



COUNCIL AGENDA: 10/20/20
FILE: 20-1242
ITEM: 8.1

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jacky Morales-Ferrand
Nanci Klein
Jim Shannon

SUBJECT: SEE BELOW

DATE: October 8, 2020

Approved

Date

10/8/2020

COUNCIL DISTRICT: 3

SUBJECT: RATIFICATION OF APPLICATION FOR AND AUTHORIZATION TO ACCEPT PROJECT HOMEKEY FUNDS FOR THE ACQUISITION OF THE BEST WESTERN SAN JOSE AIRPORT HOTEL LOCATED AT 1488 NORTH FIRST STREET FOR CONVERSION INTO INTERIM OR PERMANENT SUPPORTIVE HOUSING AND AUTHORIZATION FOR ACQUISITION OF THE HOTEL

RECOMMENDATION

(a) Adopt a resolution:

- (1) Ratifying the submission and execution by the City Manager of an application for Project HomeKey funds to the California Department of Housing and Community Development (HCD) in order to address housing needs of individuals and families experiencing homelessness or at risk of experiencing homelessness and who are impacted by the COVID-19 pandemic;
- (2) Authorizing the City Manager to negotiate and execute an HCD Standard Agreement and all other necessary related documents to accept \$10,868,000 in acquisition funding and up to \$1,362,477 in operating subsidy totaling \$12,230,477 from HCD in Project HomeKey funds;
- (3) Authorizing the City Manager to negotiate and execute a Purchase and Sale Agreement with San Jose Hospitality, Inc., for the purchase by the City of San José Housing Department of the Sure Stay Best Western San José Airport Hotel located at 1488 North 1st Street for a price of \$14,136,000; and

- (4) Authorizing the Director of Housing to negotiate and execute a Property Management Agreement with San Jose Hospitality, Inc., for the purposes of providing property management services to the Best Western San José Airport Hotel upon acquisition for the duration 120 days in the amount of \$400,000.
- (b) Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the Multi-Source Housing Fund:
 - (1) Establish an estimate for Revenue from State of California in the amount of \$12,230,477;
 - (2) Decrease the Ending Fund Balance by \$400,000; and
 - (3) Establish a Project HomeKey appropriation to the Housing Department in the amount of \$12,630,477.

OUTCOME

Approval will authorize the City of San José (“City”) to apply for, accept and receive \$12,230,477 in funds from the California Department of Housing and Community Development’s (“HCD”) HomeKey Program (“HomeKey”) through their Notice of Funding Availability (“NOFA”). The HomeKey award proceeds will fund the purchase of a 76-unit hotel located at 1488 North 1st Street and support the operations of the facility to serve extremely low income individuals and families.

BACKGROUND

Impacts of COVID-19

The World Health Organization, State of California, and Santa Clara County recognized that COVID-19 virus is a life-threatening pandemic, and have issued public health declarations since January 2020. As a result of the public health declarations, including shelter in place and allowing only essential services, residents impacted by COVID-19 have faced financial challenges to afford rent due to layoffs and unemployment. A summary of public health declarations issued at the beginning of the pandemic includes:

- On January 30, 2020, the World Health Organization declared COVID-19 a Public Health Emergency of International concern.
- On January 31, 2020, the United States Secretary of Health and Human Services declared a Public Health Emergency.
- On February 10, 2020, the Santa Clara County announced a local health emergency due to the spread of the novel coronavirus.

- On March 11, 2020, the World Health Organization declared the coronavirus outbreak a pandemic.
- On March 16, 2020, the County of Santa Clara issued a shelter in place order directing all individuals to shelter in their place of residence unless they must obtain or perform vital services. All businesses, except essential businesses, are required to cease all activities at facilities located within the County. The order is effective on March 17, 2020 and will remain in place until April 7, 2020.
- On March 19, 2020, Governor Newsom issued Executive Order N-33-20, requiring all Californians to stay home, subject to certain limited exemptions.

As social distancing and adhering to shelter-in-place orders have been successful, public health orders have been revised based on the increase or decrease in cases. Most recently on August 28, 2020, the State released its [Blueprint for a Safer Economy](#), which created a tiered system of COVID-19 restrictions that all counties in California must follow. Santa Clara County is currently in Tier Two (Red), which allows for additional provisions including all personal care services to operate outdoors and retail businesses may increase capacity.¹ The most restrictive rules apply to Tier One, and the least restrictive rules apply to Tier Four.

