



**City of
Santa Clara**
The Center of What's Possible

Housing & Community Services Division
1500 Warburton Avenue,
Santa Clara, CA 95050
(408) 615-2490

2021-2022 DRAFT Annual Action Plan

Prepared by:

**City of Sant Clara
Housing and Community Services Division,
Community Development Department
*1500 Warburton Ave,
Santa Clara, CA 95050
(408) 615-2490***

Submission Date to HUD: by May 15, 2021

Portions highlighted in **yellow are subject to change
prior to final submission to HUD.**

Contents

- AP-15 Expected Resources – 91.220 (c) (1,2) 2
- AP-20 Annual Goals and Objectives – 91.220(c)(3)& (e) 6
- AP-35 Projects – 91.220(d) 8
- AP-38 Project Summary 9
- AP-50 Geographic Distribution – 91.220 (f)..... 15
- AP-55 Affordable Housing – 91.220 (g) 16
- AP-60 Public Housing – 91.220 (h)..... 17
- AP-65 Homeless and Other Special Needs Activities – 91.220 (i) 18
- AP-75 Barriers to Affordable Housing – 91.220 (j) 20
- AP-80 Other Actions – 91.220 (k) 22
- AP-90 Program Specific Requirements – 91.220 (l) (1,2,4) 25

AP-15 Expected Resources – 91.220 (c) (1,2)

Introduction

The City of Santa Clara receives annual funding from the United States Department of Housing and Urban Development (HUD) in the form of Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME) funds. CDBG funds are used to provide public services to Santa Clara’s low-income residents and funding for capital improvement projects. HOME funds are used for the development of affordable housing options.

As an entitlement agency, the City is required to develop a Five-Year Consolidated Plan (ConPlan) that identifies goals and needs within the community that could be addressed through the use of HUD funding. The City is also required each year to prepare an Annual Action Plan (AAP) to document how the City will use HUD funding consistent with the goals and needs identified in the ConPlan.

The following funding amounts for the City of Santa Clara are estimated amounts for the 2021 Program Year (PY21); Fiscal Year 2021-2022(FY21/22). Should the City receive more or less than what is estimated, the “Contingency Language” below explains how the City will adjust the proposed plan to match the actual allocation amounts

FEDERAL FUNDING

CDBG Funds: The total amount of CDBG resources expected to be available for FY21/22 is **\$1,894,092**. This total is made up of the annual CDBG entitlement from HUD, Prior Year Resources (i.e., funds that are being re-programmed and/or funds that were programmed but not spent), and Program Income (i.e., income generated from prior CDBG projects such as loan repayments). The breakdown CDBG funding is:

- Annual Entitlement Funds \$1,059,092
- Estimated Prior Year Balance **\$ 385,000**
- Estimated FY21/22 Program Income \$ 450,000

HOME Funds: The total amount of HOME resources expected to be available for FY21/22 is **\$1,370,978**. This is made up of the annual HOME entitlement from HUD, Prior Year Resources (funds that are being re-programmed and/or funds that were programmed but not spent), and Program Income (income generated from prior HOME projects). The breakdown of the source of funds is:

- Entitlement Funds \$433,011
- Estimated Prior Year Balance **\$922,967***
- Estimated FY19/20 Program Income \$ 15,000

* HOME Program Income (2021). The City estimates it will receive \$150,000 in PI during the upcoming FY21/22. Ten percent; or \$15,000 will be programmed in this 2021-2022 Annual Action Plan to be used for administrative costs as allowed by HOME regulations. The other 90% (\$135,000) will be programmed next year in the 2022 Annual Action Plan. Any program income above these estimates will be allocated in the same manner; 10% for administration in FY 21/22, and the remaining 90% to be allocated in FY22/23.

AP-15 Table –Expected Resources Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan	Narrative Description
			Annual Allocation	Program Income	Prior Year Resource	Total:		
			\$	\$	\$	\$		
CDBG	Public-Federal	Acquisition Housing Rehab. Public Improvements Public Services Admin./Planning	\$1,059,092	\$450,000	\$385,000	\$1,894,092	\$4,200,000	CDBG funds may be used for: 1) land acquisition for affordable housing; 2) NCIP program; 3) public infrastructure improvements; 4) public services; 5) administration and planning.
HOME	Public-Federal	CHDO and regular HOME rental projects, such as property acquisition, new const., and/or rehabilitation. Homeowner Rehabilitation TBRA Admin. and Planning for HOME programs and activities.	\$433,011	\$15,000	\$922,967	\$1,370,978	\$1,695,000	HOME funds may be used for: 1) TBRA; 2) NCIP; 3) Rental development; 4) Fair Housing Services; and/or 5) Admin. & Planning. City expects approx. \$200,000 of PI from FY20/21 which is programmed as part of "Prior Year Resources". The City estimates approx. \$150,000 of PI in FY21/22. \$15,000 of which will be programmed and drawn in FY21/22 for admin. The \$135,000 remaining will be programmed in FY22/23. If FY21/22 PI exceeds \$150,000, City will continue using 10% for admin. and the remaining will be programmed in FY 22/23

