the goal of Strengthening Neighborhoods via Community Development Investment (CDI) Non-Construction projects is provided in Table D.

| Table D: Strengthening Neighborhoods – CDI Non-Construction Projects | | | |
|---|------------------------------|---|---|
| Project | Agency | Neighborhoods/ Population Served | Outcomes |
| Work Experience Program | <i>Downtown Streets Team</i> | Santee, Five Wounds/ Brookwood | This project assisted recently-housed individuals into employment, leading to housing and increased self-sufficiency. SJST provided |

| | | Terrace, Mayfair MGPTF Hotspots | service to 9 clients with the program, only achieving 13% of its goal. |
|------------------------------------|--|--|--|
| Code Enforcement | <i>City - PBCE</i> | Santee Five Wounds/ Brookwood Terrace Cadillac | The code enforcement efforts included 448 inspections and re-inspections, which resulted in 735 violations corrected. One key outcome includes: 89% of substandard housing violations identified by inspectors were corrected within 120 calendar days from the date inspectors notified the property owners of the violations. |
| Minor Repair Program | <i>Rebuilding Together</i> | 45 low-income households citywide | Project provided 129 units with minor repairs, and 304 units with limited repairs to 45 unduplicated properties, benefitting 45 unduplicated households. The number of female-headed households served by this program totals 28. 100% of unduplicated households felt safer and healthier when living in their homes after participating. |
| Emergency and Minor Repair Program | <i>Habitat for Humanity Silicon Valley</i> | 172 low-income households citywide | Project provided 1,044 minor repairs and 110 limited repairs to 172 unduplicated properties, benefitting 172 unduplicated households. Of these, 117 were female heads of households. Sixteen households had children under the age of 18, with a total of 35 children benefiting from the program. Included in the limited repairs were 24 energy efficient upgrades such as replacement HVACs and water heaters. 100% of unduplicated households felt safer and healthier when living in their homes after participating. |

Community Development Investment - Capital Improvement Projects

Capital improvement projects improve the infrastructure of low-income neighborhoods. Due to the complexity of planning, procurement, and construction, capital projects often span multiple fiscal years. In past fiscal years, the City committed funding to a number of projects including street and infrastructure enhancements, nonprofit facility improvements, and public facility improvements, which are outlined in Table E.

| Project | Description | Project Completion |
|--|--|--|
| King/St. James & King/San Antonio Improvements | The projects include installing up-to-date pedestrian flashing beacons, upgrading traffic signal, extending sidewalks to provide increased pedestrian refuge area, and relocating utilities, which will greatly improve the safety of pedestrians that use the crosswalks. | Completion will be in late December 2020 |
| Enhanced Pedestrian Crosswalks | Construct enhanced crosswalks, which include pedestrian activated Rectangular Rapid Flashing Beacons (RRFB) with ADA ramps, concrete medians, signs, and markings to increase health and security in multiple neighborhoods. | Completed in summer 2020 |
| Green Alley Way Improvements | Improvements to two alleyways will capture and infiltrate stormwater by removing pollutants and slowing urban runoff flows into stormwater management features that will | Completed spring 2020 |

| Table E: Community Development Investment (CDI) Projects | | |
|---|---|---|
| Project | Description | Project Completion |
| | provide long-term water quality benefits and improve roadway and pedestrian safety. | |
| Community Wireless Infrastructure (COVID-19 response) | Developments of Community Wireless Network Infrastructure for two low income neighborhoods to provide internet access and services to underserved students in the Independence and Oak Grove High School in the East Side Union High School district (ESUHSD). The project will facilitate advancing academic achievement through internet-based learning technologies. This project will have two phases: Phase I for network design and Phase II for the Construction of the network. | For Phase I, a consultant has been hired to design the network and will start in December 2020. The design phase is scheduled to be completed the in late March 2021 before Phase II, the construction phase, in April 2021 |

Promoting Fair Housing Choices and Legal Services

The Fair Housing Act, which is enforced by HUD, prohibits discrimination when renting, buying, or securing financing for any housing. Federal protection covers discrimination because of race, color, national origin, religion, sex, disability, and the presence of children. Fair Housing covers most housing whether publicly or privately funded. As an entitlement city, San José must ensure that all programs are administered in a manner that affirmatively furthers the Fair Housing Act.