As of September 21, 2020, Santa Clara County has confirmed 20,410 cases of persons with the virus and 296 deaths due to the virus. Across California, the Department of Public Health reported more than 778,400 positive cases and more than 14,987 deaths.²

Measures to mitigate the consequences of a subsequent waves of the virus will require the City of San José to continue to monitor the progress of COVID-19 in coordination with the County of Santa Clara. While businesses are reopening, many cannot operate at full capacity due to the social distancing restrictions. Ultimately, the shelter in place orders will continue to impact businesses and economic recovery across our region, state, and country.

Project Roomkey: Emergency Housing for Immediate Protection

The State of California acted quickly to protect public health and safety as they responded to the rare coronavirus ("COVID-19") and engaged every level of government to prepare for and respond to the spread of the virus. In response, the California Department of Social Services launched a locally driven, State supported Project RoomKey initiative, created to provide emergency housing in hotels/motels/and trailers for sick and medically vulnerable individuals experiencing homelessness in response to COVID 19. On March 18, 2020 the Governor announced a significant investment to support this urgent need. This investment included:

- \$100 million directly to local governments and Continuums of Care for shelter support and emergency housing to address COVID-19 among the homeless population, administered by the Business, Consumer Services and Housing Agency; and

¹<https://www.sccgov.org/sites/covid19/Pages/public-health-orders.aspx>

²<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Immunization/ncov2019.aspx>

- \$50 million available to establish occupancy agreements to secure rooms in hotels, motels, and other facilities including trailers, administered by the California Department of Social Services.

The goal of this effort was to provide non-congregate shelter options for people experiencing homelessness, to protect human life, and minimize strain on health care system capacity. The majority of Project RoomKey expenditures are federally reimbursable under FEMA, for both hotel/motel room occupancy agreements and operating services, at 75 percent federal share of cost.

The County has been an active participant in a program similar to Project RoomKey and is currently leasing 12 hotels for this purpose – ten for temporary shelter for vulnerable homeless households and two for people who require isolation (are COVID positive or person under investigation). The County is funding it locally and will request reimbursement from FEMA for up to 75% of expenses to cover the cost of the motel room.

HomeKey Program: Phase II

On June 16, 2020 HCD announced the availability of approximately \$600 million of HomeKey grant funding through their NOFA. As a result of the successful Project RoomKey implementation, HomeKey is considered a Phase II statewide effort to quickly maintain and expand housing opportunities for individuals or families experiencing homelessness or at risk of homelessness and for those impacted by COVID-19.

Of the \$600 million in HomeKey funding, \$550 million is derived from the state's direct allocation of the federal Coronavirus Relief Fund (CRF) and \$50 million is state General Fund. The \$50 million in state General Fund money is intended to provide operating subsidies for the proposed developments. Projects receiving an award from the state's direct allocation of the federal CRF must expend the funds by December 30, 2020. The portion of a Project's award associated with state General Fund must be expended by June 30, 2022. Depending on the funding award, the successful applicant must close escrow by the expenditure deadline.

State HCD Grant funding was made available to local public entities, including cities, counties, or other local public entities, including housing authorities, or federally recognized tribal governments within California to purchase and rehabilitate housing, including hotels, motels, vacant apartment buildings, and other buildings and convert them into interim or permanent, long-term housing. The State's NOFA funding criteria was directly tied to an applicant's ability to demonstrate project readiness. Project readiness was defined by two main objectives 1) Ability to demonstrate site control faster than other competing applicants, 2) Ability to house individuals or families experiencing homelessness thirty days post acquisition. In early August, the City Manager authorized the Director of Housing to submit an application for the HomeKey program. Such authorization by the City Manager requires City Council approval and ratification per the limited contracting authority granted under Section 4.04.020 of the San José Municipal Code. On August 10, 2020, the Housing Department successfully submitted its application to HCD for HomeKey funding.

On September 14, 2020, the State announced its first round of notifications and awarded \$76,468,549 in funding to seven jurisdictions for 10 projects creating 579 new units for individuals and families experiencing homelessness. The City of San José was notified that its project was one of the ten awardees and has secured a reservation of \$12,230,477 in HomeKey funding commitment – (\$10,868,000 in Acquisition and \$1,362,477 in Operating Subsidy). The State received 138 applications requesting more than \$1 billion, far more money than the \$600 million made available for HomeKey. Additional awards are expected weekly until all \$600 million has been awarded.

