



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jacky Morales-Ferrand  
Jim Shannon

**SUBJECT:** SEE BELOW

**DATE:** April 20, 2020

Approved

Date

4/20/2020

**SUBJECT: SUBSTANTIAL AMENDMENTS TO THE FY 2015-2020  
CONSOLIDATED PLAN AND 2019-2020 ANNUAL ACTION PLAN**

## **RECOMMENDATION**

- A. Hold a public hearing to allow for public comment.
- B. Adopt a resolution relating to the following actions regarding the 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 by HUD for COVID-related uses:
  1. Approve a Substantial Amendment to the City's FY 2015-20 Consolidated Plan to add Job Retention as an eligible activity under the Community Development Block Grant (CDBG) Community Development Investment (CDI) category.
  2. Approve the following relating to Substantial Amendments to the FY 2019-20 Annual Action Plan to:
    - i. Add Job Retention as an eligible activity under the CDBG CDI category;
    - ii. Allocate CDBG CDI funding for emergency job creation and retention loans to microenterprises in the amount of \$2,500,000 to the Opportunity Fund, and authorize the Director of Housing to negotiate terms and conditions and execute a Subrecipient Agreement with the Opportunity Fund;
    - iii. Award \$1,200,000 of CDBG Public Services funding for City food services to Loaves and Fishes, and authorize the Director of Housing to negotiate and execute a sole source agreement with Loaves and Fishes;
    - iv. Allocate \$2,000,000 of CDBG Public Services category funding for emergency hotel/motel vouchers for families to LifeMoves, and authorize the Director of Housing to negotiate and execute an amendment to the current LifeMoves contract relating to these additional funds;
    - v. Allocate \$519,000 of CDBG CDI funding to fund operations costs for emergency shelters established by the City;
    - vi. Reduce CDBG Public Services category funding to the San José Housing Rights Consortium (Consortium) to provide Legal Services for Low-income Tenants by \$125,000, from \$500,000 to \$375,000 and authorize the Director of Housing to negotiate and execute an amendment to the current contract with the Consortium relating to this reduction in funding;

- vii. Increase CDBG CDI funding to Rebuilding Together Silicon Valley to provide the Emergency and Minor Repair Program for single family homes by \$400,000, from \$1,650,000 to \$2,050,000, and authorize the Director of Housing to negotiate and execute an amendment to the current Rebuilding Together contract relating to these additional funds;
  - viii. Reduce CDBG CDI funding for Code Enforcement to provide enhanced code enforcement services by \$404,074, from \$1,102,037 to \$697,963;
  - ix. Program and authorize \$5,263,414 in CDBG funding made available by the Coronavirus Aid, Relief, and Economic Security Act (CARES) to provide emergency shelter costs, hotel/motel vouchers, and COVID-related staffing costs;
  - x. Program and authorize \$2,683,479 in Emergency Solutions Grant (ESG) funding made available by the CARES Act to provide emergency shelter costs, rapid rehousing services including hotel/motel vouchers, homelessness prevention services, and COVID-related staffing costs; and
  - xi. Program and authorize \$209,618 in Housing Opportunities for Persons with AIDS (HOPWA) funding made available by the CARES Act to the Health Trust to provide additional housing assistance to people living with HIV/AIDS, and authorize the Director of Housing to negotiate and execute an amendment to the Health Trust's current contract relating to these additional funds.
- 3. Authorize the City's Housing Department to submit the Substantial Amendments to the U.S. Department of Housing and Urban Development.
- C. Adopt the following Appropriation Ordinance and Funding Sources Resolution Amendments in the Community Development Block Grant Fund:
  - 1. Increase the estimate for Revenue from the Federal Government by \$5,263,414;
  - 2. Decrease the Neighborhood Infrastructure Improvements appropriation to the Housing Department by \$5,695,926;
  - 3. Decrease the Code Enforcement Operations appropriation to the Planning, Building and Code Enforcement Department by \$404,074;
  - 4. Increase the Housing Emergency and Minor Repair Program appropriation to the Housing Department by \$400,000;
  - 5. Establish a CARES Act appropriation to the Housing Department in the amount of \$5,263,414;
  - 6. Establish a City Food Services appropriation to the Housing Department in the amount of \$1,200,000;
  - 7. Establish an Emergency Housing Vouchers appropriation to the Housing Department in the amount of \$2,000,000; and
  - 8. Establish a Microenterprise Loans appropriation to the Housing Department in the amount of \$2,500,000.
- D. Adopt the following Appropriation Ordinance and Funding Sources Resolution Amendments in the Multi-Source Housing Fund:
  - 1. Increase the estimate for Revenue from Federal Government by \$2,893,097;
  - 2. Establish a CARES Emergency Shelter Grants appropriation to the Housing Department in the amount of \$2,683,479; and
  - 3. Establish a CARES HOPWA Grants appropriation to the Housing Department in the amount of \$209,618.

## **OUTCOME**

Approval of these Substantial Amendments will ensure that all available federal Community Development Block Grant (CDBG) funding can be used in accordance with federal requirements for timely expenditure. Approval will also enable the City to promptly use federal funding made available in the CDBG, ESG, and HOPWA programs 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 the Coronavirus Disease 2019 (COVID-19). The funds will be 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.

## **EXECUTIVE SUMMARY**

This action amends the City's FY 2015-20 Consolidated Plan and the FY 2019-20 Annual Action Plan, which govern the expenditure of entitlement funds and competitive grants that the City received from the U.S. Department of Housing and Urban Development (HUD). The purpose of the amendments is to spend available funds and to recognize newly-available federal funds through the recent federal Coronavirus Aid, Relief, and Economic Security Act for the purpose of COVID-19 response.

The City proposes to use these funds to prioritize those areas where the Emergency Operations Center has been charged with either leading (food) or collaborating (shelter) with the County in responding to COVID-19. More specifically funding will help respond to the community's needs in the following areas: rapid rehousing services for homeless residents, including hotel/motel vouchers for homeless families and for those who need individual units due to medical conditions or domestic violence; homelessness prevention services; food deliveries for homeless, senior, and disabled populations; low-interest loans to San José microenterprises that employ five or fewer low-income workers; emergency and minor repair services for low-income homeowners to help them keep in place; housing assistance and services for low-income persons living with HIV/AIDS; and, emergency shelter costs.

