

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A SECOND SUBSTANTIAL AMENDMENT TO THE FY 2015-20 CONSOLIDATED PLAN AND A THIRD SUBSTANTIAL AMENDMENT TO THE CITY'S FY 2019-20 ANNUAL ACTION PLAN AND AUTHORIZING STAFF TO SUBMIT THE SUBSTANTIAL AMENDMENTS TO HUD

WHEREAS, the City of San José (“City”) received \$2,683,479 in the first round (“Round One”) of Emergency Solutions Grant (“ESG”) funds awarded by the U.S. Department of Housing and Urban Development (“HUD”) pursuant to the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act and received \$32,836,839 in the second round of ESG CARES Act funding (“Round Two”); and

WHEREAS, on April 21, 2020, Round One of the City’s ESG CARES Act allocation was recognized and appropriated in the City Council’s approval of the first Substantial Amendment to its FY 2019-20 Annual Action Plan; and

WHEREAS, on August 11, 2020, the City Council approved actions related to federal entitlement funding, including the adoption of the five-year FY 2020-25 Consolidated Plan and the FY 2020-21 Annual Action Plan; and

WHEREAS, the FY 2020-21 Annual Action Plan contained the expenditure plan for the City’s ESG CARES Act Round Two funding of \$32,836,839 and includes enhancing services to unsheltered individuals in encampment, supporting operations of emergency shelters, funding hotel/motel vouchers for non-congregate shelter provision, providing rapid rehousing opportunities for homeless residents, and enhancing hygiene and sanitation in homeless encampments; and

WHEREAS, on August 26, 2020, HUD informed staff that the City's subsequent awards of CARES Act funds must be allocated and programmed in the same Annual Action Plan (FY 2019-20) as the first round allocation of CARES Act HUD funding, regardless of the timing of the receipt or expenditure of the funds; and

WHEREAS, the Third Substantial Amendment to the City's FY 2019-20 Annual Action Plan will move the expenditure plan for \$32,836,839 in ESG CARES Act Round Two funds from the FY 2020-21 Annual Action Plan to the FY 2019-20 Annual Action Plan without any changes to the expenditure plan; and

WHEREAS, hygiene and sanitation services in homeless encampments were not specified as eligible uses of funds in the 2015-20 Consolidated Plan thus staff proposes that these uses be added to the FY 2015-20 Consolidated Plan so that ESG CARES Act Round Two allocation awarded to the City can be spent consistent with the ESG CARES Act Round Two expenditure plan adopted by the City Council on August 11, 2020; and

WHEREAS, ESG CARES Act funds are not subject to the consultation and citizen participation requirements that otherwise apply to the ESG program under 24 CFR 91.100 and 91.105, including the City's Citizen Participation Plan ("CPP") approved by City Council on August 4, 2020; and

WHEREAS, in lieu of complying with the CPP, a public hearing has been conducted and the ESG CARES Round Two allocation expenditure plan is posted to the Housing Department's website at www.sjhousing.org on its FY 2015-20 Consolidated Plans webpage;

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

- (a) A Second Substantial Amendment to the FY 2015-20 Consolidated Plan to add hygiene and sanitation services as eligible uses of ESG funds is hereby approved; and

- (b) A Third Substantial Amendment to the City's FY 2019-20 Annual Action Plan to add the same expenditure plan for ESG CARES Act Round Two allocation as was approved by the City Council on August 11, 2020 in connection with adoption of the City's Final Draft FY 2020-21 Annual Action Plan, and a revision to remove that same ESG CARES Act Round Two expenditure plan from the City's Final Draft FY 2020-21 Annual Action Plan, to satisfy HUD's technical guidance for Substantial Amendments for CARES Act funding is hereby approved; and

- (c) Staff is hereby authorized to submit the Substantial Amendments to HUD.

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ADOPTED this _____ day of _____, 2020, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk