



Memorandum

TO: NEIGHBORHOOD SERVICES &
EDUCATION COMMITTEE

FROM: Jacky Morales-Ferrand

SUBJECT: FIVE-YEAR CONSOLIDATED PLAN **DATE:** September 23, 2019

Approved

Date

10-3-2019

RECOMMENDATION

Accept the report and workplan to develop the Five-year Consolidated Plan, which governs the use of federal funding from the U.S. Department of Housing and Urban Development from 2020 through 2025.

OUTCOME

Staff will receive input from the Neighborhood Services and Education Committee regarding the workplan for developing the City's federally-required Five-year Consolidated Plan for 2020-2025. Committee members will also provide feedback on community outreach that will occur as part of the effort to set future funding priorities under the new Consolidated Plan.

BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) requires jurisdictions that receive federal housing and community development grant funding to develop Consolidated Plans that identify priority needs, goals, actions, and funding strategies over five-year periods. San José receives funding from four HUD programs that are covered by the City's Consolidated Plan (see **Table 1**). This will be the City's fifth Consolidated Plan developed since 2000.

Table 1: San José's Federal Funding from HUD and Current Uses

Federal Funding Source	2019-2020 Funding	Current Uses
Community Development Block Grant (CDBG)	\$8,856,601	Neighborhood engagement and leadership training Senior services Homeless outreach Fair housing education and counseling Legal services for low-income tenants and landlords Job training Emergency & minor repair for single family homes Neighborhood street and infrastructure enhancements Enhanced code enforcement
HOME Investment Partnership (HOME)	\$3,239,144	Development of affordable housing and tenant-based rental assistance subsidies
Emergency Solutions Grant (ESG)	\$1,278,773	Homeless services focused on outreach and homelessness prevention
Housing Opportunities for Persons with Aids (HOPWA)	\$757,502	Rental assistance

San José currently is completing approved activities under its 2015-2020 Consolidated Plan¹ and now is starting to develop the 2020-2025 Consolidated Plan. The deadline to submit the new Consolidated Plan to HUD is May 15, 2020.

HUD requires that each jurisdiction develop an Annual Action Plan each year to show how it will implement its Consolidated Plan. Further, the City must report back to HUD each year on how it met the goals of the prior year's Annual Action Plan. This report is called the Consolidated Annual Performance Evaluation Report, or CAPER. (Note that the CAPER covering 2018-2019 outcomes was reviewed at the Committee on September 12, 2019). City Council approval is required for the Consolidated Plan, each Annual Action Plan, and each CAPER before the documents are transmitted to HUD.

HUD reports are among the many plans and reports that the Housing Department is required to develop related to outside funding. **Attachment A** to this memorandum provides a snapshot of

¹ <http://www.sanjoseca.gov/DocumentCenter/View/44710>

these required reports. Item (d)3 on the October 10, 2019 Neighborhood Services and Education Committee agenda will discuss a related State of California-required report, the Assessment of Fair Housing Plan, which the Housing Department is developing in conjunction with the Consolidated Plan.

ANALYSIS

2020-2025 Consolidated Plan Process

HUD encourages jurisdictions to complete a regional or joint Consolidated Plan, as housing, homelessness, and community issues typically cross jurisdictional boundaries. Conducting a regional analysis also may result in goals that are consistent across the region, potentially leading to better outcomes. Engaging a shared consultant provides efficiencies with time and effort spent on procurement, data analysis, and outreach. Coordinating this process across jurisdictions can be challenging. However, the effort to coordinate with other jurisdictions in past cycles has been essential to help identify regional challenges, barriers, opportunities, and shared goals and actions.

For these reasons, San José joined five other local cities, Santa Clara County, and the Santa Clara County Housing Authority to work together to develop 2015-2020 Consolidated Plans. The Santa Clara County Office of Supportive Housing, leading the collaboration, has convened a working group. The working group includes representatives from each agency, including the City's Housing Department. The working group will oversee the consultant's work. The County, on behalf of the participating jurisdictions, issued a request for proposals to select a consultant. The working group selected two consultants: one to develop the 2020-2025 Consolidated Plan and 2020-2021 Annual Action Plan, and a second to develop the regional Assessment of Fair Housing. The County Board of Supervisors approved the two selected consultants at its August 27, 2019 meeting. The County entered into contracts, and the consultants have begun their work.

