



Fiscal Year 2018-2019 Annual Action Plan (For Period July 1, 2018 – June 30, 2019) Community Development Block Grant



Application for federal funds under the Department of Housing & Urban Development formula grant programs

City of Gilroy
Housing and Community Development
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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

Annually, HUD allocates a series of grants to local jurisdictions for community development activities. As a requirement to receive these entitlement grants, Title I of the National Affordable Housing Act mandates that jurisdictions prepare a five-year Consolidated Plan that identifies local community development needs and sets forth a strategy to address these needs. The Consolidated Plan must address both affordable housing and non-housing related community development needs. The needs are targeted to low income persons or low-income areas.

Also required are Annual Action Plans for each of the five years included in the five-year Consolidated Plan. Fiscal Year 2018-2019 (HUD Program Year 2017) represents the fourth year of the current 2015-2020 five-year Consolidated Plan. This Annual Action Plan will address how the City of Gilroy plans to address the strategies listed in the Consolidated Plan during Fiscal Year 2018-2019 (July 1, 2018 - June 30, 2019).

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

HUD has established a set of outcomes and objectives entitlement jurisdictions need to address. The outcomes and objectives are noted within each of the twenty-two Goals included in the Strategic Plan (SP-45) section of the Consolidated Plan. In summary, they are as follows:

- **Outcomes:** Availability/Accessibility; Affordability; Sustainability
- **Objectives:** Create suitable living environments; Provide Decent Affordable Housing; Create Economic Opportunities

The outcomes and objectives are noted within each of the twenty-two Goals included in the Strategic Plan (SP-45) section of the Consolidated Plan. In Fiscal Year 2018-2019, the City will address twenty of the twenty-two goals noted in the Consolidated Plan. Details on which goals the City will address as well as how the City plans to do so are noted in Section AP-20 "Annual Goals and Objectives" of this Annual Action Plan.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

A meaningful evaluation of past performance is integral to determine what has been accomplished and what work is necessary to address the myriad of needs in the community. This evaluation included a review of past Consolidated Plans and Annual Action Plans as well as the successes achieved through the Neighborhood Revitalization Strategy. Through this evaluation, the City was able to compare the needs identified through this Consolidated Plan and compare them to the activities that have taken place in the past to determine if those activities are still necessary. Priority needs and goals were then formulated to meet these needs with an eye to what has been successful in the past and what is necessary in the future.

The City will report, in detail, on its performance in the Fiscal Year 2018-2019 Consolidated Annual Performance Evaluation Report (CAPER) due to HUD in September 2018. However, the City of Gilroy continues to meet the requirements set forth in the HUD regulations that govern the Community Development Block Grant (CDBG) program. These include thorough programmatic and financial oversight of funded projects; appropriate budgeting and expenditure of funds based on HUD financial requirements; and, insuring the community continues to receive the necessary services identified through the development of the five-year Consolidated Plan.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan

Public participation plays a central role in the development of the Consolidated Plan. As a precursor to the development of the Fiscal Year 2018-2019 (FY 18-19) Annual Action Plans, on January 9, 2017 the City Council approved a series of funding priorities that prioritized uses of expected funding. This meeting was properly noticed and members of the public were given opportunities to provide input. The final priorities are incorporated into the proposed FY 18-19 Annual Action Plan.

Also, prior to the award of public service and housing rehabilitation funds the Community and Neighborhood Revitalization Committee (CNRC) met twice to review and discuss the applications submitted by non-profit agencies wishing to receive funding. On March 15, 2017, they conducted interviews of each applicant. The CNRC again met on March 29, 2017 to rate and rank each applicant and determine a level of funding to propose for award by the City Council. These recommendations were forwarded to the City Council for final approval of the first of a two-year funding cycle at its May 15, 2017 meeting. All meetings of the CNRC were properly noticed and opened to the public.

In addition for the second year of the CDBG funding cycle – FY 2018-2019, the Community and Neighborhood Revitalization Committee (CNRC) met on March 21, 2018 to review and discuss the applications submitted by non-profit agencies wishing to receive funding. After hearing comments from agency representatives and City staff, the CDRC voted unanimously to recommend to the City Council to fund all twelve non-profit public service and housing rehabilitation non-profit agencies for a second-year

cycle funding at the same or slightly adjusted levels of CDBG and City Housing Trust Fund (HTF) amounts.

All public hearings are published in the Gilroy Dispatch, the local newspaper. The draft Action Plan was made available for comment on the City's website as were public notices in English and Spanish. A hard copy of the draft Action Plan and notices was made available at the Community Development/Planning Counter and at the Gilroy Public Library. The notices were also posted at City Hall in a location reserved for public notices. The public hearings were broadcast on Public TV Channel 17. Notices of public comment opportunities were emailed to the following group lists: South County Collaborative, Housing Advisory Committee, South County Homeless Task Force, and the CNRC as well as to the applicants for funding.

The final Annual Action Plan will include all comments that are received. A public hearing to adopt the Action Plan will occur on May 7, 2018. Based on HUD's notification to the City of its FY 2018-2019 CDBG allocation, the adopted Annual Action Plan may be modified to reflect actual CDBG funding levels for FY2018-2019.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The City will incorporate any comments received during the 30-day public comment period in the final draft submitted to HUD.

6. Summary of comments or views not accepted and the reasons for not accepting them

The City will accept all comments or views.

7. Summary

In summary, the FY 18-19 Annual Action Plan represents year four of the five-year Consolidated Plan. It will continue to address the priorities identified in the Consolidated Plan. The plan was developed following a public input process and will address the community development needs of the City of Gilroy.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	GILROY	Community Development Department

Table 1 – Responsible Agencies

Narrative (optional)

The City of Gilroy (City) is the Lead Agency for the United States Department of Housing and Urban Development (HUD) entitlement programs. The City's Housing and Community Development section of the Community Development Department is responsible for the administration of HUD funded Community Development Block Grant Program (CDBG). By federal law, each jurisdiction is required to submit to HUD a five-year Consolidated Plan and Annual Action Plans listing priorities and strategies for the use of federal funds.