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Entitlement Funds

Federal funds will leverage local funds (i.e., General Funds, City Affordable Housing Funds, and City Housing Successor Funds) increase project efficiencies and benefit from economies of scale. The HOME match requirement will be met through the waiving of property taxes on past HOME-funded multi-family affordable developments. The local funds that will be used to fund certain activities are as follows:

Program	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan	Narrative Description
		Annual Allocation	Program Income	Prior Year Resource	Total:		
		\$	\$	\$	\$		
General Fund	Public Services	\$22,197	0	0	\$95,000	\$285,000	Fair Housing
		\$67,803					Tenant-landlord dispute resolution
		\$5,000					United Way 211 referral services
City Affordable Housing Fund (CAHF)	Public Services	\$225,697	0	0	\$225,697	\$827,091	\$160,697 will supplement services in the expanded TBRA program. \$65,000 to fund case management services for chronically homeless households, leveraging housing subsidies from the County Office of Supportive Housing.
City Housing Successor Fund (CHSF)	Public Services	\$250,000	0	0	\$250,000	\$750,000	\$110,000 to fund case management services for chronically homeless households, leveraging housing subsidies from the Office of Supportive Housing. \$140,000 to fund case management services for TBRA clients.

Other Federal Grant Programs

Additional federal programs that fund community development and affordable housing, and are provided by Santa Clara County Housing Authority and affordable housing developers include:

- Section 8 Housing Choice Voucher Program;
- Section 202;
- Section 811; and
- Affordable Housing Program (AHP) through the Federal Home Loan Bank.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City owns three properties that have potential for development of low income and special needs housing: 1) Bay Area Research and Extension Center (BAREC) senior housing site at 90 North Winchester Boulevard; 2) 2330 Monroe Street, and 3) Fire Station #6 at 3575 De La Cruz Boulevard.

BAREC: On January 29, 2019, Santa Clara’s City Council approved all land use entitlements for the project and adopted a resolution approving and authorizing the City Manager to negotiate and execute a Disposition and Development Agreement with Core Affordable Housing LLC for the development of the Agrihood Project located at 90 North Winchester Boulevard/ 1834 Worthington Circle and further authorizing the City Manager to execute all other agreements (including a Ground Lease, Loan Agreements, Deeds of Trust, Promissory Notes, and Affordable Housing Agreement).

2330 Monroe Street: On January 28, 2020, Santa Clara’s City Council approved all land use entitlements for the project and adopted a resolution approving and authorizing the City Manager to negotiate and execute a Disposition and Development Agreement with Freebird Development LLC and further authorizing the City Manager to execute all other agreements (including a Ground Lease, Loan Agreements, Deeds of Trust, Promissory Notes, and Affordable Housing Agreement). The proposed development will have 65 mixed-income units with 11 set-aside for households with developmental disabilities. The project will be 100% affordable units.

3575 De La Cruz: The City Council has approved negotiations to enter into an Exclusive Negotiation Rights Agreement (ENA) with Habitat for Humanity East Bay/Silicon Valley. The proposed development will be 13 100% affordable, for-sale townhomes. In December 2020, the City Manager executed a 12-month extension of the ENA to account for project delays due to the COVID pandemic.

AP-20 Annual Goals and Objectives – 91.220(c)(3)& (e)

AP-20 –Annual Goals and Objectives Summary								
	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing	2021	2022	Affordable Housing	Citywide	Affordability: Affordable Housing	CDBG \$1,340,268 HOME \$1,250,872 HOME \$61,805	Homeowner housing rehab and project delivery 45 households TBRA 45 households CHDO Housing 1 Household
2	Homelessness	2021	2022	Homeless	Citywide	Availability/ Accessibility: Homelessness	CDBG \$19,177 CAHF \$225,697 CHSF \$250,000	Homeless Prevention 63 Homeless Prevention 65
3	Public Services	2021	2022	Non-Homeless Special Needs	Citywide	Availability/ Accessibility: Public Services	CDBG \$232,829 GENERAL \$67,803	Public Service Activities Other than Low/Mod. Income Housing Benefit Public Service Activities for Low/Moderate-Income Housing Benefit 1409 & 595
4	Fair Housing	2021	2022	Non-Homeless Special Needs	Citywide	Availability/ Accessibility: Fair Housing	GENERAL \$22,197	Public Service Activities Other than Low/Mod. Income Housing Benefit Public Service Activities for Low/Mod. Income Housing Benefit 30
5	Planning & Admin.	2021	2022	Planning & Admin.	Citywide	N/A	CDBG \$301,818 HOME \$58,301	N/A