San José has funded the services of a nonprofit fair housing consortium comprised of four different nonprofit agencies to help fulfill the City’s Fair Housing requirements. The consortium includes the Law Foundation of Silicon Valley, Project Sentinel, Senior Adult Legal Assistance, and Asian Law Alliance. The Consortium offers a comprehensive and coordinated Fair Housing Program that includes discrimination complaint intake and investigation, enforcement and litigation services, and general fair housing education.

The four fair housing consortium members together provided 40 fair housing investigations, 75 client briefings, 47 legal representations, and 34 fair housing presentations. Key outcomes for this project include:

- 100 percent of presentation participants became more familiar with the laws governing fair housing following the presentation.
- Provision of legal services resulted in 75 percent of complainants with improved access or availability of housing.

Additionally, the City funds a program that provides legal services for low-income tenants and landlords to assist the City in enforcing the Apartment Rent Ordinance and Tenant Protection Ordinance. The legal services program is operated by the San José Housing Rights Consortium, comprised of five different nonprofit agencies. The legal services consortium includes the Law Foundation of Silicon Valley, Bay Area Legal Aid, Project Sentinel, Senior Adult Legal Assistance, and Asian Law Alliance. The five consortium members together provided 44 outreach and education workshops, 50 legal consultations, 34 legal representations for eviction proceedings and administrative hearings, and 2 limited legal representations for enforcement. Key outcomes include:

- 100 percent of eligible clients represented by attorneys were able to stay in their housing or had additional time to bridge them into housing.