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The FY 18-19 Annual Action Plan represents the four year of the five-year Consolidated Plan. Development of the Action Plan utilized the consultative process used for the 2015-2020 Consolidated Plan (Consolidated Plan). The Consolidated Plan was done in collaboration with eight entitlement jurisdictions. These jurisdictions were:

- City of Cupertino
- City of Gilroy
- City of Mountain View
- City of Palo Alto
- City of Sunnyvale
- City of San José
- City of Santa Clara
- Santa Clara Urban County

Public participation played a central role in the development of the Consolidated Plan. The participating jurisdictions within the County launched an in-depth, collaborative regional effort to consult with community stakeholders, elected offices, City and County departments, and beneficiaries of entitlement programs to inform and develop the priorities and strategies contained within the five-year plan.

The participating jurisdictions, in partnership with LeSar Development Consultants (LDC) and MIG, Inc. (MIG), facilitated a comprehensive outreach process to enhance coordination and discuss new approaches to working with public and assisted housing providers, legal advocates, private and governmental health agencies, mental health service providers, and other stakeholders that utilize funding for eligible activities, projects, and programs.

A Regional Needs Survey was conducted to solicit input from residents and workers in the region. Respondents were informed that participating jurisdictions were updating their respective Consolidated Plans for federal funds that primarily serve low- and moderate-income (LMI) residents and areas. The Regional Needs Survey polled respondents about the level of need in their respective neighborhoods for various types of improvements that could be addressed by entitlement funds.

A total of 1,472 survey responses were obtained from September 19, 2014 to November 15, 2014, including 1,078 surveys collected electronically and 394 collected via print surveys.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

Regional Forums

The participating jurisdictions held three regional public forums to identify housing and community development needs and priorities for the next five years. The public forums were conducted as part of a collaborative regional approach to help the participating jurisdictions make data-driven, place-based investment decisions for federal funds. Seventy-six (76) people attended the regional forums, including community members, service providers, nonprofit representatives, and interested stakeholders.

Community Forums in Local Jurisdictions

In addition to the regional forums, several participating jurisdictions conducted public outreach independent of the regional collaborative. The cities of San Jose and Mountain View, and the Santa Clara Urban County, each held multiple community forums to solicit public input on local issues, needs and priorities. The community forums were held in tandem with the regional public forums to expand the outreach process and gather specific place-based input. One hundred and thirty-three (133) individuals attended the community forums, including residents, service providers, nonprofit representatives, and interested stakeholders.

Outreach

Approximately 4,847 entities, organizations, agencies, and persons were directly engaged via outreach efforts and asked to share materials with their beneficiaries, partners, and contacts. These stakeholders were also encouraged to promote attendance at the public forums and to solicit responses to the Regional Needs Survey. Stakeholder engagement included phone calls, targeted emails, newsletter announcements, social media posts, and personalized requests from staff of the Entitlement Jurisdictions. Each participating jurisdiction also promoted the regional forums and regional survey links on their respective websites and announced the Consolidated Plan process through electronic mailing lists. Outreach materials and the survey links (including materials in Spanish) were emailed to over 4,000 entities, organizations, and persons.

Approximately 1,225 printed flyers providing public notice about the regional forums were distributed throughout the County at libraries, recreation centers, community meeting locations, and organizations benefiting LMI residents and areas. These flyers were available in English and Spanish.

Print newspaper display ads also were posted in the *Gilroy Dispatch* (English), *Mountain View Voice* (English), *El Observador* (Spanish), *La Oferta* (Spanish), *Thoi Bao* (Vietnamese), *Philippine News* (Tagalog), *World Journal* (Chinese) and *San Jose Mercury News* (English). In addition, an online display ad was placed in the *San Jose Mercury News* to reach readers electronically.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Santa Clara County Continuum of Care (CoC) is a multi-sector group of stakeholders dedicated to ending and preventing homelessness in the County of Santa Clara (County). The CoC's primary responsibilities are to coordinate large-scale implementation of efforts to prevent and end homelessness in the County.

In winter 2015, the CoC partnered with Destination: Home, a public-private partnership committed to collective impact strategies to end chronic homelessness, and released a Community Plan to End Homelessness in Santa Clara County (the Plan), which outlines a roadmap for community-wide efforts to end homelessness in the County by 2020. The strategies and action steps included in the Plan were informed by members who participated in a series of community summits designed to address the needs of homeless populations from April to August 2014. The Plan identifies strategies to address the needs of homeless persons in the County, including chronically homeless individuals and families, families with children, veterans, and unaccompanied youth. Additionally, it also intended to address the needs of persons at risk of homelessness. The Plan aims to implement the following strategies: [1]

1. Disrupt systems: Develop disruptive strategies and innovative prototypes that transform the systems related to housing homeless people.
2. Build the solution: Secure the right amount of funding needed to provide housing and services to those who are homeless and those at risk of homelessness.

3. Serve the person: Adopt an approach that recognizes the need for client-centered strategies with different responses for different levels of need and different groups, targeting resources to the specific individual or household.

Over the next five years, the Plan seeks to identify approximately 6,000 new housing opportunities for the homeless, intending to house 2,518 homeless individuals, 718 homeless veterans, and more than 2,333 children, unaccompanied youth, and homeless individuals living in families.

Members of the CoC meet on a monthly basis in various work groups to ensure successful implementation components of the Plan's action steps. A Community Plan Implementation Team, which includes members of the CoC and other community stakeholders, meets quarterly to evaluate progress toward the Plan's goals, identify gaps in homeless services, establish funding priorities, and pursue an overall systematic approach to address homelessness.[2]

[1] Santa Clara County CoC. "Community Plan to End Homelessness in Santa

[2] Ibid.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Allocating Funds, Setting Performance Standards and Evaluating Outcomes

The city is not an ESG entitlement jurisdiction.

Operating and Administering Help Management Information System (HMIS)

The HMIS SCC project is administered by Bitfocus and has served the community since 2004. The project meets and exceeds HUD's requirements for the implementation and compliance of HMIS Standards. The project has a rich array of service provider participation and is utilized to capture information and report on special programming, such as Housing 1000, the County VTA free bus pass program, and prevention service delivery. [1]

[1] County of Santa Clara. Consolidated Annual Performance and Evaluation Report (CAPER). 2014

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Gilroy Compassion Center
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	NOTE: Additional agencies, groups and organizations were included in the final draft of the Consolidated Plan and are attached to the FY 18-19Annual Action Plan.

