



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jacky Morales-Ferrand

SUBJECT: SEE BELOW

DATE: August 31, 2022

Approved

Date

9/9/2022

**SUBJECT: FISCAL YEAR 2021-2022 CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT**

RECOMMENDATION

- (a) Conduct a final public hearing on the fiscal year 2021-2022 Consolidated Annual Performance and Evaluation Report.
- (b) Accept the report on the progress towards achieving the housing and community development goals identified in the City of San José's 2020-2025 Consolidated Plan and the FY 2021-2022 Annual Action Plan regarding the use of federal funds from the U.S. Department of Housing and Urban Development for submittal by the September 28, 2022 deadline.

OUTCOME

Approval of the 2021-2022 Consolidated Annual Performance and Evaluation Report (CAPER) ensures compliance with the U.S. Department of Housing and Urban Development (HUD) reporting requirements and enables 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 CAPER. The CAPER describes the progress towards achieving the housing and community development goals identified in the City's 2020-2025 Consolidated Plan and the FY 2021-2022 Annual Action Plan. Highlights include achievements in the four priorities identified in the 2020-2025 Consolidated Plan.

The 2020-2025 Consolidated Plan's four spending priorities are:

- 1. Prevent and Address Homelessness:** Increase housing opportunities and self-sufficiency for homeless populations and assist in the prevention of homelessness for at-risk individuals and families.
- 2. Create and Preserve Affordable Housing:** Create new affordable housing opportunities and preserve existing affordable housing.
- 3. Strengthen and Stabilize Communities:** Strengthen and stabilize communities' conditions and help to improve residents' ability to increase their employment prospects and grow their assets.
- 4. Promote Fair Housing:** Promote fair housing and lower barriers to housing.

The accomplishments reflect measures stated in grant agreements with contracted service providers, as well as the results of community development projects including nonprofit facility improvements and capital 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.

The City expended over \$29.5 million in federal funds for both annual activities and COVID-19 response activities in FY 2021-2022. With the City's federal expenditures totaling \$17.9 million in FY 2020-2021, the \$29.5 million expenditure represents a 65 percent increase. With most of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding in Community Development Block Grant CARES Act (CDBG CV) and Emergency Solutions Grant CARES Act (ESG CV) committed and contracted in late FY 2020-2021, it is anticipated that the balance of CARES Act funding will be expended in FY 2022-2023.

HUD's federal funds enabled the following achievements in the four priority areas:

Respond to Homelessness and its Impact on the Community:

Temporary housing, case management, and support services were provided to 1,404 households/individuals, and 304 individuals were served in overnight warming locations.

Increase and Preserve Affordable Housing:

Housing and rental assistance was provided to 426 households.

Strengthen and Stabilize Communities:

Safety net services, leadership development workshops, social visits, transportation, childcare, and wellness checks were provided to 783 individuals. Approximately 24,657 meals were delivered to low-income seniors.

Promote Fair Housing Choices:

Fair housing investigations or legal representation services were provided to 202 households. Of these households, 31 were provided legal representation for eviction proceedings.

The information above describes the number of households that benefited from projects supported with federal funds. The impact to 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. The federal funds, administered by the City's Housing Department, support several City initiatives and help the Housing 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 Consolidated Plan, which documents the City's housing needs, and its strategies for meeting those needs, during a five-year period. For FY 2021-2022, the City was in the second year of its 2020-2025 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 approved the FY 2021-2022 Annual Action Plan on May 11, 2021. On August 8, 2022, the City Council approved the FY 2022-2023 Annual Action Plan.
3. A CAPER, which summarizes the City's progress in meeting the objectives of each respective Annual Plan. The draft FY 2021-2022 CAPER is available on the Housing Department's website.

ANALYSIS

The City received a total allocation of \$29.5 million in federal funding from CDBG, HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS Program (HOPWA), and ESG for FY 2021-2022. Additionally, through the CARES Act, the City was still administering funds received in the previous year for COVID-19 response. The CARES Act provided additional allocations in the CDBG, ESG, and HOPWA programs.