Goal Descriptions

AP-20A –Goal Description		
1	Goal Name	Affordable Housing
	Goal Description	Assist in the creation and preservation of affordable housing for low income and special needs households through continuation of the Neighborhood Conservation and Improvement Program, rental habilitation of units occupied by low income tenants, TBRA rental subsidies, and new construction.
2	Goal Name	Homelessness
	Goal Description	Support activities, consistent with Continuum of Care strategies, to prevent and end homelessness. This includes building affordable housing for people who are homeless or at risk of homelessness as well as the provision of support services.
3	Goal Name	Public Services
	Goal Description	Support activities that provide basic needs to lower income households and special needs populations. Services would be provided to low-income households, elderly individuals, homeless persons, people with disabilities, and victims of domestic violence.
4	Goal Name	Fair Housing
	Goal Description	Promote fair housing choice, through the following activities: fair housing education, fair housing testing, housing assistance hotline, and landlord-tenant mediation.
5	Goal Name	Public Facilities
	Goal Description	Improve accessibility for persons with physical disabilities by identifying and repairing intersections for accessibility, mostly through curb cuts. Also providing upgrades and improvements to non-profit facilities that serve low-income households.
6	Goal Name	Planning & Administration
	Goal Description	Provide management, planning and implementation of the City's CDBG & HOME programs as well as monitoring of public services and housing projects.

AP-35 Projects – 91.220(d)

Introduction

The activities that the City will undertake in FY 2020-2021 using CDBG and HOME funds include: promoting affordable housing, homeowner housing rehabilitation, remove barriers to the handicapped, funding public services for low and moderate-income residents; and program administration, as shown below. All these activities meet one or more priority needs as identified through the citizen participation process.

AP-35 – Project Information Summary					
#	Project Name	National Objective To Benefit	Code	# of Households or Persons	Funding
1	Bill Wilson Center – Family Therapy/ School Outreach/Grief Counseling	LMC	5D	140	\$35,000
2	Bill Wilson Center – Family Advocacy Services	LMC	5A	107	\$35,000
3	The Health Trust – Meals on Wheels	LMC	5A	20	\$27,825
4	Santa Clara Senior Nutrition Program	LMC	5A	300	\$24,000
5	Silicon Valley Independent Living Center – Housing Programs for Person w/Disabilities	LMC	5B	57	\$18,000
6	Next Door Solutions – Home Safe Santa Clara	LMC	5G	63	\$19,177
7	Live Oak Adult Day Services – Senior Day Services	LMC	5A	11	\$15,000
8	Catholic Charities – Long-Term Care Ombudsman	LMC	5A	375	\$10,000
9	Heart of The Valley – Senior Transportation Serv.	LMC	5A	249	\$15,000
10	Senior Adult Legal Assistance (SALA)	LMC	5C	90	\$16,500
11	HOPE Services – Employment, Media & Community Connections	LMC	5B	60	\$36,504
12	Neighborhood Conservation & Improv. Program (NCIP) – Loans & Grants	LMH	14A	35	\$1,110,662
13	Neighborhood Conservation and Improvement Program (NCIP) – ADC	LMH	14H	n/a	\$179,606
14	Rebuilding Silicon Valley Together – Minor Repair	LMH	14A	10	\$50,000
15	TBRA – Abode Services	n/a	n/a	n/a	\$750,872
16	TBRA – Bill Wilson Center	n/a	n/a	n/a	\$500,000
17	CDBG Administration	n/a	21A	n/a	\$301,818
18	HOME Administration	n/a	21A	n/a	\$58,301

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The allocation of funds is based on the needs and priorities identified in the 2020-2025 ConPlan. The City prioritizes allocations of its CDBG and HOME funds to projects that serve the lowest income households, from 0-50% of Area Median Income (AMI).

AP-38 Project Summary

AP-38 – Project Summary		
1	Project Name	Bill Wilson Center (BWC) – Family Therapy/School Outreach/Grief Counseling
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$35,000
	Description	Three counseling programs: Family Therapy, School Outreach and Grief Counseling. The purpose of the program is to reduce high-risk behavior choices, family conflict; and an increase coping skills.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	140 individuals (providing approximately 140 counseling sessions & 530 school outreach sessions)
	Location Description	Citywide
2	Project Name	Bill Wilson Center – Family Advocacy Services (FAS)
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$35,000
	Description	A school-based, homeless and homeless prevention family and youth intervention service aimed at helping families remain intact and decrease or prevent homelessness and poverty. FAS assists families to access various resources such as mental health services for youth.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	107 individuals (providing 44 case management services for parents, 48 students, and 15 kids under 5 years old)
Location Description	Citywide	
3	Project Name	The Health Trust – Meals on Wheels (MOW)
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$27,825
	Description	MOW provides low-income adults and homebound and elderly adults valuable health and social services, enabling them to live independently.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	20 individuals (providing 2,073 meals and 1,179 Wellness Checks)
Location Description	Citywide	

AP-38 – Project Summary (cont'd)

4	Project Name	Santa Clara Senior Center - Senior Nutrition Program
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$24,000
	Description	The senior nutrition program will serve an estimated 300 clients, and will serve approximately 15,000 meals.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	300 individuals (approximately 15,000 meals in total)
Location Description	Senior Center, 1303 Fremont St., Santa Clara	

5	Project Name	Silicon Valley Independent Living Center – Housing Programs for Persons with Disabilities
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$18,000
	Description	Provide wrap-around housing education and counseling, information and resources, peer support, and emergency preparedness training to resident who have a disability or chronic condition to help transition from homelessness, nursing homes, and health care facilities into permanent affordable, accessible, and integrated housing.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	57 individuals
Location Description	Citywide	