In order to quickly deliver these services, staff intends to use a combination of contractual arrangements. These include a new agreement with the Opportunity Fund, a new sole source contract to Loaves and Fishes Consortium, and amendments to existing contracts with LifeMoves, The Health Trust, and Rebuilding Together Silicon Valley.

## **BACKGROUND**

On June 11, 2019, the City Council approved the Fiscal Year (FY) 2019-20 Annual Action Plan for expenditure of the entitlement funds and competitive grants that the City received from HUD. Staff submitted the City Council-approved Plan to HUD in June 2019, and HUD approved it in July 2019.

The City's Annual Action 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. Annual Action Plans implement a jurisdiction's Five-Year Consolidated Plan and are developed through significant public input, analysis, and planning. The Action Plan provides spending caps for the different programs or services funded by federal funds.

All entitlement jurisdictions such as San José that receive HUD's federal funds by formula allocation are required to have an adopted Citizen Participation Plan. San José's Citizen Participation Plan describes the efforts that the City will take to encourage its residents to participate in developing federal spending plans. It also provides requirements for the public process to be used when a "Substantial Amendment" to programs funded in the Annual Action Plan is proposed. Per the City's Citizen Participation Plan, a substantial amendment constitutes a change to a previously adopted Five-Year Plan or Annual Plan that:

- Increases or decreases by the greater of \$100,000 or a 25% change in the amount allocated to a category of funding, or
- Makes a significant change to an activity's proposed beneficiaries or persons served, or
- Funds a new activity not previously described in the Action Plan.

When a proposed change in program funding reaches one of these thresholds, the City must comply with the public process required in the Citizen Participation Plan for Substantial Amendments, which includes a 30-day public comment period and two public hearings. However, 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. Accordingly, the City has advertised the availability of the proposed amendments and the opportunity to comment on these amendments on its website five days prior to the hearing, has sent a notice by email to its general distribution list and to its Housing and Community Development Commissioners, and has posted the opportunity to comment on its social media accounts. An email address was provided on the notice where comments can be submitted. In addition, comments will be accepted prior to the hearing via a link on the City Council's agenda webpage as well as by e-mail to the City Clerk ([city.clerk@sanjoseca.gov](mailto:city.clerk@sanjoseca.gov)) by 12:00 p.m. the day of the hearing. During the hearing, comments can be submitted via eComment on the City's agenda webpage as well as by emailing [councilmeeting@sanjoseca.gov](mailto:councilmeeting@sanjoseca.gov) and identifying the agenda item number in the subject line.

### *COVID-19 Response*

On March 16, 2020, the Health Officer of the County of Santa Clara ordered a shelter-in-place for all residents due to COVID-19. The effects of COVID-19 and the shelter-in-place have led to residents and businesses facing numerous challenges and emergencies. Of the challenges and emergencies the City is working quickly to solve, the need for additional meal delivery services for the most underserved residents populations throughout the City and County has become the responsibility of the City as administered through the City's Emergency Operations Center. The City is continually looking for additional partners, funding, and volunteers to ensure that the food, housing and shelter needs of low-income seniors, families, and homeless residents are addressed. Additionally, small businesses are looking for ways to keep their doors open and to provide essential services to their community instead of closing and laying off employees, many of whom are low-income.

On March 27, 2020 HUD notified federal grant jurisdictions of supplemental CDBG, ESG, and HOPWA allocations authorized by the CARES Act, Public Law 116-136, to respond to the impacts of COVID-19. The CARES Act made available \$5 billion in supplemental Community Development Block Grant (CDBG) funding for grants to prevent, prepare for, and respond to Coronavirus (CDBG-CARES grants). Additionally, the CARES Act provides CDBG grantees with flexibilities that make it easier to use CDBG-CARES grant funds for fiscal years 2019 and 2020 CDBG Grants for COVID-19 response, and authorizes HUD to grant waivers and alternative requirements. San José is receiving the following supplemental allocations that must be programmed into its FY 2019-20 Annual Action Plan to allow the funds to be spent:

- CDBG-CARES: \$5,263,414
- ESG-CARES: \$2,683,479
- HOPWA-CARES: \$209,618

## **ANALYSIS**

### **Causes of the Need to Amend**

The City's current Annual Action Plan and Consolidated Plan are being amended for three reasons:

- to fund urgent needs of the community related to the COVID-19 crisis;
- to accommodate changes in spending rates that normally occur during the year; and,
- to meet the annual federal deadline to disburse certain CDBG funds.

To enable jurisdictions to respond quickly to the COVID-19 crisis, on April 1, 2020, HUD issued a memorandum providing regulatory waivers of certain Continuum of Care (CoC), ESG, HOPWA, and Consolidated Plan requirements. The goals of the waivers are to help prevent the spread of COVID-19, and to provide additional support to individuals and families eligible for CoC, ESG, and HOPWA assistance who are economically impacted by COVID-19. One of HUD's regulatory waivers allows the flexibility to exceed CDBG's 15% cap on the amount of the grant funds allowed to be spent on public services.

With flexibility to spend more money on services, staff proposes funding the following uses:

- Award \$1,200,000 in CDBG funds to the Loaves and Fishes-led Consortium to expand urgently-needed City meal delivery services to vulnerable San José residents, including seniors, homeless individuals and families, and disabled residents. Agencies within the Consortium include The Health Trust and Martha's Kitchen. The City's Emergency Operations Center has been charged with the responsibility of leading County-wide food distribution in response to COVID-19. City staff has determined that providing funding to the organizations identified in this memo will help support those efforts.
- Allocate \$2,000,000 in CDBG funds to LifeMoves for emergency hotel/motel vouchers for families. LifeMoves currently operates the City's emergency hotel voucher program for homeless families. On April 7<sup>th</sup>, the City Council directed the Housing Department to identify sources to support homeless families. These funds will be used for homeless families with minor children who need immediate shelter
- Allocate \$519,000 in CDBG funds to the Housing Department for costs related to establishing and operating City emergency shelters in response to COVID-19.

In addition, the COVID crisis has hit the small business community hard. Therefore, staff proposes an additional new commitment from FY 2019-20 CDBG CDI funds:

- Award \$2,500,000 in CDBG funds to the Opportunity Fund, a San José nonprofit lender specializing in small business lending, to provide low-interest loans to San José microenterprises. The purpose of the program will be to provide small loans (typically \$5,000 to \$30,000) to help local businesses cope with the COVID economic downturn by providing funds needed for working capital and business restarting costs that will result in low-income jobs being retained and/or created. Qualifying businesses must be in San José, typically be owned by low-income owners, and have five or fewer full-time employees.