Identify any Agency Types not consulted and provide rationale for not consulting

Not applicable

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Regional Continuum of Care Council	The Continuum of Care works to alleviate the impact of homelessness in the community through the cooperation and collaboration of social service providers. This effort aligns with the Strategic Plan's goal to address homelessness.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
City of Gilroy Housing Element (2015-2023)	City of Gilroy	The Housing Element outlines the City of Gilroy goals, policies, and implementation programs for the preservation, conservation, improvement, and production of housing for the 2015-2023 planning period. The Housing Element identifies the specific actions the City will take to address existing and future housing needs. This effort aligns with the Strategic Plans goal to address affordable housing issues through implementation of the plan.
2012-2014 Comprehensive HIV Prevention & Care Plan	Santa Clara County HIV Planning Council for Prevention and Care	This plan provides a roadmap for the Santa Clara County HIV Planning Council for Prevention and Care to provide a comprehensive and compassionate system of HIV prevention and care services for the County. This effort aligns with the Strategic Plan's goal to provide basic and supportive services to special needs populations.
Affordable Housing Funding Landscape & Local Best	Cities Association of Santa Clara County and Housing Trust Silicon Valley	This report provides a comparison of the different funding strategies available for affordable housing in the County, and the best practices for funding new affordable housing. This effort aligns with the Strategic Plan's goal to support the development of affordable housing.
Regional Housing Need Plan for the San Francisco B	Association of Bay Area Governments	This plan analyzes the total regional housing need for Santa Clara County and all of the Bay Area. This effort aligns with the Strategic Plan's goal to support the development of affordable housing.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Community Plan to End Homelessness in Santa Clara	Destination: Home	The Community Plan to End Homelessness in the County is a five-year plan to guide governmental actors, nonprofits, and other community members as they make decisions about funding, programs, priorities and needs. This effort aligns with the Strategic Plan's goal to address homelessness.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

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AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

A comprehensive summary of the citizen participation process utilized in the development of the five-year Consolidated Plan and this FY 18-19 Annual Action Plan and commensurate needs identified through the process is found in Appendix A: Citizen Participation Summary. Below is a summary of the outreach efforts:

1. Regional and Community Forums: A total of 11 regional and community forums took place to include a forum in the city of Gilroy. In total, the forums were attended by 209 individuals representing a cross-sector of the community. This effort included the distribution of 1,225 hardcopy surveys and eight multi-lingual display ads in the local media. Regional Needs Survey: 4,847 entities were directly engaged via email and survey links were posted on the entitlement jurisdiction's websites. Outreach was also made via Facebook and Twitter. These efforts resulted in the return of 1,472 survey responses.
2. In addition, City staff presented a series of priorities for both public service and community development activities identified through the citizen participation process to the Gilroy City Council on January 9, 2017. The public was invited to offer comments at those meetings.

The City utilized these outreach efforts to formulate the goals it wishes to achieve over the 5-year Consolidated Plan period to include this FY 18-19 Annual Action Plan.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	One public hearing took place at the January 9, 2017 City Council meeting to discuss two-year priorities for use of public service and community development dollars.	No comments were received at the public meeting.	N/A	
2	Public Meeting	Non-targeted/broad community	Two public meetings took place to discuss public service and housing rehabilitation funding proposals submitted in response to a Request for Proposal for use of CDBG and local Housing Trust Fund dollars.	No comments were received.	N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public Meeting	Non-targeted/broad community	A public meeting took place at the city's Community and Neighborhood Revitalization Committee (CNRC) to discuss the draft Annual Action Plan.	Comments revolved around increasing the numbers of Community Based Development Organization's (CBDO) to allow for additional investments within the Neighborhood Revitalization Strategy Area.	All comments were received and city staff will place on a future CNRC agenda a discussion on CBDO's and the eligible activities such organizations can undertake.	
4	Public Hearing	Non-targeted/broad community	A public hearing took place at the June 5, 2017 City Council meeting to discuss the draft Annual Action Plan.	No comments were received.	N/A	
5	Public Hearing	Non-targeted/broad community	A public hearing took place at the August 7, 2017 City Council meeting to discuss the draft Annual Action Plan.		N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
6	Public Meeting	Non-targeted/broad community	A public meeting took place at the city's Community and Neighborhood Revitalization Committee (CNRC) to discuss the draft Annual Action Plan	Public comments revolved around increasing funding for fair housing counseling, services for persons experiencing homelessness and affordable housing.	N/A	
7	Public Hearing	Non-targeted/broad community	A public hearing took place at the April 16, 2018 City Council meeting to discuss the recommended CDBG and HTF funding for the second year of the two-year budget cycle around public service and housing rehabilitation activities.		N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
8	Public Hearing	Non-targeted/broad community	A public hearing took place at the May 7, 2018 City Council meeting to discuss the draft Annual Action Plan.		N/A	

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

The City expects to receive resources from both the federally funded Community Development Block Grant (CDBG) program as well as the locally funded Housing Trust Fund. Below is a summary of the expected resources in FY 18-19. If HUD makes any adjustments to its allocation after this Annual Action Plan is adopted, the Housing Rehabilitation – Rebuilding Together, Silicon Valley activity will absorb the adjustments, for the non-service projects, and the Gilroy Demonstration Garden will absorb adjustments for service projects. Any adjustments will occur after funding for administrative activities (i.e., 20% of the CDBG allocation plus estimated program income) has been set aside.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 4				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	460,364	36,000	0	496,364	1,000,000	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 4				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - local	Housing	162,000	0	0	162,000	680,000	The city manages a local Housing Trust Fund. Funds are generated from the repayment or refinancing of prior homebuyer loans that were made to low-income homebuyers. Funds are also generated from city-owned property that was supported with Housing Trust Fund dollars.

Table 5 - Expected Resources – Priority Table

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

The use of local Housing Trust Fund dollars will assist the City in meeting many of the goals noted in its five-year strategic plan. Funds will go primarily toward housing related public service programs and to assist in the administration of both funds.

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 currently owns a multi-family apartment complex within the downtown area known as the Cherry Blossom Apartments. The property includes 7 residential units (five one-bedroom units and two two-bedroom units). The City is currently partnering with the County of Santa Clara and a local nonprofit to house two individuals in the complex. This pilot project currently provides rental subsidies from the County and intensive case management and other support services from the local nonprofit in order to assist the individuals in improving their health and increasing their stability. The program will serve homeless individuals who have been involved in the criminal justice system and require the supportive services necessary to become productive citizens of the community. The City and County will explore the potential of expanding the program to house more individuals to include the provision of supportive services.