A summary of the total federal funding expenditures by goal and program is provided in **Table A** below. Some of the COVID-19 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: FY 2021-2022 Federal Expenditures						
Goal	CDBG	HOME	ESG	HOPWA	ESG-CV	TOTAL*
Respond to Homelessness and its Impacts on the Community	337,557		1,021,547		10,988,375	12,347,479
Increase and Preserve Affordable Housing Opportunities	1,690,955	8,668,782		242,629		10,602,366
Strengthen and Stabilize Communities	3,849,851			45,599		3,895,450
Promote Fair Housing Choices	154,664					154,664
Administration**	1,195,562	421,800	205,664	27,779	668,148	2,518,953
TOTAL	7,228,589	9,090,582	1,227,211	316,007	11,656,523	29,518,912

**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 Pandemic Response

On January 30, 2020, the World Health Organization declared the COVID-19 pandemic 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 County of Santa Clara County (County) announced a local health emergency due to the spread of the novel coronavirus. As the urgency of the pandemic subsided in FY 2021-2022, the County amended its health requirement and eased restrictions given the widespread community vaccination rate.

Despite the many challenges faced by the City's partners in conjunction with the pandemic in delivering both COVID-19 and non-COVID-19-related services, many of the agencies

met their programmatic goals this past year. Specifically, 18 agencies met or exceeded their annual performance goals while 12 agencies narrowly missed their projected goals. The pandemic brought unprecedented challenges in service delivery for many of these agencies. These challenges included new service delivery models, logistics barriers, and unparalleled staffing challenges. Despite these challenges, these agencies collectively exceeded last year's performance goals with participants served and funding distributed to our most vulnerable residents.

Annual Progress on Priorities

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

Respond to Homelessness and its Impacts on the Community

Working collaboratively with the County's Office of Supportive Housing, the Housing Department expanded temporary housing and shelter capacity in response to the public health orders by operating emergency interim housing, overnight warming locations, and a motel program. Additionally, the Housing Department enhanced street-based services using one-time ESG-CV federal stimulus funding approved by the City Council in June 2020. The Services Outreach Assistance and Resources program focused on 16 of the City's largest encampments by providing comprehensive street-based services, hygiene and trash services, and housing and shelter opportunities for homeless encampment residents. The street-based services included dedicated street outreach teams staffed by mental health clinicians, drug and alcohol counselors, and a storage program for encampment residents' personal belongings. The Services Outreach Assistance and Resources program 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 people experiencing homelessness identify immediate shelter alternatives.

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

Table B: Responding to Homelessness and its Impacts on the Community				
Project	Agency	Unduplicated Individuals/ Households Served	Outcome	Source
Motel Voucher Program – (COVID-19)	<i>LifeMoves</i>	189 Households	The emergency motel program served 189 households, of which 107 were female heads of household.	ESG CV
Emergency Interim Housing Operations (COVID 19)	<i>HomeFirst</i>	148 Individuals (Monterey/Bernal) 166 Individuals (Rue Ferrari)	Provided temporary housing and support services to 314 individuals. Rue Ferrari had 49 female heads of household and Monterey had 56 female heads of household. Of the 189 individuals who exited the programs, 101, or 53%, exited into permanent housing.	ESG CV
Bridge Housing Community	<i>HomeFirst</i>	90 Individuals (Mabury) 128 Individuals (Felipe)	The communities served 218 individuals, including 57 female heads of households. Of the 177 individuals who exited the programs, 61, or 34%, exited into permanent housing	ESG CV
Emergency Interim Housing -Operations – Family (COVID-19)	<i>PATH</i>	210 Individuals (Evans Lane)	Provided case management and support services. Of the total served, 47 were female heads of households. Of the 210 individuals served, 129 were children under the age of 18. Of the 74 individuals who exited the program, 51, or 69%, exited into permanent housing.	ESG CV
Citywide Outreach for Unsheltered Populations	<i>HomeFirst</i>	885 Individuals	Project provided outreach engagement, case management, and rapid response assistance. Of the total clients served, 349 were female heads of household. Of the total, 10% or 88 individuals exited to permanent housing.	CDBG

Overnight Warming Locations	<i>HomeFirst</i>	122 Individuals (Leininger) 120 Individuals (Evergreen)	This program resulted in 92% of basic needs met with a 100% satisfaction rating in the participant survey. Sixty-nine female heads of household were served. Eleven individuals were permanently housed and 18 secured employment.	ESG CV
Homelessness Prevention	<i>Bill Wilson Center</i>	41 Individuals	Provided rental assistance and intensive case management. Served nine families with children under 18.	ESG
WISH Program	<i>YWCA</i>	124 Households	Provided services and support to survivors of gender-based violence and their families by moving them into safe, affordable housing options. Of the households served, 107 were female heads of household.	CDBG
Services Outreach Assistance and Resources	<i>PATH</i>	138 Individuals	Provided supportive services, resources, and financial assistance designed to meet the unique needs of people experiencing homelessness in downtown San José, the Coyote Creek project areas, and other area hotspots identified by City staff. There were 127 30-minute appointments with case managers. Of the 95 individuals who exited the program, 37 individuals, or 39%, successfully exited to temporary or permanent housing.	ESG CV
Services Outreach Assistance and Resources	<i>HomeFirst</i>	802 Individuals	Provided outreach and street-based case management, and resources, including 295 female heads of household. Of the 647 individuals who exited the program, 210 individuals, or 32%, successfully exited to temporary or permanent housing.	ESG CV