6	Project Name	Next Door Solutions – Home Safe Santa Clara
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$19,177
	Description	Providing case management services, risk assessment, safety planning, legal advocacy, assistance filing restraining orders, housing assessment, individual action plan development, support groups, and other services.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	63 individuals
Location Description	Confidential	

AP-38 – Project Summary (cont'd)

7	Project Name	Live Oak Adult Day Services
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$15,000
	Description	Provide specialized program of adult day care for frail, dependent seniors geared to maximize the social experience and mental stimulation of clients and improve/sustain their mental and physical functioning.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	11 individuals
Location Description	1147 Minnesota Ave, San Jose and 20920 McClellan Road, Cupertino	

8	Project Name	Catholic Charities – Long-Term Care Ombudsman
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$10,000
	Description	Receive, identify, investigate and impartially resolve complaints made by, or on behalf of, residents of local long-term care facilities. The city has 15 licensed facilities where more than 550 residents reside.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	375 households
Location Description	Citywide	

9	Project Name	Heart of the Valley – Senior Transportation
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$15,000
	Description	Provides escorted transportation, handyman services, visitation, shopping and errands, computer support, respite, and other assistance.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	249 individuals
Location Description	Citywide	

AP-38 – Project Summary (cont'd)

10	Project Name	Senior Adult Legal Assistance (SALA) – Elders Legal Services
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$16,500
	Description	Provide a full range of accessible and affordable (free) legal services to seniors (age 62+). Included is advising, counseling, facilitating public benefits, health care, addressing and/or preventing elder abuse.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	90 individuals
Location Description	Citywide	

11	Project Name	HOPE Services – Employment, Media & Community Connections
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$36,504
	Description	Provide employment training, classroom instruction, a media and technology component, and paid work to adults with developmental disabilities to promote independence and self-esteem.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	60 individuals
Location Description	Citywide	

12	Project Name	Neighborhood Conservation and Imp. Prog. (NCIP) – Loans & Grants
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$1,110,662
	Description	NCIP provides rehabilitation to owner-occupied single-family homes whose incomes are at or below 80% of the AMI. This amount includes estimated program income that is anticipated throughout the PY.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	35 households
Location Description	Citywide	

AP-38 – Project Summary (cont'd)

13	Project Name	NCIP – Project Delivery Costs
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$179,606
	Description	Project Delivery Costs consists of City staff costs to deliver the NCIP. Funds not used for will be used unprogrammed at the end of the fiscal year and used to fund next year’s NCIP Loans & Grants.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Citywide

14	Project Name	Rebuilding Together Silicon Valley – Minor Repair
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$50,000
	Description	Provide minor home repairs for low-income homeowners occupying their homes so as to maintain basic health and safety standards, and so they can remain in their homes independently.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	10 households
	Location Description	Citywide

15	Project Name	2020 Abode Services – TBRA Administration
	Target Area	Citywide
	Goals Supported	Homelessness
	Needs Addressed	Homelessness
	Funding	HOME: \$750,782 CAHF: \$132,697
	Description	The Tenant-Based Rental Assistance (TBRA) program will provide rental assistance for approximately 40 homeless households or those at risk of homelessness. Two agencies will administer this program:
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	23 households
	Location Description	Citywide

AP-38 – Project Summary (cont'd)

16	Project Name	2020 Bill Wilson Center – TBRA Administration
	Target Area	Citywide
	Goals Supported	Homelessness
	Needs Addressed	Homelessness
	Funding	HOME: \$500,000 CAHF: \$28,000 CHSF: \$140,000
	Description	The Tenant-Based Rental Assistance (TBRA) program will provide rental assistance for approximately 40 homeless households or those at risk of homelessness. Two agencies will administer this program: Bill Wilson Center will receive \$725,000 in HOME funds, \$140,000 in CHSF local funds, and \$51,393 in CAHF local funds.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	22 households
Location Description	Citywide	

17	Project Name	CDBG Administration & Planning
	Target Area	n/a
	Goals Supported	n/a
	Needs Addressed	n/a
	Funding	CDBG: \$301,818
	Description	Administration and planning for all CDBG funded projects and activities.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	n/a
Location Description	Citywide	

19	Project Name	HOME Administration & Planning
	Target Area	n/a
	Goals Supported	n/a
	Needs Addressed	n/a
	Funding	HOME: \$58,301
	Description	Administration and planning for all HOME funded projects and activities.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	n/a
Location Description	Citywide	

Note: The following activities/agencies will be funded with General Fund dollars if approved through the budget process:

\$67,803 – Project Sentinel: Tenant/Landlord Dispute Resolution

***\$22,197** – Project Sentinel: Fair Housing Services*

AP-50 Geographic Distribution – 91.220 (f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed.

Investments will be allocated citywide for affordable housing services, capital projects, fair housing services, and public services.

AP-50 –Geographic Distribution	
Target Area	Percentage of funds
Citywide	100%

Rationale for the priorities for allocating investments geographically

The City does not have plans to prioritize investments geographically. HOME CHDO set-aside funds may be spent in a contiguous jurisdiction if a CHDO development cannot be identified within the City limits.