Discussion

See above

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Support for affordable housing development	2015	2019	Affordable Housing		Housing Services	CDBG: \$200,000 Housing Trust Fund: \$0	Other: 28 Other
2	Housing Element implementation	2015	2019	Affordable Housing		Housing Services	CDBG: \$0 Housing Trust Fund: \$0	
3	Affordable homeownership support	2015	2019	Affordable Housing		Housing Services	CDBG: \$0 Housing Trust Fund: \$0	

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Housing rehabilitation	2015	2019	Non-Housing Community Development		Housing Services	CDBG: \$120,000 Housing Trust Fund: \$0	Homeowner Housing Rehabilitated: 20 Household Housing Unit
5	Housing for the homeless	2015	2019	Homeless		Basic Needs Housing Services	CDBG: \$0 Housing Trust Fund: \$0	Housing for Homeless added: 2 Household Housing Unit
6	Services to the homeless	2015	2019	Homeless		Basic Needs Supportive Services	CDBG: \$13,500 Housing Trust Fund: \$20,965	Public service activities other than Low/Moderate Income Housing Benefit: 500 Persons Assisted
7	Emergency rental assistance	2015	2019	Homeless		Housing Services	CDBG: \$0 Housing Trust Fund: \$34,465	Homelessness Prevention: 480 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Homeless job training	2015	2019	Homeless		Supportive Services	CDBG: \$0 Housing Trust Fund: \$32,000	Public service activities other than Low/Moderate Income Housing Benefit: 9 Persons Assisted
9	Support basic need services	2015	2019	Homeless Non-Homeless Special Needs		Basic Needs	CDBG: \$10,000 Housing Trust Fund: \$12,500	Public service activities other than Low/Moderate Income Housing Benefit: 60 Persons Assisted
10	Support for supportive services	2015	2019	Homeless Non-Homeless Special Needs		Supportive Services	CDBG: \$14,500 Housing Trust Fund: \$21,070	Public service activities other than Low/Moderate Income Housing Benefit: 135 Persons Assisted
11	Support youth services	2015	2019	Youth		Youth Services	CDBG: \$40,000 Housing Trust Fund: \$0	Public service activities other than Low/Moderate Income Housing Benefit: 220 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
12	Code Enforcement services	2015	2019	Code Enforcement		Housing Services	CDBG: \$13,500 Housing Trust Fund: \$0	Housing Code Enforcement/Foreclosed Property Care: 20 Household Housing Unit
13	Tenant-landlord mediation	2015	2019	Housing Services		Housing Services	CDBG: \$0 Housing Trust Fund: \$26,000	Public service activities other than Low/Moderate Income Housing Benefit: 237 Persons Assisted
14	Capital improvements in the NRSA	2015	2019	Non-Housing Community Development	CITY OF GILROY NEIGHBORHOOD REVITALIZATION STRATEGY	Infrastructure Improvements in the NRSA		
15	Mitigate lead-based paint hazards	2015	2019	Lead Based Paint		Housing Services		
16	Promote fair housing choice	2015	2020	Fair Housing		Housing Services	Housing Trust Fund: \$21,000	Public service activities other than Low/Moderate Income Housing Benefit: 38 Persons Assisted
17	Fair housing zoning	2015	2018	Fair Housing		Housing Services		

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
18	Workforce development	2015	2019	Non-Housing Community Development	CITY OF GILROY NEIGHBORHOOD REVITALIZATION STRATEGY	Economic Development	CDBG: \$0 Housing Trust Fund: \$0	
19	Small business development	2015	2019	Non-Housing Community Development		Economic Development		
20	Neighborhood Revitalization Strategy	2015	2019	NRSA	Rehabilitation and business façade improvements			

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Support for affordable housing development
	Goal Description	The City will provide technical support to developers wishing to construct or rehabilitate both affordable for-sale and rental housing within the City. It will assist developers with meeting the requirements of their proposal. It will also explore if any options exist to assist with the development of affordable housing to include the possible rehabilitation of the Cherry Blossom apartments. These apartments are owned by the City and may provide an opportunity to provide permanent supportive housing to chronically homeless individuals. Lastly, the City will partner with a non-profit affordable housing developer to facilitate the acquisition of a multi-family project that it will rehabilitate and continue to make available to low-income residents.
2	Goal Name	Housing Element implementation
	Goal Description	The city will continue to implement the strategies set forth in the State-approved Housing Element.
3	Goal Name	Affordable homeownership support
	Goal Description	The City will continue to manage its Below Market Rate (BMR) portfolio to insure the ongoing availability of affordable for-sale homes. It will also assist in the sale of future BMR homes as they become available.
4	Goal Name	Housing rehabilitation
	Goal Description	The City will award a contract to Rebuilding Together Silicon Valley for its Rebuilding Home Repair, Rehabilitation and Accessibility Modification Program. This program will repair housing units to attend to the immediate health and safety needs for low-income Gilroy homeowners. The program will be open to all income-eligible Gilroy residents; however, preference will be given to residents living in the Neighborhood Revitalization Strategy Area. The focus of the repairs will address urgent and critical needs, as well as minor repairs, accessibility and mobility needs and limited rehabilitation.

5	Goal Name	Housing for the homeless
	Goal Description	The City will continue to provide permanent supportive housing to two homeless individuals at the City-owned Cherry Blossom Apartments. As units become vacant, the City will continue to partner with the County in identifying other homeless individuals to occupy the units. It will provide non-monetary support to efforts to build permanent housing for homeless individuals in alignment with the Housing First model of ending homelessness. It will also support efforts to insure homeless individuals are inputted into the Clarity Human Services HMIS database. The “Vi-SPDAT’ process connects chronically homeless individuals with the Care Coordination system so that they are in a position to receive permanent housing and case management services that become available. Finally, should the City qualify for HOME funds through its participation in the Santa Clara County HOME Consortium, it will evaluate the potential to use said funds for Tenant Based Rental Assistance for homeless individuals.
6	Goal Name	Services to the homeless
	Goal Description	The City will provide services that support homeless individuals with meeting their basic needs such as clothing, food or toiletries.
7	Goal Name	Emergency rental assistance
	Goal Description	The city will support efforts to provide emergency rental assistance to either help families threatened with eviction or help homeless families with emergency rental assistance that will allow them to move into permanent housing.
8	Goal Name	Homeless job training
	Goal Description	The city will support efforts to provide homeless individuals with job skills that will help prepare them to identify regular employment.
9	Goal Name	Support basic need services
	Goal Description	The city will continue to support services that provide basic need services, especially to special needs clients such as seniors, the disabled and victims of domestic violence.
10	Goal Name	Support for supportive services
	Goal Description	The city will support efforts to provide supportive services to individuals. The individuals may include special needs populations such as the disabled, seniors and victims of domestic violence.