Increase and Preserve Affordable Housing Opportunities

The available HOME grants and a significant amount of HOPWA grants were used to fund Tenant-Based Rental Assistance (TBRA) programs. **Table C** below summarizes the agencies awarded federally funded projects, creating more housing opportunities. These agencies' outcomes are still being reported. Agencies had staffing issues that impacted our reporting requirements.

Table C: Create and Preserve Affordable Housing				
Projects	Agency	Unduplicated Households Served	Outcomes	Source
Rental Assistance for Youth & Families (COVID-19)	<i>Bill Wilson Center</i>	57 Households	Assisted households with rental subsidy, deposit, and utility disbursements. Of those served, 18 were female heads of households.	CDBG/HOME
HOME TBRA (COVID-19)	<i>Sacred Heart</i>	279 Households	Assisted households with rental subsidy, deposit, and utility disbursements. Of the household served, 156 were female heads of households.	CDBG/HOME
Housing for Health	<i>The Health Trust</i>	69 Households	Still reporting Outcomes*	HOPWA
Housing for Health	<i>The Health Trust</i>	38 Households	Still reporting Outcomes*	HOPWA
Housing for Health	<i>San Benito County</i>	13 Households	Still reporting Outcomes*	HOPWA

**Due to staffing challenges, performance outcomes have not yet been received.*

Strengthen and Stabilize Communities

Activities pertaining to the priority to Strengthen and Stabilize Communities were solely funded through CDBG. 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 three categories: 1) Public Services; 2) Community Development Improvements (CDI) Non-construction Projects; and 3) CDI Construction Projects.

Public Services Projects

Neighborhood Services: The City funded two nonprofit agencies to provide leadership development training, basic needs services, and skill-building workshops for residents and potential future community leaders. Overall, participant satisfaction with the programs was extremely high. SOMOS Mayfair had a 90 percent success rate helping clients who were seeking assistance to receive basic needs. Its survey showed 100 percent of participants reported having gained the skills necessary to successfully run a business caring for children. In addition, 100 percent of participants felt that they now know of the different business models that can financially support them in running their business.

Senior Services: The City provided CDBG grants for the Meals on Wheels Program and the Senior Access and Health Support Program to support the needs of senior residents in San José. The two programs served over 24,657 meals, coordinated 450 assisted door-to-door transportation services, and provided 2,905 social visits and wellness checks. While not counted as direct COVID-19 related services, these services were critical to helping keep this vulnerable population from COVID exposure.

Child Care Services: In response to community needs related to the COVID-19 pandemic, the City funded a childcare program with FIRST 5 Santa Clara County to provide childcare subsidies to low-income families impacted by COVID-19.

Legal Services to Low-income Renters: The City funded a legal services program to assist in educating and providing legal advice to low-income tenants and landlords regarding implementation of the City's Apartment Rent Ordinance and Tenant Protection Ordinance. The legal services program is operated by the San José Housing Rights Consortium, comprised of five nonprofit agencies: Law Foundation of Silicon Valley, Bay Area Legal Aid, Project Sentinel, Senior Adult Legal Assistance, and Asian Law Alliance. This program provided legal services to over 202 individuals.

A summary of the obtained outcomes for addressing the goal of Strengthen and Stabilize Communities via public service projects is provided in **Table D**.

