

**HOUSING AND COMMUNITY DEVELOPMENT ADVISORY COMMISSION (HCDC)****SYNOPSIS OF MEETING AT 5:30 PM****April 10, 2008**

**MEMBERS PRESENT:** Chair Mace, Vice Chair Norimoto, Commissioners Bock, Contreras, Darrow, Muñoz, and Tom

**MEMBERS ABSENT:** Commissioner Roberson (unexcused)

**CITY STAFF:** M. DeCastro (Housing), L. Krutko (Housing), R. Lopez (Housing), J. Morales-Ferrand (Housing), D. Murillo (Housing), S. Murillo (Housing), Councilmember M. Nguyen, J. Nusbaum (Planning), R. Roberts (Planning), M. Whatley (Housing), K. Wing (Housing)

**GUESTS:** B. Arroyo (Community Technology Alliance), J. Bornefeld (CCPY), W. Hale (Catholic Charities), T. Hood (Unity Care), C. Hsueh (Catholic Charities), F. Jones (Seniors Citizens Commission), D. Ngo (VIVO), M. O'Connell (Homeowners Organized to Maintain Equity), M. Rodrigues (POSSO), A. Sellers (DeFrank Center), D. Sison (Housing Authority of Santa Clara), M. Solis (Yu-Ai Kai), R.K. Thorne (The Health Trust), P. Ward (Affordable Housing Network)

**LOCATION:** 200 E. Santa Clara Street, Wing Rooms 118-119, San José, CA 95113

**AGENDA ITEM****1. Call to Order/Orders of the Day**

The meeting was called to order at 5:35 p.m.

Vice Chair Norimoto made the motion to move Item 6 of the agenda to Item 5. The motion was seconded by Commissioner Tom. The motion passed 7-0.

**2. Introductions**

Commissioners, guests, and staff introduced themselves.

**3. Announcements**

No announcements.

**4. Approval of Synopses for March 13, 2008 meeting**

Commissioner Munoz made a motion to approve the minutes with a change to the text to reflect his comments that the CDBG process should be fair, not unfair. Commissioner Contreras seconded the motion. The motion passed 7-0.

**5. Report on 2008-09 Community Development Block Grant (CDBG) Appeals Process & Approval of Revisions to the 2008-09 CDBG Funding Recommendations (S. Murillo, Housing)**

Ms. Krutko gave a brief report on the CDBG appeals process and the revisions of the 2008-09 CDBG funding recommendations. Ms. Krutko explained that the Department received twelve appeals and the most common complaint was that the funding priorities were not explained clearly enough. Ms. Krutko recommended funding scenario #3 to be approved as it funds additional agencies from the Housing Trust Fund (HTF) and allocates funding for a cost of living adjustment (COLA) for the agencies. Additionally, Ms. Krutko emphasized that next year CDBG funding will be allocated solely from the entitlement and not from the HTF.

Vice Chair Norimoto asked for a clarification of the four funding scenarios. Mr. Murillo explained that funding scenario #1 is the original funding recommendation with a COLA allocation. Funding scenario #2 is similar to scenario #1, however it does not include a COLA. Funding scenario #3 is the revised funding recommendations with additional funding coming from the HTF with the COLA. Funding scenario #4 is similar to scenario #3, but without the COLA.

Chair Mace asked if the Department would be reviewing the process and feedback it received for future processes. Ms. Krutko replied that the Department will be taking all feedback into consideration and will seek Council approval of funding priorities for next year's CDBG funding.

Chair Mace opened the item for public comment.

Diem Ngo, Vietnamese Voluntary Foundation: Mr. Ngo thanked the Commission for listening to the organization and changing the direction of the funding. Mr. Ngo asked the Commission to recommend scenario four to allow for more funding for another VIVO program.

Rene Kelly Thorne, The Health Trust: Ms. Thorne thanked the Department for the CDBG funding recommendation, but was confused about the asterisk on the recommendation memo.