Maximum Grant Amounts (Acquisition & Operating Subsidy):

The State's \$600 million in grant funds is split up in two separate sources of funds and activities. Of the \$600 million, \$550 million in federal Coronavirus Relief Funds (CRF) are dedicated for the acquisition of housing opportunities (this included hotels and motels) and \$50 million in state General Fund (GF) money is intended to supplement the acquisition of, and provide initial operating subsidies for, HomeKey sites to promote project feasibility.

1) Acquisition:

For acquisition projects, the HomeKey grant included guidelines stating the grant would generally fund up to \$100,000 per motel room ("per door"), as supported by an appraisal. However, to offset acquisition opportunities that may have higher per door appraised value in certain high cost areas, the grant allows for financial support to projects up to \$200,000 per door. Maximum per door contribution can be applied as follows:

HomeKey Acquisition Matching Table		
HomeKey	Eligible Applicant Contribution	Total Per Door
First \$100,000	No Match Required	\$100,000
Next \$50,000	1:1 Match, Up to \$50,000	\$200,000
Next \$50,000	2:1 Match, Up to \$100,000	\$350,000

2) Operating Subsidy:

In addition to acquisition proceeds, the state is offering a \$1,000 per motel room for up to 24 months in operating subsidy.

The Department of Housing HomeKey Application:

The Housing's Department submitted its application for an award of both types of funding sources to 1) Purchase the Best Western San José Airport Hotel, and 2) Financially support the operations of the hotel.

Subject to HomeKey grant guidelines, the Housing Department applied for the maximum allowance of HomeKey funds to purchase the 76-unit hotel at the purchase price of \$14,136,000 and to support the operations of the facility. The matching requirements are as follows:

1) Acquisition (76 unit hotel in the amount of \$14,136,000)

First \$100,000 – No Match Required.

HomeKey funds the first \$100,000 per door (\$100,000 times 76 units), or \$7,600,000 leaving \$6,536,000 to be one-to-one matched between the City and HomeKey.

Next 1:1 Match Requirement, Up to \$50,000

HomeKey funds require a 1:1 ratio in the next stage of funding requirements. As a result, the City is required to match \$3,268,000 to HomeKey's \$3,268,000 to gap finance the remaining \$6,536,000 needed to acquire the hotel.

Next \$50,000: 2:1, Up to \$100,000

This next stage in funding opportunity is not applicable to the City's application. The purchase price expense was satisfied by the first two tiered funding contributions by both HomeKey and City funding commitments.

HomeKey & City Matching Table				
HomeKey	Matching Amount	HCD Contribution	City Contribution	Total Contribution
First \$100,000	76 units x \$100,000	\$7,600,000	\$0	\$7,600,000
Next \$50,000	1:1, Up to \$50,000	\$3,268,000	\$3,268,000	\$6,536,000
Total Contribution		\$10,868,000	\$3,268,000	\$14,136,000

2) Operating Subsidy:

The Housing Department applied for the maximum operating subsidy allowed: \$1,000 x 76 units x 24 months = \$1,824,000. However, based on state underwriting analysis of all operating sources such as HCD's operating subsidy, future tenant's portion of rent obligation and other sources, it was determined that the City qualified for \$1,362,477 in operating subsidy.

California Environmental Quality Act (CEQA) Streamline Approval Process:

The technical advisory board managed by the Governor's Office of Planning and Research provided a list of statutes and regulations related to the CEQA review of affordable housing, supportive housing, transition housing, or in temporary shelters. As it relates to the Health & Safety Code, Section 50678.1.2, HomeKey, CEQA does not apply to a project funded by this funding opportunity as evidenced in Health & Safety Code Section 50675.1.2 if the City submits an application before April 30, 2021. This unique exemption will be repealed on July 1, 2021.

ANALYSIS

On March 4, 2020, California Governor Gavin Newsom declared a State of Emergency to make additional resources available to state and local entities, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for the broader spread of COVID-19. Subsequent actions taken by the State included sending FEMA trailers to local jurisdictions. The City and County have defined high risk as either older adults (50+) with three or more underlying health conditions or adults with three more severe underlying health conditions.