The current year's CDBG funds came from three sources:

- The 2019-20 Annual Action Plan awarded \$500,000 of CDBG funds to the San José Housing Rights Consortium for legal services for low-income tenants and landlords. However, recent staffing changes within the Consortium did not give it enough time to expend \$125,000 of the funds within FY 2019-20. As a result, by reallocating the funds, the City will be able to redirect more funding to meet the COVID-19 pandemic. Staff recommends that the funds be used to partially fund meal delivery services, as described above.
- The 2019-20 Annual Action Plan awarded \$1,100,000 of CDBG funds to the Planning, Building, and Code Enforcement Department for enhanced code inspection services. However, because of Code Inspector staff vacancies, Code Enforcement is unable to expend \$400,000 of funds within FY 2019-20. As a result, the funds need to be

reallocated. Staff is recommending that the funds be applied to a related use – to improve properties’ physical conditions – by awarding these funds to Rebuilding Together Silicon Valley to provide emergency and minor repair services for low-income homeowners.

- The 2019-20 Annual Action Plan had allocated more than \$6 million for infrastructure and building rehabilitation projects that had not yet moved forward. Most of these funds are being redirected towards the COVID-related uses identified in this memorandum.

### *CARES ACT Funding*

The City’s supplemental allocations for CDBG, ESG, and HOPWA via the CARES Act are allowed to be programmed into the FY 2019-20 Annual Action Plan so that funds can be deployed quickly. The following tables define the supplemental amounts the City has been awarded through the CARES Act, and the amounts available for programming after the City’s administrative costs are taken into account.

To respond to the COVID-19 emergency, the Housing Department has focused much of its efforts thus far in setting up emergency shelters throughout San José. These shelters allow homeless individuals and families to shelter-in-place and to prevent the spread of COVID-19. Currently, staff has set up large-scale shelters at Parkside Hall and the Convention Center’s South Hall, which are both open. The Camden Community Center is being set up as a shelter to support families and is scheduled to open up the week of April 20<sup>th</sup>. The Bascom Community Center moved to a 24/7 operations on April 16<sup>th</sup> to allow shelter guests to comply with the shelter in place order. All of the shelters are accepting clients by referral only.

Shelter improvements, shelter operations, and provision of hotel/motel vouchers are all eligible costs under CDBG. These uses are being allocated \$4,210,732 in supplemental CDBG funding. HUD allows 20% of the supplemental funding to be allocated to cover administrative costs (\$1,052,682). Both allocations are outlined in Table 1.

**Table 1 – Fiscal Year 2019-20 CDBG-CARES Supplemental Funding**

<b>FY 2019-20 CDBG-CARES Supplemental Funding</b>	
Administration (includes City grant administrative costs)	\$1,052,682
Public Services and Community Development Improvements – Emergency Shelter Improvements, Operations & Hotel/Motel Vouchers	\$4,210,732
<b>Total FY 2019-20 CDBG Supplemental Funds</b>	<b>\$5,263,414</b>

HUD has issued supplemental HOPWA funding to support current clients being served as outlined in the City's current FY 2019-20 Annual Action Plan. The supplemental funding will allocate \$188,657 to support clients facing increasing rents due to loss of income along with other supportive services. HUD allows 10% of the supplemental HOPWA funding to be allocated to Housing Department administration (\$20,961), which is necessary for staff to oversee the grant. Both allocations are outlined in Table 2.

**Table 2 – Fiscal Year 2019-20 HOPWA-CARES Supplemental Funding**

<b>FY 2019-20 HOPWA-CARES Supplemental Funding</b>	
City Administration and Planning	\$20,961
Tenant-based Rental Assistance & Supportive Services – The Health Trust	\$188,657
<b>Total FY 2019-20 HOPWA Supplemental Funding</b>	<b>\$209,618</b>

ESG funding can be used to fund eligible categories that include Emergency Shelter, Homeless Outreach, Homelessness Prevention, Rapid Rehousing, and Homeless Management Information System. Shelter operations and homelessness prevention are both uses that need additional funding. ESG supplemental funding of \$2,415,132 will be allocated toward those efforts. HUD allows 10% of the supplemental ESG funding to be allocated to cover administrative costs (\$268,347). Both allocations are outlined in Table 3.

**Table 3 – Fiscal Year 2019-20 ESG-CARES Supplemental Funding**

<b>FY 2019-20 ESG-CARES Supplemental Funding</b>	
Administration	\$268,347
Emergency Shelter & Homelessness Prevention	\$2,415,132
<b>Total FY 2019-20 ESG Supplemental Funding</b>	<b>\$2,683,479</b>

### **Process of Determining Reallocation and Awarding of Funds**

To determine the shifting of CDBG funds to use for City meal services, low-income job retention and/or creation, emergency hotel/motel vouchers, shelters, and emergency and minor repair services, staff examined the following: 1) other eligible uses within the same CDBG category; 2) the merits of alternative activities; 3) whether an existing contract exists to expend funds quickly; 4) whether an awardee had capacity to spend additional funds quickly; and 5) whether the City and its partners could identify emergency solutions to help cope with COVID-19 conditions.

As the lead of the County's COVID-19 meal distribution services, the City has been looking to leverage the strengths of additional community partners, funding, and volunteers to ensure that the needs of low-income seniors, families, disabled, and homeless residents are addressed. The Housing Department partnered with the Parks, Recreation, and Neighborhood Services Department (PRNS) and the Silicon Valley Council of Nonprofits (SVCN) to determine how CDBG funds could best be used throughout the City for meal delivery services. PRNS determined the populations in need of meal delivery services that could be assisted with CDBG funding, and SVCN assembled a consortium of agencies lead by Loaves and Fishes to provide the services. Because Loaves and Fishes is not an existing CDBG subgrantee, but has the capacity and expertise to operate the consortium, the Housing Department selected them without a competitive process.