11	Goal Name	Support youth services
	Goal Description	The city will support services at the Gilroy Youth Center to include educational and recreational/enrichment activities. It will also provide funding for free swim lessons for low income youth.
12	Goal Name	Code Enforcement services
	Goal Description	The city will fund housing Code Enforcement services within the NRSA.
13	Goal Name	Tenant-landlord mediation
	Goal Description	The city will support mediation efforts to address disputes between tenants and landlords.
14	Goal Name	Capital improvements in the NRSA
	Goal Description	The City will provide capital improvements to public facilities within the NRSA. Projects can include sidewalk improvements, lighting modifications or public safety infrastructure improvements. The City will provide funding based on the scope and cost of the project(s) as determined at a later date.
15	Goal Name	Mitigate lead-based paint hazards
	Goal Description	The city will continue to educate the community regarding the hazards of lead poisoning, particularly with regard to lead-based paint hazards. It will maintain information on the dangers of lead based paint at the Community Development calendar. It will provide handouts to rehabilitation program clients and test for lead-based paint as required. Finally, it will continue to implement the local Lead Based Management Plan and update when necessary.
16	Goal Name	Promote fair housing choice
	Goal Description	The City will support services that address illegal housing discrimination. Services will include investigation of complaints, conducting of outreach and education and litigation or conciliation efforts to victims of illegal housing discrimination. The City will also review recently released information to determine the steps necessary to complete an Affirmatively Further Fair Housing report and complete by the end of Fiscal Year 2018-2019 (HUD Program Year 2017).

17	Goal Name	Fair housing zoning
	Goal Description	If necessary, the City will continue to modify local zoning ordinances for consistency with State and federal fair housing laws through implementation of Housing Element policies and programs.
18	Goal Name	Workforce development
	Goal Description	The City will support employment services within the NRSA. A certified Community Based Development Organization will provide such services to include job searches, resume and interview preparations, soft skills training, financial literacy and linkages to other resources.
19	Goal Name	Small business development
	Goal Description	The City will support programs that facilitate small business development and will support the Gilroy Chamber of Commerce and/Gilroy Economic Development Corporation in applications for funding and/or in providing outreach to low income residents.
20	Goal Name	Neighborhood Revitalization Strategy
	Goal Description	The City will continue to implement efforts noted in the HUD approved 2013-2018 Neighborhood Revitalization Strategy

Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

The City will not provide affordable housing to any families within the income categories listed.

AP-35 Projects – 91.220(d)

Introduction

The City will continue to fund various projects that help address the priority needs identified in the five-year Consolidated Plan. The listed projects will require City Council approval prior to the award and release of funds. The award amounts in the draft document are based on current estimates of available funds. As of the May 7, 2018 City Council public hearing, HUD had not yet announced the CDBG allocation for Gilroy. Also, HUD has advised local CDBG jurisdiction to not submit the Council FY approved FY 18-19 Action Plan until after HUD informs the city of its FY18-19 CDBG allocation. In that case, staff may need to return to the Council for final approval of adjusted program levels. After Council approval of the revised FY18-19 Annual Action Plan, the City will submit its Plan to HUD for final approval.

The final FY18-19 Annual Action Plan will include the following programs:

#	Project Name
1	La Isla Pacifica Shelter for Battered Women and Children
2	Homeless Prevention and Safety Net Services
3	Housing and Emergency Services for Persons with Disabilities
4	Gilroy Streets Team
5	Landlord Tenant Counseling and Dispute Resolution Services
6	Live Oak Adult Day Care
7	Gilroy Compassion Center- Day Center
8	Project Sentinel Fair Housing
9	Gilroy Demonstration Garden
10	Rebuilding Home Repair, Rehabilitation and Accessibility Modification Program
11	Aquatics Program
12	Gilroy Youth Center
13	Code Enforcement
14	Homeless Outreach
15	Connell Apartments Acquisition
16	Program Administration
17	Public infrastructure projects
18	Downtown business façade improvement
19	Housing for current and formerly homeless persons

Table 8 – Project Information

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

Funding of most public services programs was based on a competitive process that involved a Request for Proposals. Interested applicants submitting funding requests based on the targeted priorities developed by the City. Proposals were then reviewed by the City's Community and Neighborhood Revitalization Committee (CNRC), interviews

took place of each applicant and based on both the interview and application, the CNRC scored each applicant. Funds were distributed based on the applicants meeting the stated priorities and funding availability. The main obstacle to this process was the limited federal and local funding. However, the City, with the assistance of the CNRC, made strategic investments and funded projects that could make the greatest impact to the ongoing needs of the community utilizing available CDBG and HTF revenue.

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Projects

AP-38 Projects Summary

Project Summary Information

Table 9 – Project Summary

1	Project Name	La Isla Pacifica Shelter for Battered Women and Children
	Target Area	
	Goals Supported	Support basic need services Support for supportive services
	Needs Addressed	Basic Needs
	Funding	Housing Trust Fund: \$12,500
	Description	Emergency shelter and supportive services to victims of domestic violence.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	This program will serve 20 unduplicated participants who will consist primarily of women and children.
	Location Description	Community Solutions will provide services at undisclosed locations.
	Planned Activities	The program will provide emergency shelter and supportive services to women who have endured intimate partner abuse and their minor children.
2	Project Name	Homeless Prevention and Safety Net Services
	Target Area	
	Goals Supported	Emergency rental assistance
	Needs Addressed	Basic Needs/Supportive Services
	Funding	Housing Trust Fund: \$34,465

	Description	St. Joseph's Family Center will assist low-income residents with emergency rental assistance, benefits screening, housing search and other supportive services that will prevent families from becoming homeless and/or secure new permanent housing.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 480 unduplicated participants of which some will include familial units.
	Location Description	The program will provide services at the St. Joseph Family Services office located at: 7950 Church Street, Suite A Gilroy, CA 95020
	Planned Activities	The program will provide emergency rental assistance and assessments of service needs.
3	Project Name	Housing and Emergency Services for Persons with Disabilities
	Target Area	
	Goals Supported	Support for supportive services
	Needs Addressed	Supportive Services Housing Services
	Funding	Housing Trust Fund: \$21,070
	Description	The Silicon Valley Independent Living Center will assist individuals with disabilities and their families in their housing search for affordable and accessible housing.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The program will serve 60 unduplicated participants.