AP-55 Affordable Housing – 91.220 (g)

Introduction

For the purpose of this section, the term “affordable housing” is defined in the HOME regulations at 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership.

The City of Santa Clara has identified the production and maintenance of affordable housing as the primary objective for the expenditure of federal funds in the Consolidated Plan. While CDBG and HOME funds are limited, the City will continue to allocate funding to affordable housing projects, including owner-occupied rehabilitation. The City has non-federal funding sources that it will use toward the development of affordable housing during Fiscal Year 2020-2021.

AP-55A – One Year Goals for the Number of Households to be Supported (by Population Type)

Homeless – Housing assistance for units <u>reserved</u> for homeless individuals and households.	65
Non-Homeless – Housing assistance for all units NOT reserved for homeless individuals and households.	195
Special-Needs – Housing assistance for units reserved for households that are not homeless but require specialized housing or supportive services.	0
Total	260

AP-55B – One Year Goals for the Number of Households Supported Through (by Program Type)

Rental Assistance – Housing assistance for programs such as tenant-based rental assistance (TBRA) and one-time payments to prevent homelessness.	215
The Production of New Units – New units, including the conversion of non-residential properties.	0
Rehab of Existing Units – Rehabilitation of existing units, including reconstruction. If unit will be acquired and rehabilitated, report the unit only once.	45
Acquisition of Existing Units – Housing assistance for programs such as down payment assistance. If the unit will be acquired and rehabilitated, report the unit only once.	0
Total	260

AP-60 Public Housing – 91.220 (h)

Introduction

The Santa Clara County Housing Authority (SCCHA) is the regional entity that manages and maintains housing units and administers Housing Choice Voucher programs across the County. SCCHA operates four public housing units located in City of Santa Clara. The housing authority is a HUD-designated Moving to Work (MTW) agency which allows it greater flexibility to design and implement more innovative approaches to providing housing assistance.

Over 10,000 housing vouchers are currently active county-wide. The types of voucher in use include: project-based, tenant-based, veteran focused, and vouchers for persons with a disability. The majority of voucher holders have a tenant-based voucher which is a type of voucher that allows the holder to use the voucher at any housing unit where the landlord will accept the voucher. Data on the number of vouchers in use within the City is unavailable.

Actions planned during the next year to address the needs to public housing

The SCCHA has converted three of their original public housing projects to affordable housing stock, only one public housing project with four units remains in the City. The City will continue to work closely with the SCCHA to address any needs identified during the program year.

The most immediate need is finding housing units and owners that will accept vouchers. Stakeholder interviews also identified the need for assisting families moving into affordable units with basic necessities.

SCCHA re-proposed a landlord initiative activity begun in 2017 to attract new Housing Choice Voucher (HCV) owners and encourage existing HCV owners to re-lease existing HCV units to another HCV tenant to fill unit vacancies. SCCHA hopes these incentives continue attracting new, and retaining current, owners to the Section 8 program increasing the number of affordable rental units in the City.

SCCHA is proposing a new activity for approval by the Department of Housing and Urban Development (HUD) aimed at streamlining the conversion of non-Section 8 subsidized units into Project Based Voucher units upon expiration or owner opt-out from a HUD contract. Conversion of subsidized units into PBV units increases the housing choices for low-income families and preserves the long-term affordability of expiring subsidized properties

Actions to encourage public housing residents to become more involved in management and participate in homeownership

SCCHA is proactive in incorporating resident input into the policy-making process. The SCCHA board includes two tenant commissioners that provide input from the tenant perspective.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable.

AP-65 Homeless and Other Special Needs Activities – 91.220 (i)

Introduction

In the last County Point-in-Time Count in 2019, the count identified 9,706 homeless individuals, which was higher than any count over the last ten years. Of these individuals, 1,784 are sheltered and 7,922 are unsheltered. Individuals with the highest rates of being without shelter are the chronically homeless, homeless veterans, and unaccompanied youth. It is estimated that 25 percent or 2,470 are chronically homeless with 85 percent of those chronically homeless are unsheltered; 653 are veterans, with 68 percent unsheltered; 269 are families, with 26 percent unsheltered; and 1,876 are unaccompanied youth, with 95 percent unsheltered. It is also estimated that two percent of homeless individuals are living with HIV. Due to the COVID crisis, the Point-in-Time Count of 2021 was not conducted.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.

The City renewed its agreement with the County of Santa Clara for FY21/22 to provide intensive case management to approximately 20 chronically homeless individuals identified by the police department. This program is funded with local funds. The County provides housing subsidies for the participants in this program while the City uses its Successor Housing Agency funds to provide the case management and services for the program.

Addressing the emergency shelter and transitional housing needs of homeless persons.