The rationale for awarding to the Consortium members without a competitive process is as follows. Food distribution is needed urgently due to the COVID-19 crisis for the vulnerable populations being targeted. SVCN, the main nonprofit membership organization serving San José, assessed capacity and track record of the nonprofits already serving food needs in San José. PRNS has determined that an agreement with this Consortium serving these subpopulations is of benefit to the City's food services. Speed in determining a food delivery mechanism was critical, so that funds could be disbursed in April in order to meet both the needs of the community as well as the HUD deadline for CDBG expenditures. 24 CFR Section 85.36(d)(4) allows for non-competitive proposals, including sole source award, for the use of CDBG funds if there is a public exigency or emergency. Due to the COVID-19 emergency and the critical needs of the community, there exists a public exigency or emergency warranting sole-sourcing this vital service. Therefore, the funding source did not require a competitive process, and the federal government issued waivers of other rules so that jurisdictions could use funds as quickly as possible. For these reasons, a sole source contract is appropriate for the Loaves and Fishes Consortium.

The City's Office of Economic Development approached the Housing Department concerning the use of CDBG funds for loans to small businesses that were suffering due to the COVID crisis. The Housing Department identified \$2.5 million of CDBG funds it could redirect to assist microenterprises to cope with the COVID economic downturn. These businesses are the most underserved by traditional capital, and need funds for working capital to pay bills such as rent, utilities, supplies, and payroll. As the City starts to transition to COVID recovery, business owners will also need to fund business restarting costs, such as purchase of new perishable supplies and additional working capital to pay ongoing expenses. Per CDBG rules, the contract will focus on low-income jobs being retained and/or created. Because the Department utilizes CDBG CDI funds for this activity, a subrecipient agreement can be executed with the Opportunity Fund to administer the loan program despite not being an original CDBG subgrantee. A subrecipient agreement, in which the grantee takes on many responsibilities that the City typically would in ensuring funds are used properly, will allow the Opportunity Fund to carry out the loan program on behalf of the Department. City staff will monitor the subrecipient's adherence to procedures and performance under the program.

Establishing a subrecipient agreement under CDBG regulations does not require a competitive process be conducted. The Opportunity Fund is an ideal partner for this work, as it is based in San José but has a national presence, specializes in serving underserved micro business borrowers, and is part of the Accion Network, a network of community lenders focused on serving a diverse set of small entrepreneurs through provision of technical assistance and best practices financial assistance.

With homeless families struggling to find safe options to shelter-in-place and prevent the spread of COVID-19, the Housing Department identified \$2,000,000 of CDBG funds to redirect toward emergency hotel vouchers consistent with the City Council direction. Families will be able to use these vouchers for up to three months as the need for shelter-in-place and preventing the spread of COVID-19 continues. LifeMoves has as an existing contract to operate the City's Motel Voucher Program and has capacity to take on the additional funding and to increase its services.

Finally, the emergency and minor repair program is an essential services program utilized by low-income homeowners, of which a large percentage are seniors and low-income families with children. Enabling low-income households to stay in their homes during this pandemic allows them to continue safely shelter away from other households, reducing the likelihood of virus transmission. Currently, there are two agencies that receive CDBG funding for emergency and minor repair services, and both were asked if they had capacity to take on the additional funding and provide additional services. Rebuilding Together Silicon Valley responded affirmatively. Rebuilding Together has an existing award of \$1,100,000 in CDBG CDI funding under the FY 2019-10 Annual Action Plan.

All authorized contracts responding to impacts of COVID-19 will be retroactive to the first day of shelter-in-place, March 16, 2020, as ordered by Santa Clara County's Health Officer.

### **Substantial Amendments are Required**

The proposed changes to the City's FY 2015-20 Consolidated Plan and FY 2019-20 Annual Action Plan qualifies as Substantial Amendments because it meets all three criteria:

- Increases or decreases by the greater of \$100,000 or a 25% change in the amount allocated to a category of funding or
- Makes a significant change to an activity's proposed beneficiaries or persons served, or
- Funds a new activity not previously described in the Consolidated and/or Action Plan.

The changes to the FY 2015-20 Consolidated Plan and FY 2019-20 Action Plan are provided in **Attachment A** and are summarized below.

### **Proposed Changes**

The following change is included in the Substantial Amendment draft on Attachment A page 1 :

#### *Job Retention (CDBG)*

Addition of Job Retention as an eligible CDI activity in the 2015-20 Consolidated Plan and 2019-20 Annual Action Plan.

The allocation of \$2,500,000 in CDBG CDI funding to the Opportunity Fund is expected to provide an estimated 150 low-income business owners with low-interest loans and technical assistance, which will provide goods and services to the community and will retain and/or create approximately 250 full-time equivalent jobs. (These outcomes reflect only the funds' first usage, and would be multiplied assuming the funds are put into a revolving loan fund with loan repayments recycled and lent again to new borrowers several times over.)

#### *Meal Delivery Services*

The meal delivery services will be conducted in coordination with the City's emergency food distribution team to ensure the successful delivery of meals to our most vulnerable residents. Seniors, disabled residents, homeless residents, low-income individuals, and low-income families will be served by food services through CDBG funds.

The award of \$1,200,000 in CDBG funding to the Loaves and Fishes Consortium will provide 180,500 meal delivery services to an additional 77,750 people that cannot access food during the COVID-19 shelter-in-place.

#### *Emergency and Minor Repair Program*

The additional \$400,000 in CDBG funding is expected to provide home minor repair services to an additional estimated 30 low-income households through Rebuilding Together Silicon Valley.

#### *Homeless Services/Shelter Operations*

The \$519,000 in additional CDBG funding will allow the City to be reimbursed for costs incurred for operations of emergency shelters established in response to COVID-19.

The additional \$4,210,732 in CDBG-CARES funding will allow the City to pay for emergency shelter improvements and operations costs as well as hotel/motel vouchers for vulnerable populations, as the need for shelter-in-place and preventing the spread of COVID-19 continues.

The additional \$2,246,073 in ESG-CARES funding will provide emergency shelter operations, hotel/motel vouchers for vulnerable populations, and homelessness prevention for vulnerable populations in light of the COVID-19 emergency.

*Emergency Hotel/Motel Vouchers*

The additional \$2,000,000 in CDBG will provide homeless families, with a minor child, with safe and healthy shelter to meet the County stay at home order. (The number of families to be assisted is to be determined, as it is significantly dependent on the length of the stay at home order.)

*Tenant-Based Rental Assistance and Supportive Services for Persons Living with HIV/AIDS*

The additional \$188,657 in HOPWA-CARES funding will support housing and services needs for persons living with HIV/AIDS that are affected by COVID-19 under The Health Trust's contract.