Jeff Bornefeld, California Community Partners for Youth: Mr. Bornefeld thanked the Department and the Commission for re-evaluating the process and recommending additional agencies for funding. Mr. Bornefeld said he would be willing to accept less money to fund an extra program, as included under scenario four.

Aejaie Sellers, Billy DeFrank Center: Ms. Sellers appreciated that other agencies would forego the Cost of Living Adjustment portion of their CDBG funding in order to allow more organizations be funded. Ms. Sellers explained that the DeFrank Center was not funded and that it would prevent delivering services from a significant portion of the community.

Chair Mace asked if agency staff sat down with CDBG staff. Ms. Sellers stated that the agency did not get a notification from CDBG staff. Mr. Murillo explained that they called the contact person they have listed. Ms. Sellers explained that the contact person is no longer with the agency.

Clark Williams, Silicon Valley Council of Nonprofits: Mr. Williams thanked the Department for including the nonprofits with the funding process and ensuring fairness and transparency.

Mary-Jo Rodrigues, Minority Services Providers Consortium: Ms. Rodriguez thanked the Housing Department for its work in attempting to fund as many programs as possible, but she still does not understand why they were not funded.

Chair Mace asked if the consortium met with CDBG staff. Ms. Rodrigues replied that they did meet with CDBG staff, but still feel that the decision is unfair.

Tara Hood, Unity Care: Ms. Hood thanked the Department for originally funding their request, but Unity care was one of the agencies that was not recommended for funding after the second round of considerations. Ms. Hood respects the Department for re-evaluating the funding recommendations and hopes it will find additional funding sources for other programs.

Councilmember Nguyen stated that she appreciated staff for working to fund more agencies through alternative funding sources and for listening to the agencies. She also wanted to thank the HCDC for listening to their concerns and highly recommends on-going dialogue with the agencies concerning the funding application process.

Vice Chair Norimoto asked if CDBG is an on-going funding source. He asked if CDBG is a source of funding that encourages agencies to seek other funding sources or are they able to apply indefinitely. Ms. Murillo replied that agencies can certainly continue to apply if the services they provide meet the requirements of the City.

Vice Chair Norimoto thanked staff for recognizing the application process problem and acting so quickly. He also appreciated staff for taking a proactive approach in considering the cost of living. He commented that this is an unusual year and it is difficult to determine which funding scenario to choose.

Chair Mace asked if the COLA was outlined as part of the application process. Ms. Krutko replied that it was not outlined in the application, primarily because it is difficult to apply a COLA in an application.

Chair Mace asked what the impact would be if the Commission recommended funding scenario #4. Ms. Krutko replied that she assumes that agencies would have to find other sources of funding for increases in costs. She

explained that she has been working with Patricia Gardner of the Silicon Valley Council of Nonprofits and that Ms. Gardner wrote a letter saying that she is pleased with the COLA being included.

Commissioner Tom asked why staff recommend funding scenario #3. Ms. Murillo explained that it assists agencies with their increase in costs and help them to fully fund necessary programs.

**Vice Chair Norimoto made the motion to recommend funding scenario #4 and instead consider the COLA in the next funding cycle. The motion was seconded by Commissioner Bock.**

Chair Mace opened the item for discussion.

Chair Mace commented that because staff put in the time to make the changes, explore the problem, and recommend funding scenario #3, she would look to support staff's recommendation.

Vice Chair Norimoto replied that obtaining any funding is difficult. Vice Chair Norimoto added that because it was not stipulated, it was not expected, and we have an opportunity to serve a few more clients.

Commissioner Tom commented that he would recommend funding scenario #3 because he works for a nonprofit and understand the increase in costs and difficulty in seeking additional funding.

**Vice Chair Norimoto amended his motion to recommend funding scenario #4 with a second by Commissioner Bock. The motion failed 4-3.**

**Commissioner Tom made the motion to recommend funding scenario #3 with a second by Commissioner Contreras. The motion passed 7-0.** The approved motion to recommend funding scenario #3 supersedes the HCDC's previous approved motion from the March 13 meeting to approve the original funding recommendations.

