



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** June 19, 2018

Approved

Date

6/19/18

## SUPPLEMENTAL

**SUBJECT: FINAL PUBLIC HEARING AND APPROVAL OF THE FY 2018-2019 ANNUAL ACTION PLAN AND AWARD OF THE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDED LEGAL SERVICES PROPOSAL**

## REASON FOR SUPPLEMENTAL

This supplemental memorandum provides public comments received on the Draft FY 2018-2019 Annual Action Plan (Draft Plan) through 12 noon, June 18, 2018. It also provides updates on proposed changes to the Draft Plan identified since its first release on May 18, 2018.

## ANALYSIS

The memorandum on the Draft 2018-2019 Annual Action Plan for the City Council hearing on June 5, 2018, indicated that a Supplemental memorandum would be distributed to the Mayor and City Council prior to the June 19, 2018, City Council meeting. This supplemental memorandum provides public comments received through noon, June 18, 2018.

This supplemental memorandum also identifies proposed changes to the Draft Plan since it was first released on May 18, 2018. A copy of the draft Plan was linked to the June 5, 2018, memorandum located on the Housing Department's website at: <http://www.sanjoseca.gov/DocumentCenter/View/77624>.

June 19, 2018

**Subject: 2018-2019 Annual Action Plan and RFP Award - Supplemental Memo**

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*Public Comments*

Two public hearings already have been held to obtain input on the Draft FY 2018-2019 Plan. The first public hearing was held at the June 5, 2018, City Council meeting following the release of the Draft Plan. This hearing was intended to solicit public input on the proposed federal funding priorities. The second hearing to review the Draft Plan was held at the June 14, 2018, Housing and Community Development Commission (HCDC) meeting. The HCDC unanimously recommended approval of the Draft Plan.

A summary of the public comments is included as **Attachment A** to this memorandum. Public comments also will be included in the appendix of the final Plan when staff submits it to HUD by July 5, 2018.

*Corrections and Edits*

**Attachment B** highlights changes to the Draft FY 2018-2019 Plan since it was first published. The activity adjustments do not change the total amount of funding allocated to all sources.

**COORDINATION**

Preparation of this report has been coordinated with the City Manager's Budget Office and the City Attorney's Office.

**COMMISSION RECOMMENDATION/INPUT**

The Housing and Community Development Commission held a public hearing and heard the Draft Plan on June 14, 2018. They voted 9-0 to recommend that the City Council approve the FY 2018-2019 Annual Action Plan.

/s/

JACKY MORALES-FERRAND  
Director of Housing

For questions please contact Jacky Morales-Ferrand, Director of Housing, at (408) 535-3855.

Attachments:

Attachment A – Community Input and Public Testimony  
Attachment B – Changes to Memorandum and Draft Plan

## Attachment A – Community Input and Public Testimony

### Housing and Community Development Commission Meeting – June 14, 2018

Public Comment	Staff Response
Kathy Erickson, Director of Operations for Somos Mayfair, commented that they are grateful for the federal funding their program receives to develop leaders and skills within the Mayfair community.	No staff response.

Commission Comments	Staff Response
Commissioner Schoor emphasized the need for tangible outcomes from neighborhood engagement programs.	Staff and grantee responded that job creation is one of the measurable outcomes of neighborhood engagement programs.
Commissioner Tran expressed support for Federal funds being used to create new housing opportunities as San José is behind in its Regional Housing Needs Allocation Goals.	Staff agreed that both HOME and CDBG would be used to help create new affordable homes.
Commissioner O’Connell commented that she is concerned about possible institutional bias of neighborhood engagement programs and wants to ensure that Federal funds are not being used to subsidize activities supporting political parties.	Staff responded that contracts and programs will be reviewed to ensure that political activities toward political parties are clearly prohibited.
Commissioner Fitzgerald commented that he is opposed to having tax dollars spent on legal representation for evictions if attorneys exploit the opportunity to charge high fees and/or prolong the period that tenants do not pay rent.	Staff responded that Federal funds are highly restrictive in use, are reimbursed on the basis of invoices, and are monitored for compliance with HUD regulations. Awardees under the Legal Services RFP are experienced and will adhere to all eviction laws.

## Attachment B – Revisions to the Draft FY 2018-19 Annual Action Plan and June 5, 2018, City Council Memo

### Changes to June 5, 2018, City Council Memo

There are no substantive changes between the June 5, 2018, City Council Memo regarding City Council approval of the FY 2018-2019 Annual Action Plan and the June 19, 2018, City Council Memo, with the exception of the award of \$500,000 through the Legal Services RFP.

### Changes to the Draft Plan

The following table summarizes the changes to the FY 2018-2019 Annual Action Plan. Each change cross-references the Plan page and section where all numeric and narrative changes can be found. The revised Plan detailing these changes can be found at:

<http://www.sanjoseca.gov/DocumentCenter/View/77624>.

### Changes to Draft FY 2018-2019 Annual Action Plan

Plan Page	Section	Change	Reason for Change
6	Strengthening Neighborhoods	Added eligible use in Nonprofit Facilities RFP will include initial tenant improvement build-outs for commercial space; completed last bullet on Evans Lane improvements	Change reflects feedback on need for nonprofit facilities RFP to help with initial interior improvements for nonprofits' commercial space as well as rehabilitation to existing nonprofit spaces.
30	Table 5 Fiscal Year 2018-2019 CDBG Budget Priorities	CDBG allocations and totals were updated – No change to overall estimated total resources.	Changes reflect the actual allocated grant amounts and totals.
		Addition of \$200,000 Soft Story Grant Match activity under CDI Program	City staff proposals have been refined to include this addition.
47-48	AP-38 Project Summary	Addition of Soft Story Match Activity	Updated to reflect refined City staff proposal.
51	AP-38 Project Summary – Table 5	Updated activity information for Place-Based Street and Infrastructure Enhancements	Updated to reflect refined City staff proposal.
55	AP-38 Project Summary – Table 12	Clarifies that the Homeless Services RFP is for \$500,000 and three-month extensions to PATH and HomeFirst total \$214,000.	Updated to better ensure continuity of services being provided for three months during the current RFP process and evaluation.
57	AP-38 Project Summary – Table	Added eligible use in Nonprofit Facilities RFP will	Change reflects feedback on need for nonprofit facilities RFP

Plan Page	Section	Change	Reason for Change
	15	include initial tenant improvement build-outs for commercial space.	to help with initial interior improvements for nonprofits' commercial space as well as rehabilitation to existing nonprofit spaces.
58	AP-38 Project Summary – Table 17	Addition of activity information for Soft Story Match funding	Updated to reflect refined City staff proposal.
93	Appendix B Public Comments	Public comments updated	Comments received after the Plan was published have been added.