**CONCLUSION**

Changes to the FY 2015-2020 Consolidated Plan and FY 2019-20 Annual Action Plan are reallocating \$6,219,000 in CDBG funding in response to COVID-19 emergencies, programming \$8,156,511 in supplemental CARES Act federal funding, and reprogramming awarded but unused \$125,000 in CDBG public services and \$400,000 in CDBG CDI services. To ensure that the City can meet the needs of its residents, staff is recommending to award a sole source contract of \$1,200,000 to the Loaves and Fishes Consortium to expand meal delivery services throughout the City, to award \$2,500,000 to the Opportunity Fund to provide low-interest loans to microenterprises to survive and rebuild after COVID, \$2,000,000 to LifeMoves to provide emergency hotel/motel rooms for homeless families, and to increase funding to Rebuilding Together Silicon Valley to provide additional emergency and minor repair services to low-income homeowners to allow them to remain in their homes. The new supplemental federal funds will be used for emergency shelter improvements and operations, provision of hotel/motel vouchers for homeless families and vulnerable individuals, homelessness prevention, and supporting housing and services needs for persons living with HIV/AIDS.

*Additional Funding for Families*

The Housing Department will continue to identify the needs and additional funding sources for homeless families including survivors of Domestic Violence. Staff met with the McKinney-Vento County staff to identify services gaps as a result of COVID-19. The health crisis has exacerbated existing conditions for homeless children and their families. The leadership at the County reports that homeless youth are struggling with online school classes, as library closures mean they lack computer access, secure storage for laptops, hotspots for portable broadband access, power sources, and safe spaces to attend online classes and do homework. Families continue to be challenged with adequate transportation support given bus route cutbacks, affordable childcare, and flexible hour access to shelters. They anticipate more need for food and clothing as the shelter in place order continues. Housing staff has also held conversations with Domestic Violence services providers to identify their needs. The City and County of Santa Clara are working together to come up with a plan that will meet the needs of these youth and

their families' specific housing challenges. If additional funding is needed, staff will return to the City Council with a funding proposal.

### **EVALUATION AND FOLLOW-UP**

After the City Council public hearing, staff will submit the Substantial Amendments and the record of public comments to HUD for approval. In fall 2020, staff will return to the City Council with the Consolidated Annual Performance Evaluation Report (CAPER) that reports on performance of federally funded programs and projects included in the 2019-2020 Annual Action Plan.

### **CLIMATE SMART SAN JOSE**

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

### **PUBLIC OUTREACH**

This memorandum has been posted on the City's website for approval by the City Council on April 21, 2020.

### **COORDINATION**

The preparation of this memorandum was coordinated with the Office of Economic Development, the Emergency Operations Center's Food & Necessities Distribution Branch, and the City Attorney's Office.

### **COMMISSION RECOMMENDATION/INPUT**

HUD's recent waiver of regulatory processes in light of the COVID-19 emergency, and the City's cancellation of Commission meetings, has prevented the City from holding a public hearing on this item at the Housing and Community Development Commission. However, per HUD's guidance, the Housing Department used reasonable notice and the opportunity to comment on the Substantial Amendments by advertising the availability of the proposed amendments on its website five days prior to the hearing, sending a notice by email to its general distribution list and to its Housing and Community Development Commissioners, and posting the opportunity to comment on its social media accounts. An email address is provided on the notice where comments can be submitted. In addition, comments will be accepted prior to the hearing via a link on the City Council's agenda webpage as well as by e-mail to the City Clerk ([city.clerk@sanjoseca.gov](mailto:city.clerk@sanjoseca.gov)) by 12:00 p.m. the day of the hearing. The community will also have

the opportunity to comment virtually at the public hearing held by the City Council on April 21, 2020.

### **FISCAL/POLICY ALIGNMENT**

The new activity identified in these Substantial Amendments to the fiscal year 2015-20 HUD Consolidated Plan and fiscal year 2019-20 Annual Action Plan is consistent with the priorities established in the City Council-approved fiscal year 2015-20 HUD Consolidated Plan.

### **COST SUMMARY/IMPLICATIONS**

The actions recommended in this memorandum will recognize and appropriate: a \$5,263,414 CARES Act grant in the Community Development Block Grant Fund from the federal government; and, \$2,683,479 CARES Act grant in the Emergency Shelter Grant program and \$209,618 CARES Act grant in the Housing People with AIDS (HOPWA) program in the Multi-Source Housing Fund from the federal government.

The recommended actions in this memorandum will reallocate CDI funds in the Community Development Block Grant Program Fund (Fund 441) from Neighborhood Infrastructure Improvements and Code Enforcement Operations to the Rebuilding Together Silicon Valley emergency and minor repair projects for single family homes (\$400,000), to emergency job creation and retention funding to microenterprises administered by the Opportunity Fund (\$2,500,000), to emergency hotel/motel vouchers for families to LifeMoves (\$2,000,000), and to City meal services by Loaves and Fishes (\$1,200,000).

Making these changes and disbursing funds under the Loaves and Fishes contract will enable the City to meet a federal deadline at the end of April 2020 concerning the timely expenditure of CDBG funds. The changes will enable the Housing Department to make available CDBG funds for COVID-19 response to be used to deliver food to vulnerable residents and to help microenterprises survive and restart operations. These changes will also enable the March 2020 CARES Act funds to be incorporated into the Annual Action Plan to permit their immediate use.

**BUDGET REFERENCE**

The table below identifies the funds and appropriations proposed to fund the actions recommended as part of this memorandum.

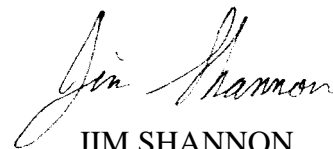
Fund #	Appn #	Appn. Name	Total Appn.	Rec. Budget Action	2019-2020 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
441	R110	Revenue from Federal Government	\$8,856,601	\$5,263,414	X-16	06/18/19 Ord. 79162
441	7482	Neighborhood Infrastructure Improvements	\$6,665,000	(\$5,695,926)	X-16	10/22/19 Ord. 30325
441	3281	Code Enforcement Operations	\$1,102,037	(\$404,074)	X-16	06/18/19 Ord. 30286
441	3610	Housing Emergency and Minor Repair Program	\$1,650,000	\$400,000	X-16	06/18/19 Ord. 30286
441	New	CARES Act	\$0	5,263,414	N/A	N/A
441	New	City Food Services	\$0	\$1,200,000	N/A	N/A
441	New	Emergency Housing Vouchers	\$0	\$2,000,000	N/A	N/A
441	New	Microenterprise Loans	\$0	\$2,500,000	N/A	N/A
448	R110	Revenue from Federal Government	\$4,572,988	\$2,893,097	X-70	03/03/20 Ord. 79423
448	New	CARES Emergency Shelter Grants	\$0	\$2,683,479	N/A	N/A
448	New	CARES HOPWA Grants	\$0	\$209,618	N/A	N/A

**CEQA**

Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.