For the Consolidated Plan work, the consultant will implement the regional workplan and will deliver to each jurisdiction a core set of deliverables, as well as any additional work each jurisdiction asked the consultant to produce. HUD's Participating Jurisdictions, such as San José, must produce Consolidated Plans that address local housing conditions and needs in order to meet federal Consolidated Plan requirements.

The workplan includes conducting regional community meetings and a Countywide needs survey. Additional work for San José includes the consultant providing support for meetings to be held in San José in coordination with community groups. San José will also receive its own draft Consolidated Plan and Annual Action Plan.

2020-2025 Consolidated Plan Timeline

Table 2 contains the timeline for milestones in the Consolidated Plan development process through spring 2020:

Table 2: Consolidated Plan Timeline

Activity	Date	Done
Convene Working Group	September 2018	✓
RFP Released	Spring 2019	✓
County Awards Contract	August 27, 2019	✓
County and City Revenue Agreements	September 2019	
Public Outreach and Engagement	October 2019 – December 2019	
Funding Priorities to Housing and Community Development Commission & City Council Committees	Early 2020	
Draft Consolidated Plan published for public comment	Spring 2020	
HUD Consolidated Plan and Assessment of Fair Housing Plan to City Council	May 2020	
HUD Consolidated Plan and Assessment of Fair Housing Plan Submitted to HUD	May 2020	

The public engagement for development of the Consolidated Plan's spending priorities and review of the draft Plan will include a variety of formats – stakeholder interviews, public meetings, surveys, focus groups – to solicit feedback from a broad representation of the community. The consultant-led public engagement will include three to four traditional public meetings in San José, accessible in multiple languages. The consultant will also incorporate social media (e.g. Next Door, Snapchat, Facebook, WeChat) to notify the public of meetings, distribute information, and solicit input. To reach stakeholders, the consultant will help conduct facilitated and targeted stakeholder feedback from a cross-section of the community in the form of focus groups and stakeholder interviews. Staff will also coordinate with Destination: Home to access the needs assessment being conducted as part of the development of the Countywide Community Plan to End Homelessness, so that staff can best understand current needs for homeless households and the homeless services delivery system.

To ensure that outreach in San José reaches vulnerable and hard-to-reach residents, staff will work closely with the consultant to ensure that outreach is done in multiple languages. Official public meetings will be noticed in English plus four foreign languages, with translators and accessibility equipment available. These practices will be done consistent with the City's Citizen Participation Plan for the Consolidated Plan outreach. Staff will also work with local community-based organizations to help ensure feedback is obtained from community members who may not feel comfortable taking on-line surveys, or who typically would not come to City-sponsored outreach meetings.

EVALUATION AND FOLLOW-UP

Future presentations to Council Committees and to the full City Council are anticipated as outlined in the timeline in Table 2 above. Early in 2020, staff will return to Council Committees to get feedback on initial spending priorities for the new Consolidated Plan. Staff will also work with Council offices to communicate with their constituents about opportunities to give input on housing and community needs for the Consolidated Plan process.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the October 10, 2019 Neighborhood Services and Education Committee meeting.

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

Housing Department staff presented this update together with an update on the Assessment of Fair Housing to the Housing and Community Development Commission on September 12, 2019. Commissioners commented on their appreciation for fair housing work, their support for homeownership strategies, their desire for plans to include measurable goals, and their support for meaningful community engagement in creating these plans. The Commission did not vote on this item.

CEQA

Not a Project, File No. PP17-007, Preliminary direction to staff and eventual action requires approval from decision-making body.

/s/
JACKY MORALES-FERRAND
Director, Department of Housing

For questions please contact Kristen Clements, Division Manager at (408) 535-8236.

Attachment A: Housing Reports Planning Matrix

ATTACHMENT A
Housing Reports Planning Matrix

Housing-specific Plan/Report	Agency Requiring	Frequency	Council Approval Applies to
Five-year Consolidated Plan (Con Plan)	HUD	Every 5 years	Use of federal funds: CDBG, ESG, HOME, HOPWA
Annual Action Plan (AAP)	HUD	Annually	
Consolidated Annual Performance and Evaluation Report (CAPER)	HUD	Annually	
Assessment of Fair Housing Plan (AFH)	HUD/State	Every 5 years (with Con Plan)	Use of federal funds and use for new Housing Element cycle
Housing Element to the General Plan	State	Every 8+ years (varies)	Submission to State; certified Housing Element required for eligibility for several State funding sources
Housing Element Annual Report	State	Annually	Submission to State