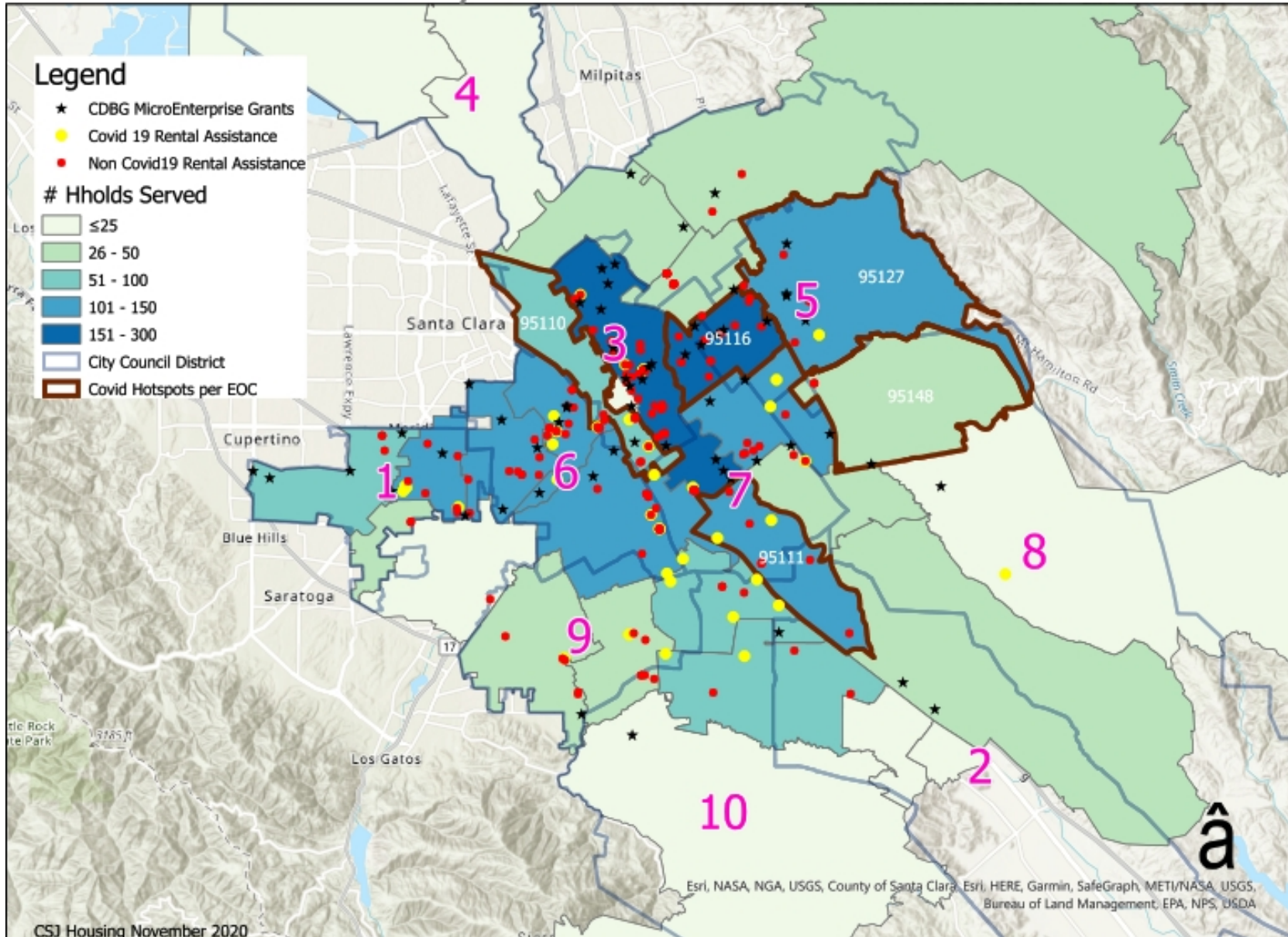
Administration

Finally, for each federal funding source, the City funds administrative activities within federally-regulated limits. Staff activities funded with administrative funds include planning, grant management, monitoring, reporting, legal services, and environmental review.

ASSISTANCE PROVIDED BY LOCATION

The following map illustrates the number of households served by zip code, as well as the locations of households assisted via rental assistance and microenterprise grants. The areas with the highest number of households served tend to represent those areas of the City with the highest percentages of lower-income households.

CAPER 2020 GIS Analysis - Grantees and Households Served



ASSISTANCE PROVIDED BY RACE/ETHNICITY

For the HUD-funded activities in which the City’s grantees reported race and ethnicity of clients served, Table F summarizes the distribution of the lower-income population served, and compares it to the Citywide distribution of lower-income residents.

| Table F: Race and Ethnicity Distribution of Population Served | | |
|--|--------------------------|---|
| Race/Ethnicity | Population Served | Citywide Population (Lower-Income) |
| White | 53.5% | 47.5% |
| Hispanic/Latinx (any race) | 25.0% | 31.6% |
| Other | 21.3% | 19.0% |
| Black/African American | 12.0% | 4.4% |
| Asian | 8.2% | 27.7% |
| American Indian/Alaska Native | 3.9% | 0.9% |
| Native Hawaiian/Pacific Islander | 1.1% | 0.5% |

This CAPER is the first time that staff has aggregated and analyzed the racial and ethnic characteristics of the recipients of services provided. It is important to note that this data is imperfect, as not every recipient’s information is reflected. For instance, the 82,322 clients receiving meals served by the Loaves and Fishes consortium for COVID-19 relief was not required to report race and ethnicity data because they targeted their food distribution in low-income neighborhoods. However, race and ethnicity data from the majority of contracts from FY 2019-2020 is reflected above.

The available data indicates that greater proportions of people identifying as White, Other, Black/African American, American Indian/Alaska Native, and Native Hawaiian/Pacific Islander were served than the City’s underlying lower-income population. Fewer residents identifying as Hispanic/Latinx (any race) and Asian were served as compared to the City’s underlying lower-income population. Staff will review these outcomes and attempt to discern patterns or meaning from them.

Women and Children

In addition, almost 1,400 female-headed households were served with a variety of services, from fair housing to rental assistance to shelter. Female-headed households is a subpopulation that HUD asks grant recipients to identify in particular, as they have a greater likelihood of experiencing housing barriers.

Finally, almost 1,900 households with children under the age of 18 received services, with nearly 4,700 children benefiting directly or indirectly from the services as well.