/s/

JACKY MORALES-FERRAND  
Director of Housing



JIM SHANNON  
Budget Director

HONORABLE MAYOR AND CITY COUNCIL

April 20, 2020

**Subject: Substantial Amendments to the FY 2015-20 Consolidated Plan and 2019-20 Annual Action Plan**

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I hereby certify that there will be available for appropriation in the designated funds and in the amounts as listed below in fiscal year 2019-2020 monies in excess of those heretofore appropriated therefrom:

Community Development Block Grant Fund	\$5,263,414
Multi-Source Housing Fund	\$2,893,097



JIM SHANNON  
Budget Director

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

Attachment A: Substantial Amendment to the FY 2015-20 Consolidated Plan and FY 2019-20 Annual Action Plan

# **ATTACHMENT A**

## **City of San José Substantial Amendments to the 2015-20 Consolidated Plan and 2019-20 Annual Action Plan**

The following is a summary and draft language that amends the 2015-20 Consolidated Plan and 2019-20 Annual Action Plan.

### **Background**

The City of San José's federal Consolidated Plan details the funding strategy for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnership, and Housing Opportunities for Persons with AIDS (HOPWA) for the period between 2015 and 2020. The Annual Action Plan details each year within the 5-year Consolidated Plan and outlines the implementation of annual funding, which is developed through significant public input, analyses, and planning.

The City's Citizen Participation Plan (CPP) describes the efforts that the City will take to encourage its residents to participate in developing these plans. It also provides requirements for public process when a "substantial amendment" to the Annual Action Plan is proposed. The following changes constitute a substantial amendment and require public notice as described in the CPP:

- Increases or decreases by the greater of \$100,000 or a 25% change in the amount allocated to a category of funding
- A significant change to an activity's proposed beneficiaries or persons served
- Funding of a new activity not previously described in the Action Plan.

However, due to COVID-19, the United States Department of Housing and Urban Development (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.

Additionally, HUD has awarded supplemental funding through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) that requires programming in the 2019-20 Annual Action Plan.

### **Proposed Substantial Amendments**

The City is proposing the following amendment to the 2015-20 Consolidated Plan in order to add an eligible activity that was not previously identified:

1. Add Job Retention as an eligible activity under the Community Development Block Grant (CDBG) Community Development Investment (CDI) category;

The City is proposing the following amendment to the 2019-2020 Annual Action Plan in order to reallocate current program funds from projects/activities that did not expend the

projected funds within the fiscal year, as well as supplemental funding established by the CARES Act.

2. Add Job Retention as an eligible activity under the Community Development Block Grant (CDBG) Community Development Investment (CDI) category;
3. Allocate CDBG CDI funding for emergency job creation and retention loans to microenterprises in the amount of \$2,500,000 to the Opportunity Fund;
4. Award \$1,200,000 of CDBG Public Services funding for City food services to Loaves and Fishes;
5. Allocate \$2,000,000 of CDBG Public Services category funding for emergency hotel/motel vouchers for families to LifeMoves;
6. Allocate \$519,000 of CDBG CDI funding to fund operations costs for emergency shelters established by the City;
7. Reduce CDBG Public Services category funding to the San José Housing Rights Consortium (Consortium) to provide Legal Services for Low-income Tenants by \$125,000, from \$500,000 to \$375,000;
8. Increase CDBG CDI funding to Rebuilding Together Silicon Valley to provide the Emergency and Minor Repair Program for single family homes by \$400,000, from \$1,650,000 to \$2,050,000;
9. Reduce CDBG CDI funding for Code Enforcement to provide enhanced code enforcement services by \$404,074, from \$1,102,037 to \$697,693;
10. Program and authorize \$5,263,414 in CDBG funding made available by the Coronavirus Aid, Relief, and Economic Security Act (CARES) to provide emergency shelter costs, hotel/motel vouchers, and COVID-related staffing costs;
11. Program and authorize \$2,683,479 in Emergency Solutions Grant (ESG) funding made available by the CARES Act to provide emergency shelter costs, rapid rehousing services including hotel/motel vouchers, homelessness prevention services, and COVID-related staffing costs; and
12. Program and authorize \$209,618 in Housing Opportunities for Persons with AIDS (HOPWA) funding made available by the CARES Act to the Health Trust to provide additional housing assistance to people living with HIV/AIDS.

### **Analysis**

This proposal qualifies as a substantial amendment because it meets all three criteria:

- Increases or decreases by the greater of \$100,000 or a 25% change in the amount allocated to a category of funding
- A significant change to an activity's proposed beneficiaries or persons served
- Funding of a new activity not previously described in the Action Plan.

Changes to the 2019-20 Annual Action Plan are primarily a result of:

1. The reprogramming of \$525,000 of CDBG funds that were not expended.

2. The reallocation of \$6,219,000 of FY 19-20 CDBG Funds from the acquisition and rehabilitation category.
3. Programming \$5,263,414 in CDBG funding made available by the CARES Act.
4. Programming \$2,683,479 in Emergency Solutions Grant (ESG) funding made available by the CARES Act.
5. Programming \$209,618 in Housing Opportunities for Persons with AIDS (HOPWA) funding made available by the CARES Act.

### **Public Process**

The City of San José is providing notice of a five-day public comment period as part of the HUD public participation exemption process. Additionally, one public hearing will be held to provide opportunities for public comment:

- April 21, 2020 - City Council consideration of Substantial Amendments adoption, 1:30pm, Virtual Meeting, which can be found here: <https://www.sanjoseca.gov/news-stories/watch-a-meeting>
- (Please review Council Meeting [agenda](#) when available to confirm item number)

You can also view the documents on our [website](#).