Existing Temporary Shelter Capacity

A coordinated and comprehensive shelter plan to protect people experiencing homelessness was immediately developed by the City and its partners, including the County Office of Supportive Housing, Destination: Home, Valley Homeless Healthcare Program, County Public Health Department, and the CDC, and included the expansion of temporary housing and shelter capacity. In accordance with the dynamic nature of the pandemic, the plan is flexibly designed and evolves in response to local circumstances and the needs of different populations. Over 450 temporary shelter beds were added at various locations, hours of operation were expanded at 10 shelters, safe parking sites, and overnight warming locations, and bed capacity is being used at an existing Bridge Housing Community, Plaza Hotel, and Casa de Novo.

Presumed Exposed and Vulnerable Populations

The County is leading the effort to master lease hotels and motels to temporarily house at-risk individuals (vulnerable adults who have three or more underlying health conditions) and those who need isolation or quarantine. This includes homeless individuals that have tested positive for the COVID-19 virus and require isolation. COVID-19 positive people are sheltered at an identified motel with appropriate medical and support services. Over 600 motel/hotel rooms have been reserved across seven cities in the County. The SureStay Motel is one of the motels selected by the County to house vulnerable adults.

The Housing Department has been actively seeking acquisition opportunities of hotel/motels for permanent housing and access to HCD HomeKey funds is critical to our mission to reduce exposure to the homeless population. Now that the City has been awarded \$12,230,477 in State funds, we will have the ability to secure 76 units to provide housing opportunities for families and individuals experiencing homelessness caused by COVID-19.

Housing Department Request for Information

On July 29, 2020, the Housing Department issued a Request for Information (“RFI”) to solicit potential property acquisition opportunities that will immediately provide units to meet the goals of HCD’s project HomeKey requirements. Responses to the RFI were due to the Housing Department on Monday, August 3, 2020.

The Housing Department received six RFI responses. On August 6, 2020, the Housing Department selected the Sure Stay Hotel by Best Western as the most competitive application. The property is located at 1488 North First Street and is improved with 76 units with a detached two-bedroom manager’s unit and community room (“Project”). The City received an appraisal supporting a purchase price of \$14,136,000 and is finalizing a Purchase and Sale Agreement contract for the purchase of the hotel. The City Council action provides the City Manager authority to negotiate and execute the Purchase and Sale Agreement prior to closing. The projected Close of Escrow date for purchase of the property is October 30, 2020.

Project HomeKey NOFA Application & Performance Reservation

On August 10, 2020, the Housing Department successfully submitted its application to HCD for HomeKey funding ahead of the HCD deadline. This strategy increased the competitiveness of the grant application to secure HCD HomeKey funds and increase the availability of housing opportunities for families and individuals experiencing homelessness. In order to be competitive in the award funding process, the City Manager applied under its limited authority under Municipal Code Section 4.04.020 in order to meet the “first come, first serve” funding guidelines set forth by HCD. Staff now seeks ratification of the City Manager’s application retroactively. This is a unique opportunity for the City to leverage HCD funds to quickly secure a motel and convert those units into interim and permanent housing.

On September 14, 2020, The Housing Department was informed that its project had passed threshold application requirements and was awarded a reservation of funds for the acquisition of the Sure Stay Hotel by Best Western and an operating subsidy to help support the operational costs for two years. The HCD funding reservation is neither an award nor a funding commitment. The conversion of a reservation into a final award of HomeKey funds is conditional on certain performance-based requirements. The City must meet critical dates and deliverables in order to secure a funding commitment including the following:

By October 30, 2020:

(1) Close of Escrow and Delivery into Escrow of Executed Grand Deed / Purchase and Sale Agreement.

(2) Submission of City Council Adopted Resolution Authorizing Acceptance of HomeKey Award and Acquisition of Property, Physical Needs Assessment and Other Due Diligence Items Requested by HCD.

By December 30, 2020:

(1) Expenditure Deadline for HomeKey Funds.

City Council approval ratifying the City Manager's application to HomeKey, accepting grant funds and authorizing the City Manager to negotiate and execute a Purchase and Sale Agreement and other related documents for this acquisition by October 30, 2020 are three critical deliverables needed to secure HCD funds. City Council approval of this action will recognize and appropriate funding of \$12,230,477 for acquisition and operations of the Project.

