


City Council Meeting

Item #6 (25-354)
2025-2030 DRAFT Consolidated Action Plan & FY2025-2026 Annual Action Plan for the use of Federal Housing and Urban Development (HUD) Grant Funds

April 8, 2025



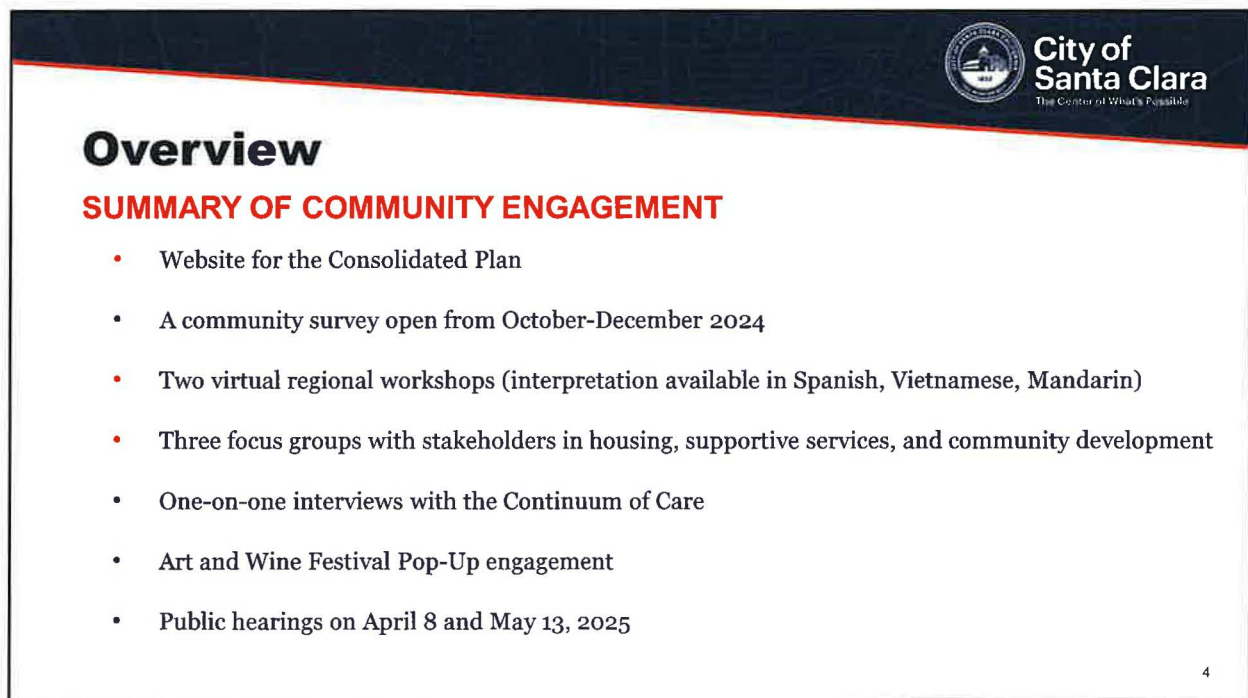
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Overview

BACKGROUND

- The City of Santa Clara receives approximately \$1.7M annually in entitlement funding from the U.S. Department of Housing and Urban Development (HUD) to benefit low-income households
 - The Community Development Block Grant Program (CDBG) funds affordable housing and public facility improvements, and public services.
 - The HOME program can fund rental assistance to prevent homelessness and housing production
- Every 5 years, the City must develop a Consolidated Plan (5-Year Plan) that studies community needs and sets broad goals for the years ahead
- Every year, the City must develop an Annual Action Plan to detail how the city will spend funds in response to the 5-Year Plan goals
- This year, the Santa Clara County has selected Root Policy, a consultant, to conduct regional outreach and analysis, and to prepare plans for each entitlement City
- Public hearings on April 8 + May 13

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Overview

Goals for 2025-2030

- **Affordable Housing:** Development, rehabilitation, rental assistance
- **Homelessness:** Affordable housing, case management, connection to services
- **Public Services:** Basic needs services for lower income/special needs households
- **Fair Housing:** Promote fair housing choice through education, testing, mediation
- **Public Facility Improvements:** Sidewalks, traffic calming, and other improvements
- **Administration & Planning:** Management, planning, monitoring


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2025/2026 Annual Action Plan

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2025-2026 Expected Resources		
HOME \$665,000	CDBG \$1,050,000	Local Funds \$565,156
\$335,000 25/26 Allocation	\$930,000 25/26 Allocation	\$225,697 Affordable Housing Funds
\$10,000 Program Income	\$120,000 Program Income	\$250,000 Housing Successor Funds
\$320,000 Prior Years' Funding	\$0 Prior Years' Funding	\$89,459 General Fund

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NOFA for Public Service Agencies	
<ul style="list-style-type: none"> Public Service Agency (PSA) submissions were ranked based on: <ul style="list-style-type: none"> ➤ Proposed activity being a HIGH priority; ➤ Agency's years of service; ➤ Amount of funds leveraged; ➤ The majority of beneficiaries served being either extremely low or very low income; and ➤ The agency's history of drawing funds down. 	<ul style="list-style-type: none"> January 31, 2025 NOFA for Public Service Agency proposals released March 4, 2025 Applications Due April 8, 2025 Recommendations to Council