The City will fund agencies that serve homeless persons accessing emergency and transitional shelters. Much of the funding will come from CDBG for agencies providing public services such as case management. Agencies include NextDoor Solutions, Bill Wilson Center, and Abode Services.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Particularly for chronically homeless, it is preferable for individuals to receive intensive case management rather than simple information and referral services. Case managers work to assist homeless individuals find housing, connect with resources, and receive services to maintain housing. The provision of case management is person-based rather than shelter-based with the goal of rapid re-housing. The five-year goals of the Community Plan to End Homelessness establish a target of creating 6,000 housing opportunities for persons who are homeless. An additional goal is for each of the 6,000 new tenants to have access to the services that will allow them to maintain that housing.

The City will continue using prior year HOME funds and 2020-2021 Entitlement funds for our TBRA program which gives security deposits and monthly subsidies to the homeless families and/or domestic violence survivors, or those families at risk of homelessness.

Countywide, there were 294 homeless families with children counted. Homeless families are typically underrepresented in the Homeless Survey. Oftentimes, homeless families are using shelters or transitional housing facilities, vehicles, and/or splitting up and couch surfing. This results in an underrepresented

count of homeless families during the census.

Along with the point-in-time count, 587 surveys were given to homeless households/individuals. The surveys were given primarily in unsheltered locales. The results showed “257 chronically homeless individuals, 49 homeless veterans, 19 individuals in homeless families, 42 unaccompanied children and transition-age youth.”¹

The TBRA program is a short-term solution to homelessness (unlike permanent supported housing for the chronically homeless). The Homeless Survey has shown that families with children are not only a special needs population, but tend to be underrepresented in Homeless Surveys. The TBRA program will continue to focus on assisting the homeless and at-risk of homelessness population; however, preferences towards families with children, and individuals and/or families exiting housing exclusively designated for domestic violence survivors will be given.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The City provides CDBG funding to the Bill Wilson Center for youth services, St. Justin for their food assistance program, and the YWCA for services to survivors of domestic violence.

¹ 2017 Santa Clara County Homeless Census and Survey Report (page 33)

AP-75 Barriers to Affordable Housing – 91.220 (j)

Introduction

The jurisdictions within the County face barriers to affordable housing that are common throughout the Bay Area. High on the list is the lack of developable land, which increases the cost of available lands and increases housing development costs. Local opposition is another common obstacle as many neighbors have strong reactions to infill and affordable housing developments. Opposition is often based on misconceptions, such as an anticipated increase in crime; erosion of property values; increase in parking and traffic congestion; and overwhelmed schools. However, to ensure a healthy economy, the region must focus on strategies and investment that provide housing for much of the workforce in the region – sales clerks and secretaries, firefighters and police, teachers and health service workers – whose incomes significantly limit their housing choices.

The City has identified multiple constraints or barriers to the affordable housing and residential investment in its 2015-2023 Housing Element Update, including:

- Land use controls limit the allowed density of housing production;
- Parking requirements increase the cost of housing.

Generally, the City faces the same affordable housing barriers as the rest of the Bay Area, including:

- High cost of development constrains the development of affordable housing units in favor of higher-end units;
- Lack of developable land prevents housing development and increases the price of land; and
- Local opposition prevents affordable housing from being built in high-resource areas.

Additionally, the Assessment of Fair Housing identified the following contributing factors to fair housing issues, including affordable housing, through analysis of data and community engagement feedback:

- Displacement of residents due to economic pressures
- Land use and zoning laws
- Source of income discrimination
- Community opposition
- Availability of affordable units in a range of sizes
- Availability, type, frequency, and reliability of public transportation
- Lack of access to opportunity due to high housing costs
- Lack of affordable, accessible housing in a range of unit sizes
- Lack of affordable housing for individuals who need supportive services
- Lack of assistance for housing accessibility modifications
- Lack of resources for fair housing agencies and organizations
- Location and type of affordable housing
- Loss of affordable housing
- Private discrimination

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.

The City identified multiple barriers to affordable housing, including income and wages that are not consistent with the rising cost of housing, a competitive rental and home market, and diminishing public funds.

The Housing Element includes the following actions to remove or ameliorate barriers: Work with nonprofits to acquire and rehabilitate distressed multi-family housing and convert it to low income housing, update the City zoning ordinance to comply with state laws on reasonable accommodations, emergency shelters, transitional and supportive housing and density bonuses, accommodation of the Regional Housing Needs Assessment for the 2015 Housing Element to maintain an inventory of housing sites appropriate for a range of income levels and for supportive housing for persons with physical and developmental disabilities, analysis of impact fees, promote construction of accessory units and low income housing types such as Single Room Occupancy units, continue to require developers of 10 or more homeowner units to provide Below Market Rate units, consider establishing an affordable housing mitigation fee for large office and industrial developments, consider a local source of affordable housing funds.

AP-80 Other Actions – 91.220 (k)

Introduction

This section discusses efforts in addressing the underserved needs, expanding and preserving affordable housing, reducing lead-based paint hazards, and developing institutional structure for delivering housing and community development activities.

Actions planned to address obstacles to meeting underserved needs

One of the major obstacles to meeting the needs of the underserved is the limited amount of funding available to fund public services. The City contributes general funds to fund the tenant/landlord mediation program and the United Way 211 information line.