	Location Description	The program will provide services at Silicon Valley Independent Living Center offices located at: 7881 Church Street, Suite C Gilroy, CA 95020
	Planned Activities	The program will provide assistance for individuals with disabilities and their families to transition from homelessness, health care facilities, unstable or temporary housing to permanent affordable, accessible, integrated housing and emergency assistance, security deposits, rent, information and referral, providing other assistance as to ensure long-term sustainability of the independent living solutions.
4	Project Name	Landlord Tenant Counseling and Dispute Resolution Services
	Target Area	
	Goals Supported	Tenant-landlord mediation
	Needs Addressed	Housing Services
	Funding	Housing Trust Fund: \$26,000
	Description	The project will educate tenants and landlords on their respective rights and responsibilities, provides instruction on how to resolve housing problems and conducts dispute resolution services.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The program will serve 237 unduplicated participants which will include single person and family households.
	Location Description	The program will provide services at Project Sentinel's office located at: 8339 Church St., Ste. 104 Gilroy, CA 95020

	Planned Activities	The program will enhance the quality of life via supportive services for the lower income residents of Gilroy through housing-related education, counseling, intervention, and dispute resolution services (case management utilizing conciliation and mediation).
5	Project Name	Live Oak Adult Day Care
	Target Area	
	Goals Supported	Support basic need services Support for supportive services
	Needs Addressed	Basic Needs/Supportive Services
	Funding	CDBG: \$10,000
	Description	Live Oak Adult Day Care services
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 40 seniors.
	Location Description	The program will provide services at: 651 W. Sixth St., Suite 2 Gilroy, CA 95020
Planned Activities	The program will provide disabled, at-risk Gilroy seniors with socialization, recreation, exercise, mental stimulation and nutritious meals, removing them from isolation into a life-enhancing and protected environment, and to provide family caregivers with respite and support services which will enhance their ability to care for their senior loved one in the home setting.	
6	Project Name	Gilroy Compassion Center- Day Center
	Target Area	
	Goals Supported	Services to the homeless Support basic need services
	Needs Addressed	Basic Needs

	Funding	CDBG: \$13,500 Housing Trust Fund: \$20,965
	Description	The Day Center provides drop-in access to basic needs, including bathrooms, personal care items, laundry, clean clothes, etc. and a one-stop location for resources and referrals.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The program will service 500 homeless individuals.
	Location Description	The program will provide services at the Compassion Center currently located at: 370 Tomkins Ct. Gilroy, CA 95020
	Planned Activities	The program will provide basic needs such as food, clothing, and hygiene to the homeless, as well as connections to services to increase functioning and self-sufficiency, such as a mailing, address, phones, referrals, case management, and service opportunities. It will also provide case management and outreach services.
7	Project Name	Project Sentinel Fair Housing
	Target Area	
	Goals Supported	Promote fair housing choice
	Needs Addressed	Housing Services
	Funding	Housing Trust Fund: \$21,000
	Description	Project Sentinel will provide services to address the incidence of illegal housing discrimination by investigating complaints, administering systemic audits, conducting community outreach and education and seeking redress for victims of such discrimination.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 38 unduplicated participants.
	Location Description	The program will provide services at the Project Sentinel office located at: 8339 Church Street, Ste. 104 Gilroy, CA 95020
	Planned Activities	The program will provide Fair Housing services, which include community outreach and education and the investigation of complaints and audits for unreported violations. These services are designed to address the incidence of illegal housing and provide redress to victims of such discrimination. These services help ensure balanced, integrated communities and meet HUD requirements for affirmatively furthering fair housing.
8	Project Name	Gilroy Demonstration Garden
	Target Area	
	Goals Supported	Support for supportive services
	Needs Addressed	Supportive Services
	Funding	CDBG: \$10,000
	Description	The Gilroy Demonstration Garden offers a variety of classes and programs to the community related to gardening, health and nutrition.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The project will serve 75 unduplicated participants.
	Location Description	Services will take place at the City-owned community garden located at: 7360 Egleberry St. Gilroy, CA 95020

	Planned Activities	The program will provide teen internship and youth day camps, "Coffee and Cops" events and gardening classes for local residents.
9	Project Name	Rebuilding Home Repair, Rehabilitation and Accessibility Modification Program
	Target Area	
	Goals Supported	Housing rehabilitation
	Needs Addressed	Housing Services
	Funding	CDBG: \$120,000
	Description	The project will repair housing units to attend to the immediate health and safety needs of eligible low-income homeowners with an emphasis on eligible low-income homeowners living in the Neighborhood Revitalization Strategy Area (NRSA).
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The program will serve 20 unduplicated households.
	Location Description	Services will take place at various residences - within the City of Gilroy city limits.
	Planned Activities	The project will focus on the correction of safety hazards and urgent repairs that will attend to the immediate health and safety needs of the household. It will also provide urgent/critical repairs and/or accessibility improvements to ensure safe, affordable and a decent living environment for the occupants.
10	Project Name	Aquatics Program
	Target Area	
	Goals Supported	Support youth services
	Needs Addressed	Youth Services
	Funding	CDBG: \$5,000
	Description	Free swim lessons for low income youth
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	The program will provide free swim lessons to 70 youth ages 5-17.
	Location Description	The program will provide services at Gilroy High School located: 750 W. 10th St. Gilroy, CA 95020
	Planned Activities	The program will provide free swim lessons to children ages 5 to 17 to learn to be water safe. Swim lessons will follow the American Red Cross swim lesson curriculum and instructors are certified Lifeguards and Water Safety Instructors.
11	Project Name	Gilroy Youth Center
	Target Area	
	Goals Supported	Support youth services
	Needs Addressed	Youth Services
	Funding	CDBG: \$35,000
	Description	Gilroy Youth Center services
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The program will provide services to 150 school aged youth.
	Location Description	The program will provide services at the Gilroy Youth Center located at: 227 IOOF Ave. Gilroy, CA 95020
Planned Activities	The program will provide educational and recreational/enrichment activities to school age youth at the Gilroy Youth Center. Services will include homework assistance, field trips, workshops and various physical activities.	