ANNUAL ACTION PLAN PRIORITIES for FISCAL YEAR 2021-22

The Housing Department’s COVID-19 response has been large scale, with the majority of staff in the Department working on the response. For example, the Homeless Response Team has

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been redeployed to the EOC working in temporary homeless shelters, overseeing construction of emergency interim housing, and partnering on the EOC's BeautifySJ response. Additionally, the Department received three times its usual federal funding and the grants staff has been working diligently to get the additional funds under contract with community-serving nonprofits. For these reasons, the Department will extend contracts with service providers for another year in FY 2021-2022. The contracts and services that will be renewed in FY 2021-2022 are:

| Contracted Agency | Service | Source |
|--|---|------------------------|
| The Health Trust | Meals on Wheels | CDBG |
| Portuguese Organization for Social Service Opportunities (POSSO) | Senior Access and Health Support | CDBG |
| SOMOS Mayfair | Home Grown Talent | CDBG |
| CommUniverCity | Community Leadership Development | CDBG |
| HomeFirst | Citywide Outreach | CDBG |
| San Jose Housing Rights Consortium | Legal Services for Low-income Tenants and Landlords | CDBG |
| Law Foundation Silicon Valley Collaborative | Fair Housing Services | CDBG, HOME, CDBG Admin |
| Rebuilding Together | Minor Home Repair | CDBG CDI |
| Habitat for Humanity Silicon Valley | Minor Home Repair | CDBG CDI |
| The Health Trust | HOPWA | HOPWA |
| San Benito County | HOPWA | HOPWA |
| PATH | Street Outreach downtown | ESG |
| County of Santa Clara | HMIS | ESG |
| Bill Wilson Center | Homeless Prevention | ESG |

The Housing Department will bring forward the FY2021-2022 Annual Action Plan priorities to City Council in spring 2021.

CONCLUSION

Acceptance of the Consolidated Annual Performance and Evaluation Report (CAPER) will ensure compliance with HUD's reporting requirements and will enable the City to continue qualifying for much-needed federal funds for housing and community development programs.

EVALUATION AND FOLLOW-UP

Upon City Council acceptance, staff will submit the CAPER to HUD by the December 27, 2020 due date. The draft and final CAPER documents will be posted on the Housing Department's website at: www.sanjoseca.gov/CAPER.

PUBLIC OUTREACH

Per HUD guidance and the City's Citizen Participation Plan,⁴ the period for public notice in the event of a local, State, and/or declared national emergency or disaster will be a minimum of seven days prior to the first public hearing. The period for public comment in the event of a local, state, and/or national emergency or disaster is a minimum of five days in advance of an action. Public notices can be distributed via email, as notices in newspapers are not required per HUD guidance during a declared local emergency.

The City published the CAPER for public review and comment on December 3, 2020. The City is accepting public comments for 11 days until December 15, 2020. Three public hearings will be held for public input:

- the Housing and Community Development Commission meeting on December 10, 2020;
- the City Council's Neighborhood Services and Education Committee meeting on December 10, 2020, and
- the City Council meeting on December 15, 2020.

To meet the federal requirements, on December 3, the Housing Department sent an e-blast to inform the public of the CAPER's scheduled public hearings directed to approximately 900 email recipients and posted notifications of the public meeting on social media. The public notices contained translations in four additional languages (Spanish, Vietnamese, Chinese and Tagalog), per the City's Language Access Plan,⁵ of how recipients can get more information.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

Housing Department staff will present the draft CAPER to the Housing and Community Development Commission on December 10, 2020. A Supplemental Memorandum documenting any comments received at the Housing and Community Development Commission meeting will be provided to the City Council prior to its December 15, 2020, meeting.

⁴ City of San José's Citizen Participation Plan, <https://www.sanjoseca.gov/your-government/departments/housing/memos-reports-plans/hud-reports/consolidated-annual-action-plans>.

⁵ City of San José's Language Access Plan, <https://www.sanjoseca.gov/your-government/departments/housing/memos-reports-plans/hud-reports>.

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CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

/s/

JACKY MORALES-FERRAND
Director, Department of Housing

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