Table D: Strengthen and Stabilize Communities – Public Services				
Projects	Agency	Unduplicated Individuals/ Households Served	Outcomes	Source
Homegrown Talent	<i>SOMOS Mayfair</i>	304 individuals	The agency provided safety net services to 132 people; 79 sessions of leadership development training; 23 sessions of nonprofit/community leaders training; 28 sessions of training for childcare owners and providers; and 26 sessions of urban agriculture entrepreneurs training.	CDBG
Community Leadership Program	<i>San José State University Research Foundation</i>	70 individuals	Hosted 27 outreach events, 241 training sessions for resident community leaders, and 68 community conversations.	CDBG
Meals on Wheels	<i>The Health Trust</i>	100 individuals	Delivered 20,000 home meals and conducted 2,905 social visits together with wellness checks to 100 unduplicated low-income seniors.	CDBG
Senior Access and Health Support	<i>POSSO Portuguese Community Center</i>	105 individuals	Provided 465 transportation trips, and delivered 4,657 meals	CDBG
Child Care (COVID-19 Response)	<i>FIRST 5 Santa Clara County</i>	35 individuals	Provided childcare scholarships to 35 children in low-income families.	CDBG
Legal Services for Low-income households	<i>Law Foundation of Silicon Valley</i>	202 Individuals	Provided 21 educational workshops, 153 legal consultations, 31 legal representations for eviction proceedings, and one legal representation for enforcement.	CDBG

CDI - Non-Construction Projects

Minor Repair Program: The City's Minor Repair Program funded Habitat for Humanity East Bay/Silicon Valley and Rebuilding Together Silicon Valley. Despite the access limitations and other COVID-19-related barriers, these two agencies exceeded last year's

performance by assisting 391 low-income San José households with over 2,000 items of urgent, safety, and accessibility/mobility repairs to ensure a safe and decent living environment. The key outcome of this program is 100 percent of all households reported that they had improved safety conditions in their homes upon completion of the work.

Targeted Code Enforcement: The City funded enhanced code enforcement in Santee, Five Wounds/Brookwood Terrace, Roundtable, Hoffman/Via Monte, Foxdale, and Cadillac neighborhoods. Within these areas, the Code Enforcement Division performed enhanced multifamily services beyond those typically provided. The enforcement efforts included 344 inspections and re-inspections that resulted in 250 code violations corrected.

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 Centers 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 video conferencing platform to continue the CDBG enhanced inspections throughout the past year. There are three options with which 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. For in-person inspections, Code Enforcement inspectors wore appropriate personal protective equipment and maintained social distancing protocols. As a result of these access limitations, code enforcement inspections were significantly down in FY 2021-2022.

A summary of the obtained outcomes for addressing the goal to Strengthen and Stabilize Communities with Community Development Investment Non-construction investments is provided in **Table E**.

Table E: Strengthen and Stabilize Communities – CDI Non-Construction Projects				
Projects	Agency	Unduplicated Individuals/ Households Served	Outcomes	Source
Rebuilding Minor and Limited Repairs Program	<i>Rebuilding Together Silicon Valley</i>	183 Households	Provided 981 units of minor repairs, and 101 units of limited repairs. Of these households, 119 had female heads of household.	CDBG

Emergency Minor and Limited Repairs Program	<i>Habitat for Humanity</i>	39 Households	The project provided 72 units of minor repairs and provided 53 units of limited repairs. Of these households, 24 had female heads of household.	CDBG
Enhanced Code Enforcement	<i>Planning, Building, & Code Enforcement</i>	344 Inspections	Resulted in 250 code violations corrected.	CDBG

CDI - Capital Improvement Projects

CDBG-funded 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. Last year, a significant amount of staffing and fiscal resources were directed to COVID-19-related services. As a result, the City did not solicit new capital projects in FY 2021-2022. One of the ongoing projects for the City in response to COVID-19 was the continued expansion of community wireless networks in low-income neighborhoods to close the digital divide (**Table F**).

Table F: CDI Projects		
Project	Description	Project Completion
Community Wireless Infrastructure (COVID-19 response)	Development of community wireless network infrastructure for two low-income neighborhoods to provide internet access and services to underserved students at Independence and Oak Grove High Schools in the East Side Union High School district.	Phase II bidding and construction

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. The Fair Housing Act covers most housing whether publicly or privately funded. As an entitlement city, San José must ensure all programs are administered in a manner that affirmatively furthers the Fair Housing Act.

San José funded the services of a nonprofit fair housing consortium, comprised of four nonprofit agencies, to help fulfill the City's Fair Housing Act requirements. The consortium is comprised of 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 fields and investigates discrimination complaints, enforcement and litigation services, and provides general fair housing education.

A summary of the outcomes for addressing the goal of promoting fair housing choices is provided in **Table G**.