12	Project Name	Code Enforcement
	Target Area	CITY OF GILROY NEIGHBORHOOD REVITALIZATION STRATEGY
	Goals Supported	Code Enforcement services
	Needs Addressed	Housing Services
	Funding	CDBG: \$13,500
	Description	Code Enforcement services in NRSA
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The program will assist 20 households.
	Location Description	The program will provide code enforcement services within the Neighborhood Revitalization Strategy Area.
Planned Activities	This program will provide code enforcement services within the NRSA to enable 20 low- and moderate-income households to retain decent, affordable housing.	
13	Project Name	Homeless Outreach
	Target Area	
	Goals Supported	Services to the homeless
	Needs Addressed	Supportive Services
	Funding	Housing Trust Fund: \$30,000
	Description	This project would create a partnership with Santa Clara County to establish a homeless outreach team in the South County region of Santa Clara County.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	There is currently no estimate of the number of participants that will be served through this project.
	Location Description	Homeless outreach teams will work within the South County region. Funds will go toward teams within Gilroy.

	Planned Activities	Dedicated outreach teams will increase the number of homeless individuals who are assessed and would increase the speed at which individuals and families are referred to and enrolled in supportive housing programs. Moreover, through a partnership with the Santa Clara County Behavioral Health Services Department (BHSD) this proposal will help ensure that: 1) the County is addressing some of the unmet mental health needs of homeless persons; and, 2) will establish a more holistic and humane response to meeting the needs of unsheltered homeless persons. These teams would work closely with the County's outreach team and other contracted outreach teams.
14	Project Name	Housing Rehabilitation
	Target Area	
	Goals Supported	Housing rehabilitation
	Needs Addressed	Housing Services
	Funding	CDBG: \$200,000
	Description	Assistance with acquisition of an existing 28-unit multifamily housing project named Connell Apartments.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The project will assist in the acquisition of a 28-unit multi-family affordable housing project.
	Location Description	NSRA
	Planned Activities	Funds will go toward the projects to facilitate extensive capital repairs and rehabilitation of existing units. The renovation and preservation of this housing asset will restore and enhance the physical condition of the building; as well as provide stable housing for extremely low income and formerly homeless persons.
15	Project Name	Program Administration
	Target Area	
	Goals Supported	

Needs Addressed	
Funding	CDBG: \$102,875
Description	Program administration of the CDBG program
Target Date	6/30/2019
Estimate the number and type of families that will benefit from the proposed activities	
Location Description	Management of the CDBG program will take place at Gilroy City Hall located at: 7351 Rosanna St. Gilroy, CA 95020
Planned Activities	The program will provide oversight and monitoring of the CDBG and HTF programs.

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

Funding of most projects was based on a competitive process that involved a Request for Proposals. Interested applicants submitting funding requests based on the targeted priorities developed by the City. Proposals were then reviewed by the City's Community and Neighborhood Revitalization Committee (CNRC), interviews took place of each applicant and based on both, the CNRC scored each applicant. Funds were distributed based on the applicants meeting the stated priorities and funding availability. The main

obstacle to this process was the limited availability of funding. However, the City, with the assistance of the CNRC, made strategic investments and funded projects that could make the greatest impact to the ongoing needs of the community.

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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

The City will continue to utilize both CDBG and Housing Trust Fund funding to support citywide efforts that meet the needs of the community. However, it will continue to make strategic investments within the boundaries of its Neighborhood Revitalization Strategy Area (NRSA) as approved by HUD. The NRSA is an area of both low-income and minority concentration, and in need of a higher-level investments to meet the needs of the community.

Geographic Distribution

Target Area	Percentage of Funds
CITY OF GILROY NEIGHBORHOOD REVITALIZATION STRATEGY	25%

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Based on the Choice Neighborhoods 2013 Mapping Tool provided by HUD, 30.77% of households within the NRSA are in poverty or have extremely low incomes (30% of county median income). The vacancy rate for this area is 7.02 % as compared to the surrounding county rate of 4.6%. Further research showed that HUD has identified the three combined tracts as "Qualified Census Tracts" (QCTs) for Low Income Housing Tax Credits. To meet this designation a tract must have either a poverty rate of at least 25% or 50% or more of its householders must have incomes below 60% of the county median income. The same area is currently considered by the Small Business Administration to be a "Historically Underutilized Business Zone" (HUB Zone). Small businesses in such a zone have certain preferences in obtaining federal contracts.

Further, a considerable number of homeless persons are found in the NRSA and most of Gilroy's providers of homeless services are located within the boundaries. Also, the NSRA census tract has recently been identified as a potential Opportunity Zone private investment incentive program. This program was adopted in the new federal budget for FY 19, and associated federal tax reform legislation passed by Congress and signed by the President in December 2017. The program will be administered by U.S. Treasury Department with program rules projected to become available in late 2018. The program will allow private companies to invest in community and job creation activities within the Gilroy Opportunity Zone and in exchange receive a federal tax credit.

Discussion

See above

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The need for affordable housing is a major issue facing the city of Gilroy. While the City has limited to no capacity to provide direct financial support of affordable housing, there does exist opportunities to both advocate and support efforts in acquiring affordable housing financing. Also, the City will continue to support the rehabilitation of housing for low income residents. These improvements will include, but not be limited to, accessibility improvements, roof repairs, and kitchen remodels. All the improvements will strive to insure safe and sanitary housing for individuals who are otherwise unable to make such improvements. Finally, the City will explore the possibility of utilizing CDBG funding to rehabilitate the city-owned Cherry Blossom apartments and convert to a permanent supportive housing site for critically homeless individuals.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	48
Special-Needs	0
Total	48

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	20
Acquisition of Existing Units	28
Total	48

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion

Rebuilding Together, Silicon Valley will rehabilitate **20** units through its Home Repair, Rehabilitation and Accessibility Modification program. The project will repair housing units to attend to the immediate health and safety needs of eligible low-income homeowners with an emphasis on eligible low-income homeowners living in the Neighborhood Revitalization Strategy Area (NRSA.) The focus of repairs will address urgent and critical needs, as well as minor repairs, accessibility and mobility needs and

limited rehabilitation.

