

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE (1) APPROVING SUBSTANTIAL AMENDMENTS TO THE FISCAL YEAR (“FY”) 2015-2020 CONSOLIDATED PLAN AND FY 2019-2020 ANNUAL ACTION PLAN, REGARDING SPENDING PLANS FOR FUNDS AWARDED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (“HUD”) TO THE CITY, INCLUDING ADDITIONAL FUNDS ALLOCATED TO THE CITY FOR COVID-19 RELATED USES; AND (2) AUTHORIZING THE CITY’S HOUSING DEPARTMENT TO SUBMIT THE SUBSTANTIAL AMENDMENTS TO HUD**

**WHEREAS**, on June 11, 2019, the City Council of the City of San José (“City”) approved the Fiscal Year (“FY”) 2019-2020 Annual Action Plan (“Action Plan”) for expenditure of the entitlement funds and competitive grants that the City receives from the U.S. Department of Housing and Urban Development (“HUD”); and

**WHEREAS**, the City’s Annual Actual Plan details its funding strategy for the Community Development Block Grant (“CDBG”), Emergency Solutions Grant (“ESG”), HOME Investment Partnership (“HOME”), and Housing Opportunities for People with AIDS (“HOPWA”) programs each year; and

**WHEREAS**, Annual Action Plans implement a jurisdiction’s Five-Year Consolidate Plan and are developed through significant public input, analysis, and planning, in which the Action Plan provides spending caps for the different programs or services funded by federal funds; and

**WHEREAS**, on March 16, 2020, the Santa Clara County Public Health Officer ordered a shelter-in-place for all residents due COVID-19 as defined under Section 10 of the Order, and the effects of COVID-19 and the shelter-in-place have led to residents and businesses facing numerous challenges and emergencies; and

**WHEREAS**, on April 21, 2020, the City Council approved the first amendment to the FY 2019-20 Annual Action Plan, which utilized existing CDBG funds as well as additional allocations of CDBG, ESG, and HOPWA funding provided by the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) to be spent in FY 2019-20 to respond to local needs created by COVID-19; and

**WHEREAS**, these funds are now being used for City food services for homeless, senior, and disabled residents, homeless services, emergency hotel/motel vouchers for families, supporting San José microenterprises that employ 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; and

**WHEREAS**, 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 are currently unable to pay rent; and,

**WHEREAS**, students have been affected as schools have switched from physical attendance to distance learning to complete the school year due to COVID-19 , and even when schools could reopen for physical attendance, distance learning will be a necessary component in order to prevent disruption of learning due to temporary closures or other measures necessary to adhere to social distancing requirements and promote the safety and well-being of all students; and

**WHEREAS**, the City crafted a broadband strategy in 2016 that identified the importance of digital connectivity in the 21<sup>st</sup> century, and that without reliable access to the Internet, individuals, families and students are disconnected from a vital utility and unable to effectively participate in the digital economy, which broadband strategy seeks to extend

technology's reach and empower each San José resident, especially those who are historically under-represented or under-served; and

**WHEREAS**, before COVID-19 crisis began, an estimated 95,000 people in the City of San José lacked reliable broadband Internet connectivity, and the Digital Inclusion Partnership which combines private sector investment with a nonprofit focused Digital Inclusion Fund, is designed to bridge that digital divide; and

**WHEREAS**, the City desires to amend its current Annual Action Plan to fund urgent needs of the community related to the COVID-19 crisis; and

**WHEREAS**, on April 10, 2020, HUD issued a memorandum providing regulatory waivers of certain HOME requirements, the goal of the waiver is to provide guidance and the necessary statutory suspensions and regulatory waivers to enable HOME participating jurisdictions affected by COVID-19 pandemic to use HOME funds to address immediate housing needs and to help prevent spread of the virus; and

**WHEREAS**, HUD allows changes to be made to the Action Plan during the plan year to reflect the changing needs of the community per the City's Citizen Participation Plan ("CPP") which sets forth the requirements for a substantial amendment to the Action Plan ("Substantial Amendment") including 1) certain thresholds for amending the Action Plan, 2) public notice and 3) public hearing requirements; and

**WHEREAS**, per the City's CPP, the following changes set forth in the memorandum to Council from the Director of Housing and the Budget Director dated June 26, 2020 constitutes a Substantial Amendment to the City's FY 2019-2020 Action Plan: 1) decreasing the Health Trust's current HOME allocation of \$2,252,235 by \$419,235 to \$1,833,000 and amending the Health Trust's Rapid Re-housing contract dated December 16, 2019, 2) allocating \$6,517,646 of HOME funding for Tenant Based