Comments may also be provided to Robert Lopez by email ([Robert.Lopez@sanjoseca.gov](mailto:Robert.Lopez@sanjoseca.gov)), phone (408-975-4402), or in writing addressed to:

City of San José Housing Department  
200 E. Santa Clara Street, 12<sup>th</sup> Floor  
ATTN: Grants Management  
San José, CA 95113

1. On page 48 of the approved 2019-2020 Annual Action Plan, amend the estimated CDBG, ESG, and HOPWA Activities in section AP-38 Project Summary, as follows (**additions** or **deletions**):

*AP-38 Projects Summary*  
**Project Summary Information**  
**Table 1 – Project Summary**

	<b>Project Name</b>	<b>Target Area</b>	<b>Needs Addressed</b>	<b>Funding</b>	<b>GOI</b>
1	Senior Services	N/A	• Strengthening Neighborhoods	CDBG: \$200,000	200 persons assisted
2	Neighborhood Engagement	N/A	• Strengthening Neighborhoods	CDBG: \$200,000	250 persons assisted
3	Legal Services for LI Tenants	N/A	• Strengthening Neighborhoods	CDBG: <del>\$500,000</del> \$375,000	300 persons assisted
4	Job Training for Unhoused Individuals	N/A	• Strengthening Neighborhoods • Homelessness	CDBG: \$500,000	10 Jobs created
5	Place Based Street and Infrastructure Enhancements	N/A	• Strengthening Neighborhoods	CDBG: \$2,410,000	1,000 persons assisted
6	Targeted Code Enforcement	N/A	• Strengthening Neighborhoods	CDBG: <del>\$1,102,037</del> \$697,693	<del>775</del> 700 housing units
7	Minor Home Repair Program	N/A	• Strengthening Neighborhoods	CDBG: <del>\$1,650,000</del> \$2,050,000	<del>300</del> 325 housing units
8	HOPWA – The Health Trust	N/A	• Affordable Housing	HOPWA: \$1,190,410	105 persons assisted
9	HOPWA – San Benito County	N/A	• Affordable Housing	HOPWA: \$50,000	5 persons assisted
10	Rental Housing Development	N/A	• Affordable Housing	HOME: \$10,139,416 CHDO: \$485,872	50 housing units
11	HOME TBRA	N/A	• Homelessness	HOME: \$2,252,235	100 persons assisted
12	Services for Homeless and Unhoused Populations (CDBG)	N/A	• Homelessness	CDBG: \$388,490	160 persons assisted 800 outreach contacts
13	Homeless Services (ESG18 City of San José)	N/A	• Homelessness	ESG: \$757,502	150 persons assisted 700 outreach

					contacts
14	Fair Housing	N/A	• Fair Housing	CDBG: \$318,896 HOME: \$81,104	220 persons assisted
15	Acquisition, rehabilitation, and infrastructure for affordable housing sites and public facilities	N/A	• N/A	CDBG: <del>\$6,720,000</del> <del>\$505</del> <u>501,000</u>	N/A
16	CDBG Administration and Monitoring	N/A	• N/A	CDBG: \$1,632,424	N/A
17	HOME Administration and Monitoring	N/A	• N/A	HOME: \$242,810	N/A
18	HOPWA Administration and Monitoring	N/A	• N/A	HOPWA: \$38,363	N/A
19	City Food Services – COVID-19	N/A	• Strengthening Neighborhoods	CDBG: \$1,200,000	77,580
20	Job Creation and Retention Small Business Loans – COVID-19	N/A	• Strengthening Neighborhoods	CDBG: \$2,500,000	250
21	Emergency Hotel/Motel Vouchers – COVID-19	N/A	• Homelessness	CDBG: \$2,000,000	TBD
22	Emergency Homeless Shelter Operations – COVID-19	N/A	• Homelessness	CDBG: <del>\$545</del> <u>519,000</u>	TBD
23	CDBG-CARES (2019)	N/A	• Homelessness	CDBG: \$4,210,732	TBD
24	ESG- CARES (2019)	N/A	• Homelessness	ESG: \$2,683,479	TBD
25	HOPWA- CARES (2019)	N/A	• Affordable Housing	HOPWA: \$188,657	TBD
26	CDBG- CARES Administration and Monitoring	N/A	• N/A	CDBG: \$1,052,682	N/A
27	HOPWA- CARES Administration and Monitoring	N/A	• N/A	HOPWA: \$20,961	N/A

<b>3</b>	<b>Project Name</b>	Legal Services for LI Tenants and Landlords
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$500,000 <del>\$375,000</del>
	<b>Description</b>	The goal of the Legal Services for LI Tenants is to increase housing stability by providing landlord/tenant counseling, education, referrals, and legal assistance to tenants facing unlawful evictions or other landlord/tenant issues. These services will include additional outreach and education to low income tenants Citywide.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	300 low-income tenants and landlords
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Law Foundation of Silicon Valley - Consortium

<b>6</b>	<b>Project Name</b>	Targeted Code Enforcement
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$1,102,037 <del>\$702,697</del> ,037
	<b>Description</b>	Code Enforcement activities will be conducted in low-income, residential neighborhoods that meet the City's definition of "Deteriorated/Deteriorating Areas". Code Enforcement's focus will be primarily on the inspections of multi-family units.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	<del>775</del> 700 households in place-based neighborhoods
	<b>Location Description</b>	Santee, Mayfair, Five Wounds/Brookwood Terrace, and additional hotspots identified through the Mayor's Gang Prevention Task Force
	<b>Planned Activities</b>	Place-based Code Enforcement

7	<b>Project Name</b>	Minor Home Repair Program
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$1,650,000 <del>\$2,050,000</del>
	<b>Description</b>	<p>This program will repair housing units to address immediate health and safety needs for extremely low-income homeowners in San José. The focus of repairs will address emergency and critical repair needs, as well as accessibility and mobility needs within the home.</p> <p>The program also includes funding for limited rehabilitation to address more substantial safety issues in the home to ensure safe, affordable, decent living environment for the occupants.</p>
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	<del>250</del> 325 extremely low-income homeowners
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Rebuilding Together Habitat for Humanity

15	<b>Project Name</b>	Acquisition, Rehabilitation, and Infrastructure for Affordable Housing Sites and Public Facilities
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Affordable Housing and Strengthen Neighborhoods
	<b>Needs Addressed</b>	Affordable Housing and Strengthen Neighborhoods
	<b>Funding</b>	CDBG: \$6,720,000 <del>\$505,501,000</del>
	<b>Description</b>	CDBG funds will be used to support the acquisition, rehabilitation, and infrastructure for affordable housing sites and public facilities.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	N/A
	<b>Planned Activities</b>	TBD