**6. Presentation & Possible Recommendation on General Plan Amendments Including Text Amendments Related to Employment Lands Framework (R. Roberts, Planning, Building and Code Enforcement)**

Ms. Roberts and Ms. Nusbaum gave a presentation on the Spring General Plan Amendments.

**Vice Chair Norimoto made a motion to support the GP07-03-04/GPT07-03-04 Amendment which proposes for the Jackson-Taylor Planned Residential Community to allow (1) up to 600 multiple-dwelling units, (2) 16,000 to 30,000 square feet of ground-floor retail space, (3) 10,000 to 20,000 square feet of community amenity space, (4) up to 900 underground parking spaces with limited surface parking, and (5) an increase in height from 65 to 175 feet on a 5.78 acre site. The motion was seconded by Commissioner Munoz. The motion passed 7-0.**

**Vice Chair Norimoto made a motion to oppose the GP06-02-02 Amendment which proposes High Density Residential (25-50 DU/AC) on a 3.2-acre site, and incorporation to the Urban Service Area/Urban Growth Boundary on the 3.2-acre site. The motion was seconded by Commissioner Darrow. The motion passed 7-0.**

**Vice Chair Norimoto made a motion to not recommend support for the UGB06-001 Amendment which proposes modification to the Greenline/Urban Growth Boundary to include approximately 3.2 acres within the Greenline/Urban Growth Boundary. The motion was seconded by Commissioner Darrow. The motion passed 7-0.**

**Commissioner Darrow made the motion to recommend a revision to the text amendment GP08-T-03 Discretionary Alternate Use Policy (Scenario 4) to allow for housing developments on parcels that are located adjacent to "50%" residential parcels in addition to the "2 sides" rule that the policy currently includes. The motion was seconded by Commissioner Munoz. The motion passed 7-0.**

**7. Approval of the 2008-2009 Consolidated Annual Action Plan (M. Whatley, Housing)**

Commissioner Katherine Bock: Commissioner Bock suggested the following text revisions for various portions of the Draft Annual Action Plan:

- 1.) First paragraph should include a larger range of jobs and occupations to better reflect the residents of the City that rely on the Affordable Housing Program.
- 2.) Second paragraph should include that the subprime mortgage crisis adversely affects renters. This is because as people are moving from foreclosed homes to rental housing, the demand will increase and force rental prices upward.

**Commissioner Bock made the motion to accept the Consolidated Annual Action Plan with the suggested revisions to the text. The motion was seconded by Commissioner Tom. The motion passed 7-0.**

**8. Task Force Appointments (Chair Mace)**

No appointments were made.

**9. Standing Reports**

A. Chair's Report – No Report

B. Director's Report – No Report

C. City Council Meeting Report for March 19 – April 8, 2008 (Chair Mace)

Chair Mace stated that the permanent secondary unit ordinance passed at the most recent City Council meeting.

D. Ad-Hoc Committee Reports

- (1) Community Development Block Grant Ad-Hoc Committee (Chair Mace and Commissioners Munoz & Contreras)

Commissioner Tom announced that the CDBG Ad-Hoc Committee met and discussed the feedback received at the March 13 meeting as well as Brown Act questions.

- (2) ELI & Inclusionary Zoning Ad-Hoc Committee (Chair Mace, Vice Chair Norimoto, and Commissioners Bock & Tom)

Vice Chair Norimoto announced that the ELI & Inclusionary Zoning Ad-Hoc Committee met and reviewed existing redevelopment inclusionary zoning policy.

**10. Future Agenda Items**

*None.*

**11. Public Comments**

Ms. Ward commented that she is concerned about the wages of construction workers concerning City contracts and whether the contractors are paying living wage. Ms. Morales-Ferrand stated that she would follow-up with that issue.

Ms. Ward also commented that the HCDC has not heard a legislation report in awhile and is concerned about the Coto bill that would allow 20% housing funds to be redirected for supportive services.

**12. Adjournment**

The meeting was adjourned at 9:12pm.