Actions planned to foster and maintain affordable housing

The Neighborhood Conservation & Improvement Program (NCIP) is administered by the Housing & Community Services Division of the Community Development Department. The program addresses building/housing code deficiencies, abatement of hazardous conditions, repair/rehabilitation of deteriorated conditions, and accessibility for persons with disabilities, all to improve the habitability, use and occupancy of owner-occupied housing. Financial assistance is provided in the form of loans and grants. Terms are flexible and below market, depending on the homeowner household income.

City staff conducts a housing inspection to determine repair needs, prepares work specifications, solicits construction contractors to perform the work, and conducts progress inspections. Since 1976, the NCIP Program has assisted more than 1,800 homeowners. For FY21/22, the City has budgeted over \$1,200,000 in CDBG funds for NCIP (this includes activity delivery costs).

In the FY21/22, the City will grant \$50,000 to Rebuilding Silicon Valley Together to provide similar services as the NCIP program. The program will be limited to small/urgent needs, and any large projects will be referred to the NCIP program.

A Memorandum of Understanding, approved by the City Council and RDA Board on November 14, 2006, directed that all RDA funds appropriated for the NCIP Program “will be committed permanently” to the NCIP Affordable Housing Rehabilitation Fund (AHRF). Any program income accruing from the expenditure of Successor Housing Agency (SHA) funds for NCIP activities would also be deposited in the AHRF. That program income will not be subject to federal restrictions or requirements. It will primarily be used for the NCIP Program, but may be used for other activities that benefit low and moderate-income persons as long as those activities address one or more of the housing and community goals set forth in the Consolidated Plan.

The City has a Below Market Purchase Program (BMP). This program requires developers to set aside 15% of newly constructed units for housing affordable to moderate income homebuyers. The Program is administered by HouseKeys. The Program created an additional source of revenue to augment future housing and community objectives – the City Affordable Housing Fund (CAHF). After five years, a BMP housing unit can convert from a restricted sales price to a market price. If a BMP unit is sold after the initial 5-year period, the City recaptures the value of the affordable purchase price discount. Proceeds are deposited in the CAHF. Use of CAHF funds is not subject to federal or state restrictions. The CAHF funds will be used for activities that benefit low and moderate-income persons and address one or more of the housing and community goals set forth in the ConPlan and its Housing Element.

Actions planned to reduce lead-based paint hazards

The City undertakes HUD-funded projects in accordance with the Lead-Based Paint Regulations published in 2000. These regulations most commonly affect residential structures rehabilitated through NCIP. When identified, lead paint will be controlled or abated and disposed of properly to eliminate or reduce the hazard of environmental or human contamination. The City has adopted a written plan to implement the regulations in its NCIP Program and other housing rehabilitation activities.

Actions planned to reduce the number of poverty-level families

The Section 3 Affirmative Action Plan was last updated on July 1, 2011. The purpose of the plan is to assure that new jobs created by the use of federal entitlement funds provide opportunity for the recruitment, training and employment of low income persons residing in the City of Santa Clara. To this end, the stated purpose of the plan is to “provide lower income residents within the project area [City of Santa Clara] the opportunity for employment and training and for the awarding of contracts to businesses located or owned in substantial part by persons residing in the project area.” This action plan is required of all contracts for non-exempt projects funded by HUD. Projects with less than \$200,000 in CDBG/HOME funds are exempt from Section 3 requirements.

On March 24, 2017 the Santa Clara City Council unanimously passed the first worker retention ordinance in Silicon Valley. This ordinance will provide much-needed job security to some of the most vulnerable workers. This law protects food and building service workers from mass layoffs when companies switch contractors. It requires that if a company with an office or venue in Santa Clara hires a new contractor or brings services in-house, the workers who currently work at that location must be kept on for a 90-day transition period.

The City of Santa Clara is a participating member of the North County Consortium of Neighborhood Self Sufficiency Centers whose mission is to support the long-term sustainability and self-sufficiency of CalWORKs families. The consortium is made up of over 30 businesses, agencies and schools that have a record of successful work with CalWORKs clients.

The Santa Clara Unified School District (SCUSD) Adult Education Center has a CalWORKs Site Representative who acts as a liaison for participating CalWORKs students and Santa Clara County Social Services Agency. Some of these responsibilities include ensuring that all participants on campus are remaining in compliance with federal regulations, developing a welfare to work plan, reporting monthly attendance to the County for each participant, and reporting progress reports on a quarterly basis for each participant CalWORKs student to the County. In addition to the Site Representative, the Adult Education Center has a Career Advisor for CalWORKs students to help them in job placement, resume development, and interviewing skills.

Actions planned to develop institutional structure

The City will continue its participation in the CDBG Coordinators Committee, which increasingly has become a public forum for discussion and active planning of common strategies to address the housing and community needs in Santa Clara County.

Actions planned to enhance coordination between public and private housing and social service agencies

The City will continue its efforts to encourage consortium-building among housing developers, public service providers, and governmental and non-governmental entities. The City has achieved proven results in using federal funds to leverage private funds. The City participates in the quarterly meetings of the Supportive Housing Roundtable, which includes government agencies, housing developers, service providers, legal services and private funders.