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CDBG Funding for Public Service Activities

	Funding Requested	Proposed Funding	# Served	Funding Source
Loaves & Fishes - Meals on Wheels	\$ 40,000	\$ 30,000	30	CDBG
Senior Adult Legal Assistance (SALA) -Legal Assistance	\$ 33,000	\$ 30,000	80	CDBG
Bill Wilson - Counseling & Family Therapy	\$ 35,000	\$ 30,000	120	CDBG
Silicon Valley Independent Living Center - Housing for persons with Disabilities	\$ 35,145	\$ 30,000	70	CDBG
Heart of the Valley - Support & Transportation Services	\$ 60,000	\$ 30,000	144	CDBG
Hope Services - Educational Services	\$ 34,760	\$ 30,000	11	CDBG
Total:	\$ 237,905	\$ 180,000	455	

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Local Funding for Public Service Activities

	Funding Requested	Proposed Funding	# Served	Funding Source
Project Sentinel - Landlord/Tenant Mediation Services	\$ 74,388	\$ 69,159	200	GF
Catholic Charities Long-Term Care Ombudsman	\$ 30,000	\$ 15,300	240	GF
United Way 211 Services	\$ 5,000	\$ 5,000	500	GF
ABODE - Case Management Services for TBRA participants	\$ 300,697	\$ 300,697	N/A	CAHF/CHSF
County Intensive Case Management	\$ 125,000	\$ 125,000	20	CAHF/CHSF
County Homeless Prevention Program	\$ 50,000	\$ 50,000	20	CAHF
Total	\$ 585,085	\$ 565,156	980	

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HUD Funding for Capital Improvements & Other

	Funding Requested	Proposed Funding	# served	Funding Source
Rebuilding Together Silicon Valley - (RTSV) Minor Home Repair Program	\$ 209,000	\$ 200,000	15	CDBG
Neighborhood Conservation & Improvement Program (NCIP)	N/A	\$ 400,000*	10*	CDBG*
Project Sentinel - Fair Housing Services	\$ 35,000	\$ 22,197	15	HOME
ABODE - Tenant Based Rental Assistance HOME	\$ 400,000	\$ 400,000	15	HOME
Total	\$ 644,000	\$ 1,022,197	55	

**In FY 25/26, the NCIP program will utilize a total of \$560,000 (prior year + FY 25/26) to rehabilitate 6 homes.*


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Annual Action Plan Contingency Language for CDBG

<p><u>Higher than expected</u></p> <p>If the City receives <u>more</u> Entitlement funding than expected, funds will be used for the City Homeowner Rehabilitation Program (i.e. NCIP) and/or the Minor Repair Program. The City reserves the option to provide more funding for public services if the Public Service Cap allows for another agency to be funded to at least \$30,000.</p>	<p><u>Lower than expected</u></p> <p>If the City receives <u>less</u> Entitlement funding than expected, the Public Services and Administration Caps will be recalculated and amounts adjusted. If the calculation results in a Public Service Cap of less than \$180,000, the City will need to reduce its number of Public Services Agencies funded to come under the cap. Further, the amount allocated to the Minor Repair Program may need to be reduced.</p>
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Annual Action Plan Contingency Language for HOME

<p style="text-align: center;"><u>Higher than expected</u></p> <p>If the City receives <u>more</u> Entitlement funding than expected, the Administration amounts will be recalculated. All remaining funds will be used for the TBRA program.</p>	<p style="text-align: center;"><u>Lower than expected</u></p> <p>If the City receives <u>less</u> Entitlement funding than expected, the Administration amounts will be recalculated. The TBRA program will then be reduced in funding.</p>
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Council Action

Recommendation

1. Note and File Public Comment on the 2025-2030 DRAFT Consolidated Action Plan and FY2025-2026 Draft Annual Action Plan for U.S. Department of Housing and Urban Development Funds (CDBG & HOME).
2. Approve the DRAFT 2025-2030 Consolidated Plan and FY 2025-2026 Draft Annual Action Plan, and direct staff to summarize all public comments into the Final versions to be presented to City Council on May 13, 2025 prior to submitting to HUD by May 16, 2025.


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City Council Meeting

Item **#2** (25-354)
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April 8, 2025



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Federal Funding Programs

- **CDBG: Community Development Block Grants**
 - Eligible Uses:
 - Acquisition of Real Property
 - Construction of Public Facilities and Improvements
 - Public Services (limited to 15% of Grant)
 - Rehabilitation of Residential and Non-Residential Structures
 - Activities related to Energy Conservation and Renewable Energy Sources
 - Relocation and Demolition
 - Economic Development
 - Planning/Administration for Program (limited to 20% of allocation)

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Federal Funding Programs

- **CDBG: Community Development Block Grants**

- National Objectives: (Must meet at least 1)

1. Benefit low-and moderate-income persons (LMI)
2. Prevent or eliminate slum or blight
3. Meet urgent community development needs

- Eligible Beneficiaries:

- Not less than 70% of CDBG funds must be used for activities that benefit low- and moderate-income persons.

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Federal Funding Programs

- **HOME: The HOME Investment Partnerships Program**

- Eligible Uses:

- Providing direct rental assistance and security deposits to low-income people
 - Building, buying, and/or rehabilitating affordable housing for rent or homeownership
 - Flexible; can be used as grants, direct loans, loan guarantees or other forms of credit enhancements

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