

**HOUSING AND COMMUNITY DEVELOPMENT ADVISORY COMMISSION (HCDC)**

**SYNOPSIS OF MEETING AT 5:45 PM**

**September 10, 2009**

**MEMBERS PRESENT:** Chair Mace, Vice Chair Norimoto, Commissioners Cantore, Contreras, Darrow, Ellak, Munoz, and Tom

**MEMBERS ABSENT:** None

**CITY STAFF:** A. Drummond (Councilmember Kalra's Office), S. Green (City Attorney's Office), S. Le (Councilmember Nguyen's Office), R. Lopez, (Housing), J. Morales-Ferrand (Housing), S. Murillo (Housing), J. Scheiner (Housing), M. Whatley (Housing)

**GUESTS:** None

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

\*\*\*Digital Recording of the meeting can be obtained from the City of San Jose Housing Department\*\*\*

**AGENDA ITEM**

**(a) Call to Order/Orders of the Day**

The meeting was called to order at 5:48 p.m.

**(b) Introductions**

Commissioners, guests, and staff introduced themselves.

**(c) Announcements**

No announcements.

**(d) Approval of Action Minutes for:**

**(1) August 13, 2009**

**Vice Chair Norimoto made the motion to approve the action minutes for August 13, 2009 with a second by Commissioner Munoz and was approved 6-0.**

**(e) Consent Item: Housing Department Production Reports**

**Vice Chair Norimoto made the motion to approve the calendar consent item. The motion was seconded by Commissioner Munoz. The motion was approved 6-0.**

**(f) Public Hearing on a Substantial Amendment to the 2009-2010 Consolidated Annual Action Plan (S. Murillo, Housing Department)**

Vice Chair Norimoto commented that because of a clerical error not allowing the Commission to offer a recommendation on the item, that he would like the record to show that he support the Substantial Amendment to the 2009-2010 Consolidated Annual Action Plan. Commissioners Cantore and Contreras would also like the record to show their support of the Substantial Amendment.

**(g) Public Comment and Recommendation to Accept the 2008-2009 Consolidated Annual Performance Evaluation Report (M. Whatley, Housing Department)**

Comments received at the Housing & Community Development Advisory Commission meeting.

<b><u>Comment</u></b>	<b><u>City Response</u></b>
Commissioner Jaime Contreras asked if the last public review meeting would be September 10.	Staff responded that September 10 would be the last public review day.
Vice Chair Norimoto asked about the \$4.3 million in unexpected CDBG funds (pg 5).	Staff responded that these are actually carry-over program funds from previous years. Staff also explained that HUD has a baseline requirement for the City to spend a certain amount of money or risk giving that money back to HUD, but the City has met the requirement.
Commissioner Vincent Cantore asked if the HOME program is similar to the Section 108 program and whether it provides loans or grants.	Staff responded that the City has the discretion to structure the funds as a loan or a grant depending on aspects such as affordability restrictions.
Senior Commission Representative Rene Lovato asked if the increase in the goal toward services offered to seniors is related to the Village in Willow Glen (pg. 25).	Staff responded that the Village is not related and that the numbers reference projects that CDBG funds that provides services to seniors.
Commissioner Jaime Contreras commented that the paragraph on CDBG youth services should be adjusted to show an “under met” goal of 2% instead of the stated “exceeded goal by 2%” (pg. 7).	Staff responded that the change will be made.
Commissioner Lee Ellak commented that CDBG should decrease funding to Code Enforcement (pg. 5).	Commissioner Jaime Contreras commented that the Housing Commission has advocated for additional Code Enforcement funding in the past because it sees value in the program.
Commissioner Al Munoz asked why the Housing Department would be granting prospective homeowners 2 <sup>nd</sup> mortgages considering the foreclosure situation.	Staff responded that the down payment assistance is structured as deferred so that homeowners do not have to make a payment until the sale of the house. In addition, the program guidelines ensure that the loans made are fiscally sound.
Chair Bonnie Mace asked why the shopping center improvement pilot project was not completed.	Staff responded that CDBG staff could not find a mall owner that would allow for federal review of their bookkeeping and it would be hard to define local serving for a project.