Discussion

In 1983, the City of Santa Clara joined with several other cities to create the North Valley Job Training Consortium (NOVA) in response to the federal Workforce Investment Act. The consortium is a private/public partnership made up of representatives of local government, business and industry, labor, education and training systems, employment services, and community support organizations. Currently, the cities of Santa Clara, Cupertino, Los Altos, Milpitas, Mountain View, Palo Alto, and Sunnyvale and San Mateo County are participating members. The NOVA Workforce Board was established to guide the agency in its mission to deliver employment and training services that enhance the ability to live and work in Silicon Valley. Many of the services and programs provided by NOVA target disadvantaged youth and adult populations, who may have limited education and/or barriers to employment. NOVA is a partner in the CONNECT! Job Seeker Center, a comprehensive resource center open to all job seekers, which offers computer access, a resource library, resume assistance and job search workshops.

The Housing Authority was approved as a Moving to Work (MTW) Agency in January of 2008. That program allows the HACSC additional administrative flexibility between programs. The three major goals for the MTW program are to increase cost effectiveness, to promote self-sufficiency, and to expand housing options for program participants.

AP-90 Program Specific Requirements – 91.220 (I) (1,2,4)

Introduction

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I) (1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	450,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the strategic plan.	0
3. The amount of surplus funds from urban renewal settlements.	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	0
5. The amount of income from float-funded activities	0
Total Program Income	450,000

Other CDBG Requirements

1. The amount of urgent need activities.	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00 %

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(l) (2)

A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

1. The City does not use HOME funds beyond those identified in Section 92.205. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Homeowner Equity – for purposes of this policy, it is defined as the sum of the down-payment, principal paid, and homeowner improvements.

HOME Equity – for purposes of this policy, it is defined as the amount of HOME investment, adjusted as follows: (1) The HOME investment amount would be reduced if, at the time of the homeowner purchase, the market price is less than the cost of construction, by the amount of that difference; and (2) Beginning after six years of residency by the original buyer, the City would reduce its share of excess proceeds by a maximum of 10% for each additional full year the original buyer resides in the home. After the completion of 15 years of residency by the original buyer, the City would have no interest in recapturing any portion of its original HOME investment.

In the event of a sale of a HOME-assisted house during the 15-year HOME affordability period, sales proceeds would be distributed in the following order of priority:

- a. Closing costs.
- b. Primary mortgage loan (City or private lender).
- c. Other loans superior to the HOME investment lien (if any have been approved by the City).

The remaining funds are considered Shared Net Proceeds under the HOME regulations and would be distributed in the following order of priority:

- d. Homeowner Equity, or the amount of Shared Net Proceeds, whichever is less.
 - e. Homeowner Shared Net Proceeds. This amount will be the greater of: (1) Homeowner Equity that was paid as described above; or (2) proportionately of the Shared Net Proceeds, according to the formula - Homeowner Equity, divided by the sum of Homeowner Equity plus HOME Equity.
 - f. HOME investment. The remainder of the Shared Net Proceeds. If the remaining Shared Net Proceeds are insufficient to repay the full amount of the HOME investment, the City would forgive any of the HOME investment that could not be repaid from the remaining Shared Net Proceeds.
2. **A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds. See 24 CFR 92.254(a)(4) are as follows:**

The City secures its HOME funds by recording Deeds of Trust on the title of the property that received the funding. The period of affordability would be a minimum of 15 years.

3. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

The City does not have any plans to use HOME funds to refinance existing debt on multi-family.

4. HOME funds may be allocated to affordable housing capital projects in contiguous jurisdictions.

Discussion

The following guidelines will apply to the TBRA program:

The program will serve homeless or at-risk of becoming homeless households, with preference given to families with children. The household income must be at, or below 60% AMI as published by HUD. Households must reside in or have proof of a last permanent address in the City of Santa Clara, or who are currently working or have a bonafide job offer in the City of Santa Clara, or be homeless in the City of Santa Clara, or have children attending a school in the Santa Clara Unified School District.

Participants go through the Coordinated Assessment system and be placed in the Community Queue (a separate, confidential process is available within the system for domestic violence survivors). A Vulnerability Index-Service Prioritization Decision Assistance Tool 2.0 (VI-SPDAT) will assess the vulnerability and placement of the participant in the Queue. Further, the program-specific filters (e.g., families with children) will result in referrals to the TBRA program from the Queue.

While it would be ideal for participants to locate housing within the City limits, the program will allow participants to find housing located anywhere within the County of Santa Clara.

95% After Rehab Valuation

The City of Santa Clara may use HOME funds for acquisition purposes. Per CFR 24 92.254 (a)(iii), the City has chosen to determine separate limits for existing housing than the given median purchase price issued by HUD. City staff researched the Multiple Listings Service (MLS) to determine the number of single-family and multi-family home sales. There were less than 250 sales per months; thus, per 24.92.254 (a)(iii), we were required to compile 3 months of sales figures. The following details the home sales in Santa Clara over the most recent three (3) months for single-family homes and multi-family homes at the time of publication. The numbers below are subject to change prior to submission of the AAP to HUD.