

HOUSING AND COMMUNITY DEVELOPMENT ADVISORY COMMISSION (HCDC)

SYNOPSIS OF MEETING AT 5:30 PM

September 11, 2008

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

MEMBERS ABSENT: None

CITY STAFF: A. Drummond (Councilmember Williams Office), D. Buchanan (Planning, Building & Code Enforcement), R. Henninger (Councilmember Liccardo's Office), R. Lopez (Housing), T. MacRostie (Housing Department), J. Morales-Ferrand (Housing), E. Moran (City Attorney's Office), S. Raman (Housing), K. Wing (Housing)

GUESTS: P. Ward (Affordable Housing Network)

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 5:39 p.m.

(b) Introductions

Commissioners, guests, and staff introduced themselves.

(c) Announcements

No announcements.

(d) Approval of Action Minutes for:

(1) July 10, 2008

Vice Chair Norimoto made a motion to approve the action minutes with a second by Commissioner Munoz. The motion passed 5-0.

(2) August 14, 2008

Vice Chair Norimoto made a motion to approve the action minutes with a second by Commissioner Munoz. The motion passed 5-0.

(e) Presentation on Vacant Homes Due to Foreclosure in San Jose (Planning, Building & Code Enforcement)

Diane Buchanan from Planning, Building & Code Enforcement presented an overview of Code Enforcement's program as it pertains to vacant homes due to foreclosure. She stated that Code Enforcement has had 205 cases since November.

(f) Public Hearing and Recommendation to the Mayor and City Council to Approve the FY 2007-2008 Consolidated Annual Performance Evaluation Report (CAPER) (T. Macrostie & K. Wing)

Mr. Macrostie gave a brief overview of the CAPER and Chair Mace commenced the public hearing. The following are the questions asked at the meeting and the responses from the City of San Jose Housing Department.

Comment	City Response
<p>Commissioner Munoz asked why a couple of CDBG agencies did not meet their goals as stated on page 5.</p>	<p>The Small Business Education and Incubator Assistance program was a new program in FY 07-08 and experienced a three month delay in launching of the program. Further, mid-year changes in reporting requirements resulted in sub-contracting agencies not meeting their goals.</p> <p>A new program, Health Trust's Meals on Wheels met its CDBG goal but overestimated its total program participants.</p>
<p>Commissioner Munoz referred to page 5 and asked why certain projects were disencumbered.</p>	<p>The San Jose Conservation Corps Nutrition Center project was disencumbered due to underestimated project costs.</p> <p>The O'Connor Park project was disencumbered after the owner of the proposed park site decided not to sell the property.</p> <p>Economic and Social Opportunities (ESO) was disencumbered because it ceased operations in April 2007 and later filed bankruptcy.</p> <p>The Loaves and Fishes Family Kitchen project was transferred to an alternate funding source.</p>
<p>Chair Mace asked why there were significant disparities in the percentage of persons planned to serve and actual served for grantee agencies.</p>	<p>At the beginning of the program year, agencies and departments estimate the number of total participants they expect to serve based on historical participation rates. However agencies and departments sometimes overestimate or underestimate and disparities are created.</p>
<p>Commissioner Bock referred to page 9 and asked why new development commitments were not fulfilled, specifically BLI developments.</p>	<p>The tables on page 9 and page 10 are not related. The table on page 9 reflects funding commitments that will be completed 2 or 3 years from now. The table on page 10 indicates projects completed during this reporting period, but were committed to during prior years. The two tables do not give a complete picture of the development process. 25% of affordable housing finance commitments were for extremely low units during 2007-2008.</p>
<p>Chair Mace suggested that the City add a middle</p>	<p>City will incorporate suggestion after consulting</p>

chart to show the projects that are in the pipeline between funding commitment and completion.	with HUD on the change to the reporting format.
Commissioner Bock referred to page 10 and asked if City funding was involved in the completion of 124 moderate housing units.	Twelve units at Tierra Encantada, a for-sale development, used City funding, but the remaining units are inclusionary units.
Commissioner Munoz asked why District 5 did not have more activity as far as new construction.	The CAPER reflects a one-year snapshot and no new project was planned in District 5 for 2007-08.
Commissioner Bock referred to page 36 and asked why the CAPER gives a total of 56,000 people signed up on the section 8 waiting list, when she thought the number was close to 70,000.	The total number of applications may have been larger, but there were duplicate applications. The stated number of 58,000 reflects the amended list of unduplicated applicants.
Commissioner Tom referred to page 17 and asked if there was a timeline for report updates, specifically the fair housing analysis of impediments.	Updates are planned for 2009.
Ms. Lee, from Councilmember Nguyen's Office asked if her Council office could obtain a list of homeless organizations with information on the population and languages they serve.	A list will be sent to the Councilmember's office.
Vice Chair Norimoto asked if the City's surplus land acquisition program has been impacted by the Employment Lands Framework.	The City has not acquired any surplus land for the reporting period of 2007-08. The framework has not impacted the land the City has acquired except for one site. The Department monitors surplus land to see if it can be used for housing.
Commissioner Bock asked why project acquisition and rehabilitation, specifically in affordable housing preservation, is always assigned for the low income category and not the extremely low income category.	The economics for rehabilitating extremely low income units was not financially feasible.
Commissioner Munoz asked if the numbers for the Teacher Housing Program reflect the demand and if the City was doing enough to advertise this program.	The Department works with the City Schools Collaborative to increase outreach and education to teachers in both homeownership and rental projects. The Department has seen an increase in demand in the last month.
Vice Chair Norimoto referred to the Analysis of Impediments and asked if more could be done for predatory lending, specifically predatory lending laws.	Predatory lending laws enacted by city governments are pre-empted by state and federal laws. The City emphasizes education and outreach to educate prospective homebuyers on predatory lending practices.
Chair Norimoto asked if the City could be more pro-active in predatory lending education.	The City works with the Don't Borrow Trouble Silicon Valley campaign to educate the public on predatory lending practices.

Commissioner Bock made a motion to direct the Housing Department to make the necessary corrections to the report and recommend the CAPER for approval. Commissioner Tom seconded the motion. The motion passed 7-0.

(g) Discussion & Possible Recommendation on Citywide Inclusionary Housing (J. Morales-Ferrand, Housing Department)

Ms. Morales-Ferrand updated the Commission on the upcoming stakeholder meetings and the hiring of a facilitator for the meetings.

(h) Standing Reports

- (1) Chair's Report – No Report
- (2) Director's Report – No Report
- (3) City Council Meeting Report for September 16 – October 7, 2008 (Chair Mace) - No Report
- (4) Ad-Hoc Committee Reports
 - (a) Community Development Block Grant Ad-Hoc Committee (Chair Mace and Commissioners Muñoz & Contreras) – No Report
 - (b) ELI & Inclusionary Zoning Ad-Hoc Committee (Chair Mace, Vice Chair Norimoto, and Commissioners Bock & Tom) – No Report

10. Future Agenda Items

None

11. Open Forum

No public comment.

12. Adjournment

The meeting was adjourned at 6:59 p.m.