



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Rosalynn Hughley

SUBJECT: SEE BELOW

DATE: April 29, 2024

Approved

Date

4/29/24

SUPPLEMENTAL

**SUBJECT: FINAL PUBLIC HEARING AND APPROVAL OF THE FISCAL YEAR
2024-2025 ANNUAL ACTION PLAN FOR THE UNITED STATES
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

REASON FOR SUPPLEMENTAL

This supplemental memorandum summarizes comments received at the April 11, 2024, public hearing at the Housing and Community Development Commission (Commission) on the Fiscal Year (FY) 2024-2025 Annual Action Plan.

COMMISSION RECOMMENDATION/INPUT

The Commission reviewed the proposed FY 2024-2025 Annual Action Plan at its meeting on April 11, 2024, and passed the following motion:

Recommend to the City Council approval of the FY 2024-2025 Annual Action Plan. The motion passed 7-0.

Yes	Finn, Jasinsky, Dawson, Mowad, Beehler, Tran, Moore
No	
Abstain	Salazar
Absent	Del Buono, Vong, Navarro, Partida, Jackson

A full summary of the discussion by the Commission is summarized in the section below.

Commissioner Comments/Questions and Staff Responses

Commissioner	Comments/Questions	Staff Response
Commissioner Finn	<p>Why does it cost \$350,000 to replace Light-Emitting Diode (LED) lighting at ten fire stations?</p>	<p>Public Works (PW) Department staff shared that the PW Facilities Division was tasked to manage a portion of the voter-approved Measure T general obligation bond. Part of the project was LED enhancements to the exterior of all City facilities. This was done to enhance security for the public and those using the facilities. PW provided their best estimate of what the cost would be for procurement and installation. PW procured all the lighting fixtures as well as the smart controllers for the fixtures. The remaining cost is the labor required to install the fixtures. PW managed a procurement process to identify the best rate for the qualified contractors to do the job. PW is estimating the installation at each firehouse to be in the range of \$20,000 to \$25,000 range, replacing approximately 20 to 40 exterior fixtures per location.</p>
Commissioner Beehler	<p>How many units are going into the HOME Investment Partnerships Program (HOME) development being allocating \$5.6M?</p>	<p>While staff did not have the answer at the meeting, staff provided a follow-up email that the development will provide a total of 24 units comprised of four studio units, eight one-bedroom units, six two-bedroom units, and six three-bedroom units.</p>
	<p>Explain funding of the Fair Housing program and Legal Services programs.</p>	<p>Fair Housing will be funded with \$200,000 from the Community Development Block Grant (CDBG) fund and \$200,000 from the HOME fund. The Legal Service category has been divided into two separate programs: 1) citywide legal services for low-income tenants, and 2) neutral tenant/landlord counseling and dispute resolution services, both programs receiving \$200,000 from the CDBG fund.</p>

Commissioner	Comments/Questions	Staff Response
	Possibility of using free resources from the Silicon Valley Association of Realtors for legal services workshops.	Staff accepted the comment.
Commissioner Jasinsky	Does the City anticipate a reduction for the estimated FY 2024-2025 allocation due to the projected state budget deficit?	Staff responded that these allocations are federal dollars and not dependent on the state. Staff anticipates the FY 2024 -2025 allocation to be similar to the FY 2023-2024 allocation.
	What was the reason given by The Health Trust for leaving the direct services?	The Health Trust is interested in becoming more involved in policy work and lobbying.
Commissioner Mowad	How is the allocation determined?	The allocation is formula driven. The United States Department of Housing and Urban Development has a formula to allocate the funds annually.
Commissioner Tran	Need clarity on the proposed neutral/landlord counseling program.	Staff explained the proposal of a general mediation program where anyone can request mediation. The existing mediation program administered the Housing Department’s Rent Stabilization Program is initiated by a petition from a tenant.
Commissioner Dawson	Is moderate income capped at 80%?	Yes, moderate-income means that the median family income is at least 50% and less than 80% of the area median income.
	Can you clarify what BOOST is for the Microenterprise Program?	BOOST, Business Operation and Optimization Support Tools, is the program name. Upwards is the agency that was selected through the Request for Proposal process.

Commissioner	Comments/Questions	Staff Response
Commissioner Moore	Acknowledgement of the rental assistance program and the dispute resolution program. Shared that there are educational workshops the legal services program can use to educate.	Staff accepted the comment.
	How much is the PW Department getting from Measure T for the LED project?	PW staff stated that there was an initial \$20 million allocation that was split between exterior lighting in general. This included street light renovations. Of that allocation, \$7 million to \$8 million was allocated for the extra building lighting.
	What is the length of the Tenant Based Rental Assistance?	The HOME American Rescue Plan Tenant Based Rental Assistance program is for five years. The initial agreement is for two years, with a potential three-year extension.
	Is the City limited to the amount of CDBG funding that can be used for legal services?	The City is limited to the amount of CDBG funds that can be spent on legal services. Legal services is part of CDBG Public Services which is capped at 15% of the annual allocation.

Public Comments:

There were no written or verbal comments made at the Commission meeting.

/s/
 ROSALYNN HUGHEY
 Deputy City Manager and
 Acting Housing Director

The principal author of this memorandum is Stephanie Gutowski, Housing Policy and Planning Administrator. For questions, please contact Stephanie Gutowski at stephanie.gutowski@sanjoseca.gov, (408) 975-4420.