Table G: Fair Housing Choices				
Projects	Agency	Unduplicated Individuals/ Households Served	Outcomes	Source
Fair Housing Consortium	<i>Law Foundation of Silicon Valley</i>	393 Individuals	All complainants received legal services to improve access or availability of housing for their protected category.	CDBG/HOME

Overall Progress Toward the Five-Year Goals

City staff and consultants began the development of the Five-Year (2020-2025) Consolidated Plan in early 2019, prior to the start of the pandemic. While the plan was finalized at the height of the pandemic, a significant amount of the CARES Act funding had not yet been allocated to San José and incorporated into the Consolidated plan or the corresponding Annual Action Plans. Many of the five-year performance goals will need to be adjusted to account for the shift in priorities to COVID-19-related programs and services. While several of the five-year goals will fall short because of the shift in funding priorities, many others are still on target to meet or exceed the five-year goals currently targeted in the plan. Below are some of the key programs and services along with the year-two progress toward the overall five-year goals in each of the four priorities:

Responding to Homelessness and its Impacts on the Community: While a significant amount of the City's homelessness response is funded through state and local funds, the City dedicates a large portion of its HUD funding for services and programs serving unhoused residents. The three primary priorities of the HUD-funded services and programs are street outreach, shelter, and prevention.

Responding to Homelessness and its Impacts on the Community – Progress Toward Five-Year Goal			
Priority	Five-Year Goal	Year-Two Progress	Percent Achieved
Street Outreach	3,350 individuals	2,435 individuals	72%
Sheltered	300 individuals	2,047 individuals	682%
Prevention	150 households	82 households	55%

As a result of COVID-19 and the shelter-in-place orders, funding shelters became a high priority and significant focus of the CARES Act funding exceeded the five-year goal.

Create and Preserve Affordable Housing: The primary funding priorities include new affordable development and TBRA. As a result of the pandemic, TBRA has become a high priority to ensure low-income residents impacted by COVID-19 were able to remain in their homes. Although no new HOME-funded affordable units were completed over the past two years, several developments are in the queue.

Create and Preserve Affordable Housing – Progress Toward Five-Year Goal			
Priority	Five-Year Goal	Year-two Progress	Percent Achieved
Rental Development	250 new units	0 new units	0%
TBRA/Rental Assistance	405 households	1,244 households	307%

Strengthen and Stabilize Communities: The broadest of the four priorities, to strengthen and stabilize communities, includes a range of public services such as legal services, childcare, senior services, meal programs, and community engagement/leadership training. This priority also includes non-construction CDI such as homeowner minor repair programs, enhanced code enforcement, and employment development.

Strengthen and Stabilize Communities – Progress Toward Five-Year Goal			
Priority	Five-Year Goal	Year-two Progress	Percent Achieved
Public Services	4,200 individuals	1,972 individuals	47%
Minor repairs	1,442 households	626 households	43%
Enhanced Code Enforcement	2,235 inspections	466 inspections	21%*

**Code inspections were limited due to COVID-19 shelter-in-place restrictions.*

Promote Fair Housing Choices: The primary purpose of the San José Fair Housing Legal and Education Services Collaborative Project is to build inclusive, sustainable communities free from discrimination through complaint-based investigation, systematic testing, and legal representation designed to help victims of housing discrimination to access or maintain the housing of their choice.

Promote Fair Housing – Progress Toward Five-Year Goal			
Priority	Five-Year Goal	Year-Two Progress	Percent Achieved
Fair Housing Legal Services	750 individuals	377 individuals	50%

Administration: Finally, the City funded its administrative activities within federally regulated limits from each of the federal funding sources. Staff activities funded with administrative funds include planning, grant management, monitoring, reporting, legal services, and environmental

review. The City expended \$2.5 million in federal funding in FY 2021-2022 to administer the four federal formula programs as well as the one-time CARES Act funding allocated by HUD.

Beneficiary Demographics

The City is dedicated to ensuring the needs of the community are met and that those with the greatest needs are provided with access and opportunity. As a major funder within the City, the Housing Department is dedicated to ensuring that resources are tracked and thoughtfully administered with respect to the beneficiaries' race and ethnicity.

Assistance provided by Race and Ethnicity

For the HUD-funded activities in which the City's grantees reported the race and ethnicity of clients served, **Table H** provides the overall race and ethnicity distribution in FY 2021-2022.