Rental Assistance (“TBRA”), 3) awarding \$2,650,500 of HOME funding to Sacred Heart Community Service for TBRA, and authorizing the Director of Housing to negotiate and execute a sole source agreement with Sacred Heart Community Service; 4) awarding \$2,400,000 of HOME funding to Catholic Charities of Santa Clara County for TBRA, and authorizing the Director of Housing to negotiate and executed a sole source agreement with Catholic Charities of Santa Clara County; 5) awarding \$346,485 of HOME funding to Next Door Solutions to Domestic Violence for TBRA for victims of domestic violence and their families, and authorize the Director of Housing to negotiate and execute a sole source agreement with Next Door Solutions to Domestic Violence; 6) awarding \$1,000,000 of HOME funding to Bill Wilson Center for TBRA for families, and authorize the Director of Housing to negotiate and execute an emergency sole source agreement with Bill Wilson Center 7) awarding \$121,161 of HOME funding, \$88,839 of CDBG funding, and \$15,000 of Housing Trust Fund (“HTF”) funding to YWCA Silicon Valley (“YWCA”) for rental assistance and motel vouchers for victims of domestic violence and authorize the Director of Housing to negotiate and execute an amendment to the July 1, 2019 YWCA contract relating to these additional funds; 8) decreasing the City’s HOME administration allocation of \$242,810 by \$102,695 to \$140,115; 9) adding Community Wireless Network Infrastructure as an eligible project under Acquisition, Rehabilitation and Infrastructure for Affordable Housing Sites and Public Facilities activity; 10) allocating \$100,000 in CDBG funding to the City for the Community Wireless Network Infrastructure project for pre-development purposes; and 11) awarding \$400,000 in CDBG funding to First Five of Santa Clara County to provide family calming kits and authorizing the Director of Housing to negotiate and execute a sole source agreement with First Five of Santa Clara County; and

**WHEREAS**, due to the need to deploy funds quickly to respond to the COVID-19 crisis, HUD has issued guidance that waives the Citizen Participation Plan requirements for entitlement recipients, provided that (1) no fewer than five days are provided for public

comment and that (2) reasonable notice and the opportunity to comment is provided;  
and

**WHEREAS**, the City has provided no fewer than five days for public comment and has ensured that reasonable notice and the opportunity to comment has been provided; and

**WHEREAS**, the City desires to make the above changes to the FY 2019-2020 Annual Action Plan in order to ensure that urgent needs of the community related COVID-19 crisis are funded, responding to the community's needs in the following areas: (1) providing emergency rental assistance to low-income households and families and (2) addressing lack of internet access, which access is necessary to facilitate learning and to bridge the digital divide in low-income areas.;

**NOW, THEREFORE**, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. A Substantial Amendments to the City's Fiscal Year 2019-2020 Annual Action Plan, as set forth in the memorandum to Council from the Director of Housing and Budget dated June 26, 2020. are hereby approved.
2. The City's Housing Department is hereby authorized to submit the Substantial Amendments to the FY 2015-2020 Consolidated Plan and FY 2019-2020 Annual Action Plan to the U.S. Department of Housing and Urban Development.
3. The Director of Housing is hereby authorized to:
  - (a) Negotiate and execute an emergency sole source agreement with Sacred Hearth Community Service in the amount of \$2,650,500 in HOME Investment Partnership ("HOME") for Tenant Based Rental Assistance ("TBRA"); and,

- (b) Negotiate and execute an emergency sole source agreement with Catholic Charities of Santa Clara County in the amount of \$2,400,000 in HOME funding for TBRA; and,
- (c) Negotiate and execute an emergency sole source agreement with Next Door Solutions to Domestic Violence in the amount of \$346,485 in HOME funding for victims of domestic violence and their families; and,
- (d) Negotiate and execute an emergency sole source agreement with Bill Wilson Center in the amount of \$1,000,000 in HOME funding for TBRA for families; and
- (e) Negotiate and execute an amendment to the July 1, 2019 contract with YWCA Silicon Valley for an increase in the amount of \$121,161 in HOME funding, \$88,839 in Community Development Block Grant, \$15,000 in Housing Trust Fund funding for rental assistance and motel vouchers for victims of domestic violence; and
- (f) Negotiate and execute a sole source agreement with First Five of Santa Clara County in the amount of \$400,000 in CDBG funding to provide family calming kits.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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SAM LICCARDO  
Mayor

ATTEST:

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TONI J. TABER, CMC  
City Clerk