<p>Chair Bonnie Mace asked how the Department quantifies limited success for the cancellation of the revolving loan fund.</p>	<p>Staff responded that the intent was to provide money to small businesses to create jobs, but it became difficult to track over a long period of time when a limited amount of jobs were created or none at all. Overall, it was not creating the desired results.</p>
<p>Vice Chair Norimoto asked if there is a report that includes performance results for agencies funded from all funding sources not included in the CAPER.</p>	<p>Staff responded that they would consider whether it had resources to put together a report at a later date for the Commission's review.</p>
<p>Vice Chair Norimoto asked why there were so many more homeless individuals and families served than the City's goal (pg. 49).</p>	<p>Staff responded that that because these were numbers developed five years ago, it was unforeseen how many individuals/families would have been impacted by the foreclosures and economic crisis. San Jose simply had more clients than it had anticipated more than five years ago.</p>
<p>Commissioner Al Munoz asked if MACSA's legal troubles would pose a problem for the CDBG program.</p>	<p>Staff responded that the Department has been working closely with MACSA to verify their documentation, payroll registers, and timecards to ensure that the CDBG funding is used correctly.</p>

**Vice Chair Norimoto made the motion to accept the 2008-2009 Consolidated Annual Performance Evaluation Report with a second by Commissioner Darrow. The motion was approved 8-0.**

**(h) Discussion and Comments on the Guidelines for Housing Trust Fund Emergency Applications (J. Scheiner, Housing Department)**

The Commission suggested that staff should clarify the language and agendaize the issue for a couple months.

**(i) Discussion and Possible Recommendation on Citywide Inclusionary Housing Ordinance (J. Morales-Ferrand, Housing Department)**

Ms. Morales-Ferrand explained that the ordinance is in the public comment period and will be brought to the Commission next month for a recommendation.

**(j) Discussion of Proposed Public Outreach Policy (J. Morales-Ferrand, Housing Department)**

Ms. Morales-Ferrand stated that staff would be completing a memorandum on the public outreach policy for City Council.

**(k) Update of Five-Year Consolidated Plan Process and 2008-2009 Consolidated Annual Performance Evaluation Report (M. Whatley, Housing Department)**

Ms. Whatley stated that the first meeting was well-attended and that there would be two more outreach meetings.

**(l) Update of Community Development Block Grant Application Process (D. Murillo, Housing Department)**

Mr. Murillo stated that the process would be pushed back as it coincided with the five-year plan. He added that the applications will not be released until November.

**(m) Update of Parks & Affordable Housing (M. Whatley, Housing Department)**

Ms. Whatley stated the memorandum for this issue would go to City Council in October.

**(n) Housing Commission Vote to Hold a Joint Meeting with the Parks Commission To Discuss Parks & Affordable Housing (M. Whatley, Housing Department)**

Ms. Whatley explained that before the memorandum is sent to City Council in October that the Housing and Parks Commission could provide input together at a joint meeting. **Commissioner Munoz made a motion to hold a joint meeting with the Parks Commission with a second by Commissioner Contreras. The motion passed 7-0.**

**(o) Standing Reports**

- (1) Chair's Report** – no report
- (2) Director's Report** – no report
- (3) City Council Meeting Report for: none (Chair Mace)** – no report
- (4) Ad-Hoc Committees**
  - (a) CDBG Ad-Hoc Committee** – no report

**(p) Future Agenda Items**

The Commission suggested a senior specific item and an annual update of the impact of the Housing trust Fund for future agendas.

**(q) Open Forum**

No public comment.

**(r) Adjournment**

The meeting was adjourned at 8:02 p.m.