Table H: Overall Race and Ethnicity Data			
Race	Program Participants	% of Total	Ethnicity (Hispanic/Latina/o)
White	3,166	49.2	371
Black/African American	655	10.2	35
Asian	612	9.5	41
American Indian/Alaska Native	288	4.5	43
Native Hawaiian/Pacific Islander	82	1.3	8
American Indian/Alaska Native and White	23	0.4	5
Asian and White	14	0.2	2
Black or African American and White	13	0.2	1
American Indian or Alaskan Native AND Black	16	0.2	2
Other	1560	24.7	116
Total	6,429	100	624

Available data indicates that greater proportions of people identifying as White or Black/African American were served by HUD-funded programs than the City's underlying lower-income population. The City's underlying low-income population for people identifying as White or Black/African American are 37 percent and 3 percent, respectively. Fewer residents identifying as Asian were served as compared to the City's underlying lower-income population, which is 37 percent. Also, a greater proportion of people identifying as American Indian are being served than the City's underlying low-income population which is 0.5 percent.

Income Data

Income Level	Program Participants	% of Total
Extremely-Low-Income	5,374	83.6
Very-Low-Income	440	6.9
Low-Income	594	9.3
Over Income (ineligible)	21	.3
Total	6,429	100

Available data indicates that the HUD-funded programs overwhelmingly served extremely low-income residents, which means their incomes were below \$35,370 for an individual and under \$50,550 for a household of four. Many of these households were severely cost burdened, spending more than half of their income on housing. Severely cost burdened poor households are more likely than other renters to sacrifice other necessities like healthy food and healthcare to pay the rent, and to experience unstable housing situations like evictions or more likely to experience homelessness. HUD funds were invested in our most vulnerable residents.

Women and Children

Over 1,400 female-headed households were served with a variety of services, from fair housing to rental assistance to shelter. As data becomes finalized, this number will increase. Female-headed households are a subpopulation that HUD asks grant recipients to identify, as women have a greater likelihood of experiencing housing barriers. Finally, 662 households with children under the age of 18 received services that benefited 812 children.

CONCLUSION

Acceptance of the CAPER ensures compliance with HUD's reporting requirements and enables the City to continue to qualify for federal funds for housing and community development programs.

EVALUATION AND FOLLOW-UP

Upon City Council approval, staff will submit the CAPER to HUD by the September 28, 2022 due date. [The draft and final CAPER documents are posted on the Housing Department's website.](#)

CLIMATE SMART SAN JOSE

The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

Citizen Participation Plan, and in accordance with federal regulations, the CAPER must be made available to the public for a 15-day review and comment period. Additionally, the City must hold at least two public hearings in person or virtually to provide the public an opportunity to provide feedback on the accomplishments enumerated in the CAPER.

The City published the CAPER for public review and comment on September 5, 2022. The City is accepting public comments until September 20, 2022. The following public hearings were/will be held for public input:

- Housing and Community Development Commission meeting on September 8, 2022
- City Council meeting on September 20, 2022

To meet the federal requirements, the Housing Department used an email campaign to approximately 1,500 email recipients and posted notifications of the public meeting on social media to inform the public of the CAPER's scheduled public hearings. The public notices were in five languages (English, Spanish, Vietnamese, Chinese, and Tagalog), per the City's Language Access Plan¹. A public notice regarding the public review and comment period was published in five languages on August 25, 2022. The newspapers that carried the notices were the *Mercury News*, *El Observador*, *Vietnam Daily News*, *The World Journal* (Chinese), and the *Philippine News*.

COORDINATION

The preparation of this memorandum was coordinated with the City Attorney's Office and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

Housing Department staff will present the draft CAPER to the Housing and Community Development Commission on September 8, 2022. Because the CAPER is being presented to the Commission concurrently with the required submittal date for this memorandum, a supplemental

¹ City's Language Access Plan, <https://www.sanjoseca.gov/your-government/departments/housing/memos-reports-plans/hud-reports>.

HONORABLE MAYOR AND CITY COUNCIL

August 31, 2022

Subject: FY 2021-2022 Consolidated Annual Performance Evaluation Report

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memorandum documenting any comments received at the Housing Community Development Committee meeting will be provided to the City Council prior to the September 20, 2022 meeting.

COST SUMMARY/IMPLICATIONS

Without an approved CAPER, the City will not qualify for future HUD funding including CDBG, HOME, HOPWA, and ESG programs that are essential for supporting vital housing and community development investments.

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 of Housing

The primary author of this memorandum is Stephanie Gutowski, Senior Development Officer. For questions, please contact Ragan Henninger, Deputy Director of Housing, at (408) 535-3855 or ragan.henninger@sanjoseca.gov.