<b>19</b>	<b>Project Name</b>	City Food Services – COVID-19
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods
	<b>Needs Addressed</b>	Strengthening Neighborhoods
	<b>Funding</b>	CDBG: \$1,200,000
	<b>Description</b>	This project will fund Loaves and Fishes Consortium to prepare and deliver food/meals throughout the City to its most vulnerable populations: homeless, disabled, seniors, and low-income individuals and families.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	77,750 people who are homeless, disabled, seniors, and low-income individuals and families will receive 180,500 meals
	<b>Location Description</b>	Citywide (service locations vary)
	<b>Planned Activities</b>	Loaves and Fishes Consortium (includes The Health Trust Meals on Wheels and Martha's Kitchen)

<b>20</b>	<b>Project Name</b>	Job Creation and Retention Small Business Loans – COVID-19
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Strengthening Neighborhoods and/or Respond to Homelessness and Its Impacts on the Community
	<b>Needs Addressed</b>	Strengthening Neighborhoods and/or Respond to Homelessness and Its Impacts on the Community
	<b>Funding</b>	CDBG: \$2,500,000
	<b>Description</b>	The program will support San José microenterprises (small businesses of 5 or fewer FTEs owned by low-income owner) in the form of low-interest loans for working capital and business restarting to retain and/or create jobs during and after the COVID-19 crisis. The Opportunity Fund will be the subrecipient of CDBG funds and will operate the loan program.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	250 low-income jobs retained and/or created in first round of loans made
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Opportunity Fund – Microenterprise Loans for Job Retention and/or Creation

<b>21</b>	<b>Project Name</b>	Emergency Hotel/Motel Vouchers – COVID-19 (CDBG)
	<b>Target Area</b>	N/A

	<b>Goals Supported</b>	Homelessness
	<b>Needs Addressed</b>	Homelessness
	<b>Funding</b>	CDBG: \$2,000,000
	<b>Description</b>	The City is utilizing CDBG to fund LifeMoves to provide emergency hotel/motel vouchers to homeless individuals and families to prevent the spread of COVID-19.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Homeless individuals and families will be provided with emergency hotel/motel vouchers stays to prevent the spread of COVID-19.
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	LifeMoves – Emergency hotel/motel vouchers

<b>22</b>	<b>Project Name</b>	Emergency Homeless Shelter Operations – COVID-19 (CDBG)
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Homelessness
	<b>Needs Addressed</b>	Homelessness
	<b>Funding</b>	CDBG: \$519,000
	<b>Description</b>	The City will utilize CDBG funds to support Emergency Homeless Shelter Operation and creation to prevent the spread of COVID-19.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	TBD
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Emergency Homeless Shelter Operations and Creation

<b>23</b>	<b>Project Name</b>	CDBG-CARES (2019)
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Homelessness
	<b>Needs Addressed</b>	Homelessness
	<b>Funding</b>	CDBG: \$4,210,732
	<b>Description</b>	The City will utilize CDBG-CARES funds to support Emergency Homeless Shelter costs to prevent the spread of COVID-19.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	TBD

	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Emergency Homeless Shelter Operations and Creation

24	<b>Project Name</b>	ESG-CARES (2019)
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Homelessness
	<b>Needs Addressed</b>	Homelessness
	<b>Funding</b>	ESG: \$2,683,479
	<b>Description</b>	<p>The City will utilize ESG funds to support Emergency Shelter Operation and creation to prevent the spread of COVID-19.</p> <p>The Homeless Prevention program will utilize an integrated approach to provide case management services, deposit/rental assistance, and other eligible services as needed to keep individuals and families from experiencing homelessness due to the COVID-19 emergency.</p> <p>ESG funds will be used to support the administration of the ESG program by the City's Housing Department. Funds may also be used for shelter and rapid rehousing activities.</p> <p><u>ESG Allocations by Component</u>  Homeless Prevention and Shelter: \$2,415,132  Administration: \$268,347 (10%)</p>
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	TBD
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	<ul style="list-style-type: none"> <li>• Homeless Prevention</li> <li>• Emergency Shelter Operations and Creation</li> <li>• Administration</li> <li>• Funds may also be used for rapid rehousing activities.</li> </ul>

25	<b>Project Name</b>	HOPWA –CARES – The Health Trust
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	HOPWA: \$188,657
	<b>Description</b>	<p>The program will provide additional support to clients affected by COVID-19 and can include rent subsidies, permanent housing placement assistance, and supportive services to help low-income residents living with HIV/AIDS secure and maintain housing. Housing placement assistance includes working with an placement specialist and receiving security deposit assistance.</p>

		Supportive services include medical and housing case management and self-sufficiency services.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	90 low-income individuals living with HIV/AIDS
	<b>Location Description</b>	Santa Clara County
	<b>Planned Activities</b>	<ul style="list-style-type: none"> <li>• Supportive Services</li> <li>• TBRA</li> <li>• Permanent Supportive Housing</li> <li>• Administration</li> </ul>

26	<b>Project Name</b>	CDBG-CARES Administration and Monitoring
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	CDBG: \$1,052,682
	<b>Description</b>	A portion of the CDBG-CARES grant allocation will be used for reasonable planning and administrative costs associated with the administration of the CDBG funds and other related federal requirements. Administration funds will support oversight activities of the Housing Department, legal services from the City Attorney's Office, and environmental reviews. Funds may also be used to support the development of COVID-19 response plans.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	200 E. Santa Clara Street San José, CA 95113
	<b>Planned Activities</b>	CDBG Planning and Administration

27	<b>Project Name</b>	HOPWA-CARES Administration and Monitoring
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	N/A
	<b>Needs Addressed</b>	N/A
	<b>Funding</b>	HOPWA: \$20,961
	<b>Description</b>	The City will allocate \$20,961 (approximately 10 percent of the entitlement grant) to administrative costs associated with managing with the HOPWA-CARES grant.
	<b>Target Date</b>	06/30/2020
	<b>Estimate the number</b>	N/A

	<b>and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	200 E. Santa Clara Street San José, CA 95113
	<b>Planned Activities</b>	HOPWA Administration

**- - - - END OF ANNUAL ACTION PLAN AMENDMENT - - - -**