Summary of Key Terms

The purchase price is set at \$186,000 per hotel room, which totals \$14,136,000. This price is supported by an appraisal valuing the property at \$14,490,000. The Seller will deliver the Sure Stay Hotel by Best Western free and clear of all encumbrances, conditions, covenants, and restrictions, which would affect the value of the property, including the termination of a \$2,100,000 Deed of Trust secured against the property. Fixtures, Furnishings, and Equipment for the hotel operations are included in the City's purchase, such as beds, linens, and washing machines. Other key requirements of the deal include an as-is sale and closing no later than October 30, 2020, which is necessary to secure HomeKey funds. The purchase contract is contingent upon HomeKey funding of the acquisition price, and the City is not obligated to purchase if it does not receive those funds.

Relocation

The City engaged the services of Associated Right of Way Services, Inc. ("AR/WS") to determine if any entities would be eligible for residential or non-residential relocation assistance as a result of a voluntary sale to the City. There are no occupants currently living in the hotel who will be displaced as a result of the sale of the property, except for the voluntary displacement of the owner occupant of the detached two-bedroom manager's unit. It was determined by AR/WS that the owner occupant is not eligible for relocation because the displacement is voluntary and the purchase is voluntary in accordance with 49 CFR §§24.101(a)(2) and/or 24.101(b)(1) or (2).

Property Management Services

The Sure Stay Hotel by Best Western is being managed and operated by the owners of the property. Operations and management of the hotel encompass a variety of services such as repair and maintenance, payment of utilities, laundry, security, building improvements and other property management related items. City staff recognized the immediate need to continue with such services upon acquisition and control of the property. As a result, City staff negotiated a 120-day transitional period with the owners to provide operational and management services to the hotel in the amount of \$400,000. Within the 120-day period, city staff will release a Request for Proposal (“RFP”) for the solicitation and subsequent award of a service provider and property manager to provide services to the residents and property manage the hotel.

Current Use

The site is currently being used by the County of Santa Clara Office of Supportive Housing (County) to shelter individuals based on medical vulnerability to COVID-19. The County entered into an Emergency Occupancy Agreement with the current owners of the hotel in April of 2020 slated to expire on October 31, 2020. On average, the County occupies, on any given night, 71-73 units of the 76 units to provide shelter.

Environmental Report

A Phase I Environmental Site Assessment was completed by the Environmental Services Department on September 1, 2020. The findings indicate a potential for residual pesticides to be present in the shallow soil from historic pesticides application due to a former orchard that was present on the property from the 1930s to the 1950s. Environmental Services sampled and tested the property including two locations of exposed soil behind the motel building for pesticides and found that one location had elevated levels of Chlordane, likely associated with termite treatment applied after the construction of the building. This is not likely to be widespread on the property.

The site is nearly entirely capped with pavement or structures. The elevated location of chlordane is in an inaccessible area at 18 to 24 inches below ground surface so there is no health risk to current occupants of the building.

However, should the property be redeveloped in the future, further investigation and possible remediation will need to occur prior to, or during redevelopment. Environmental Services estimates \$50,000 to \$150,000 in mitigation costs in a hypothetical future redevelopment scenario.

Short and Long Term Goals for the Site

- Short Term (Transitional Period) – The City will continue to work with the County to provide non-congregate housing for vulnerable populations as a part of our COVID-19 response. During this Transitional Period, the City will coordinate with the County to convert the property into Permanent Supportive Housing (PSH) which will support households ready for independent living but who will continue to have case management services provided. It is also during this period that the City will begin the process of potentially installing kitchenettes in each unit of the property. The City will be contracting for management services during this period with the current owners who have managed the property for many years. The Transitional Period is expected to last approximately four months from November 1, 2020 through February 28, 2021.
- Long Term (Permanent Supportive Housing) – The longer term or Permanent Supportive Housing phase envisions completion of the installation of the kitchenettes and full occupancy with Permanent Supportive Housing residents/clients who will be receiving case management services from third-party contracted service providers. The City will be issuing a Request for Proposal (“RFP”) for an operator for the to-be PSH property to successfully operate the property for the longer term. The City and County are working together to explore options for the target population for the motel in the long term, where all options will be providing permanent housing to residents.

CONCLUSION

If City Council ratifies, approves, and accepts State HCD HomeKey funds, the Housing Department will secure \$12,230,477 to acquire and operate the Sure Stay Hotel by Best Western for the purpose of creating 76 units and provide new housing opportunities for individuals and families experiencing homelessness in San José.

EVALUATION AND FOLLOW-UP

The Housing Department produces periodic Information Memoranda regarding the use of the Director of Housing’s Delegation of Authority under the Municipal Code; therefore, any additional actions would be summarized in those Memos. In addition, the Housing Department posts periodic reports on the status of its affordable properties undergoing rehabilitation or construction to its website, www.sjhousing.org. If the recommended actions are approved and the acquisition of the Sure Stay Hotel by Best Western successfully closes, it would be included in these periodic Production Reports once it converts to a permanent housing site. It will be included in the COVID-19 reports while it operates as a shelter.

In relation to approval of State HCD Funds in the amount of \$12,230,477 to acquire the hotel, the Housing Department will release a Request for Proposal for the solicitation and subsequent award of a service provider and property manager to provide services to the residents and

property manage the hotel. City staff will return to the City Council for approval to award the selected applicant and will provide an update to the status of the project at that time.

CLIMATE SMART SAN JOSE

The recommendation in this memo furthers the goals of Climate Smart by facilitating the creation of low-income housing close to jobs and transit, which would reduce vehicle miles traveled and greenhouse gas emissions. The site is located in walking distance from a light rail station, providing access to transit to all residents living at the Project.

PUBLIC OUTREACH

Public outreach was evidenced by the Housing Department through its Request for Information solicitation released on July 29, 2020. This memorandum will be made available for public review on October 9, 2020.

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

This item was not heard by the Housing and Community Development Commission, as approvals of affordable development financing and acquisition do not fall under the functions, powers, and duties of the Commission delineated in Section 2.08.2840 of the San José Municipal Code.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

Hotel Acquisition	
HCD Grant	\$10,868,000
City Match	<u>\$ 3,268,000</u>
	\$14,136,000
Site Operations	
Property Management	\$ 400,000
HCD Operating Subsidy	<u>\$1,362,477</u>
Site Operations	\$1,762,447
Total Project Costs	\$15,898,447

2. **SOURCE OF FUNDING:** Coronavirus Relief Fund (401); Multi-Source Housing Fund (448)

3. **FISCAL IMPACT:** The recommended actions in this memorandum to acquire and operate the Sure Stay Best Western San José Airport Hotel will be funded by the following: recognize and appropriate a \$12,230,477 State of California HCD grant, \$3,268,000 in matching funds from the Homeless Sheltering and Support appropriation in the Coronavirus Relief Fund, and \$400,000 from the ending fund balance in the Multi-Source Housing Fund. There is no impact to the General Fund as a result of these actions. Beginning in 2021-2022, operations will be funded by a combination of Housing Department funds and rent payments from residents.

BUDGET REFERENCE

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

Fund #	Appn #	Appn. Name	Total Appn	Rec. Budget Action	Amt for Contract	2020-2021 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No.)
448	R100	Revenue from State of California	N/A	\$12,230,477	N/A	IX-71	N/A
448	8999	Unrestricted Ending Fund Balance	\$9,408,215	(\$400,000)	N/A	IX-73	06/30/20 Ord. No. 30449
448	New	Project HomeKey	\$0	\$12,630,477	12,630,477	N/A	N/A
401	210S	Homeless Sheltering and Support	\$21,400,000	\$0	\$3,268,000	N/A	09/22/20 Ord. No. 30482


* The 2020-2021 Adopted Operating Budget was approved on June 16, 2020 and adopted on June 23, 2020 by the City Council.

CEQA

Not a discretionary project subject to CEQA pursuant to Health & Safety Code section 50675.1.1(g); Exempt per Public Resources Code 21080(b)(1) and CEQA Guidelines Section 15369 Ministerial Project pursuant to Government Code Section 65913.4.

/s/

JACKY MORALES-FERRAND
Director, Housing Department




JIM SHANNON
Budget Director

/s/

NANCI KLEIN
Director, Office of Economic Development

For questions, please contact Rachel VanderVeen, Deputy Director, at (408) 535-8231.

I hereby certify that there will be available for appropriation in the Multi-Source Housing Fund in the Fiscal Year 2020-2021 moneys in excess of those heretofore appropriated therefrom, said excess being at least \$12,230,477.



JIM SHANNON
Budget Director