The City will also provide \$200,000 to support to utilize HTF funds to rehabilitate low-income rental housing, such as the Cherry Blossom building in downtown Gilroy. Improvements will include building envelope improvements (i.e. replacement of roofs, replacement of windows, and replace common flooring.); energy efficient upgrades; water conservation upgrades; mobility upgrades; unit interior upgrades; and, other common area upgrades. Also through this funding, all units will become affordable housing units of which units will be set-aside as rapid re-housing units for Gilroy's most vulnerable residents in jeopardy of losing stable housing or homeless. Through the County's rapid re-housing program, and similar program, the County will work with City staff to refer households that are homeless or at-risk of homelessness to the set-aside units upon turnover. The County will provide rental subsidies and case management services to ensure that these residents can achieve housing stability while living at such rental units.

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AP-60 Public Housing – 91.220(h)

Introduction

No public housing as defined by HUD exists within the City of Gilroy. Therefore, no efforts to support public housing will take place.

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

N/A

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

N/A

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

N/A

Discussion

See above

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

Introduction

The city will continue to invest in services that meet the needs of homeless individuals. With one of the highest per-capita population of homeless individuals in the County, homelessness represents one of the top social issues that impacts the community. The city will participate in countywide efforts to address homelessness and play an active role in the "Community Plan to End Homelessness".

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 will invest \$30,000 as part of a homeless outreach program that will target homeless individuals in Gilroy and the entire South County region. Funds would come from the County and the City of Morgan Hill (pending City Council approval). In South County, outreach is currently limited to law enforcement, volunteers and the existing safety net agencies. This proposal would increase the effectiveness of the countywide coordinated entry system (which is required by HUD). Having dedicated outreach teams would increase the number of individuals who are assessed and would increase the speed at which individuals and families are referred to and enrolled in supportive housing programs. Moreover, through a partnership with the Santa Clara County Behavioral Health Services Department (BHSD) this program will help ensure that: 1) the County is addressing some of the unmet mental health needs of homeless persons; and, 2) will establish a more holistic and humane response to meeting the needs of unsheltered homeless persons. These teams would work closely with the County's outreach team and other contracted outreach teams. Further, two formerly homeless individuals sit on the Continuum of Care board.

Addressing the emergency shelter and transitional housing needs of homeless persons

There does not exist an emergency shelter within the City of Gilroy. The City will continue to fund day services that will meet the basic needs of homeless individuals. It will also fund efforts to support victims of domestic violence who are often left homeless when an individual leaves their abuser. The City will make efforts to identify long-term housing for these clients by the agency that provides such 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.

The City does not have the financial resources to directly fund such activities. Agencies that provide services to the homeless will continue to explore housing options with other funds that are leveraged with City resources.

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 will fund homeless prevention efforts designed to prevent an individual(s) from becoming homeless. The services provided will help families threatened with eviction, or help homeless, unhoused families secure permanent housing with emergency rental assistance. The funds will serve as a bridge to solving a crisis situation.

Discussion

See above

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

There exist multiple barriers to affordable housing that are common throughout the Bay Area. These barriers include the lack of developable land which increases housing development costs and local opposition that is often based on misconceptions, such as a foreseen increase in crime; erosion of property values; increase in parking and traffic congestion. [1] However, to ensure a healthy economy the region must focus on strategies and investment that provide housing for much of the region's workforce whose incomes may significantly limit their housing choices. [2]

The City identified several potential constraints to the development, maintenance, and improvement of housing and affordable housing, in its 2015-2023 Housing Element update: [3]

- The General Plan constitutes the highest-level policy document for the City. As such, a City's General Plan contains several items that can affect the development and distribution of housing, such as land-use classifications, and density and intensity standards.
- The City's residential zoning designations control both the use and development standards of each residential parcel, thereby influencing the development of housing. The City has found that the maximum development limits established by the Zoning Ordinance do not pose a constraint to the development of housing, although these regulations do have an obvious effect on the cost and development of housing.
- Parking requirements do not constrain the development of housing directly, but may reduce the amount of available lot area for residential development.

[1] Association of Bay Area Governments. "Affordable Housing in the Bay Area." 2014.

[2] Association of Bay Area Governments. "Jobs-Housing Connection Strategy." 2012.

[3] City of Gilroy. "2015-2023 Housing Element." 2014.

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

There are no specific actions proposed to ameliorate the negative effects of public

policies that serve as barriers to affordable housing. The City will continue to enforce the Residential Development Ordinance (RDO) Affordable Housing Exemption Procedure (Procedure). The intent of the Procedure is to set forth specific criteria and guidelines for the affordable housing exemptions included in the City of Gilroy Zoning Ordinance. The goal of the Procedure is to meet the current and future needs of all segments of the community specifically both for-sale and rental housing to low income individuals. The City, through the implementation of its Housing Element, will continue to identify opportunities to promote the development of affordable housing where possible.

Discussion

See above

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AP-85 Other Actions – 91.220(k)

Introduction

The Annual Action Plan has highlighted many of the specific actions the city plans to take in Fiscal Year 2018-2019. Below is further information on other actions it plans to undertake during the same timeframe.

Actions planned to address obstacles to meeting underserved needs

As noted prior, the most significant obstacle in meeting underserved needs is the limited availability of funding. The City will continue to research potential opportunities for additional sources of funding to address the needs it is unable to address with the funds available. When funds become available, the City will research the potential uses of those funds and make a determination as to whether or not it can be used to address underserved needs. Such efforts will be addressed when the City reports out its accomplishments through the CAPER.

Actions planned to foster and maintain affordable housing

The City will continue to support and provide technical assistance to developers of affordable for-sale and rental housing. The City will provide \$200,000 to support the acquisition of the Connell Apartments. It will continue to research and evaluate options that could provide additional financial support the development of affordable housing.

Actions planned to reduce lead-based paint hazards

The City will continue to educate the community regarding the hazards of lead poisoning, particularly with regard to lead-based paint hazards. It will maintain information on the dangers of lead based paint at the Community Development counter. It will provide handouts to rehabilitation program clients and test for lead-based paint as required. Finally, it will continue to implement the local Lead Based Management Plan and update when necessary.

Actions planned to reduce the number of poverty-level families

The City expects that through the community services funding both through the CDBG and Housing Trust Fund programs will reduce the number of poverty-level families.

Actions planned to develop institutional structure

City staff and staff from the other CDBG entitlement cities in the County of Santa Clara and the County of Santa Clara as well as the Housing Authority of Santa Clara County

participate in quarterly CDBG Coordinators meetings. These meetings discuss data resources and strive to coordinate requests for information to both public and private countywide agencies. These meetings help City staff to better understand the County and non-profit social service structure. Additionally, HUD staff meets with this group to clarify issues and assist in providing ongoing programmatic technical information. The email list serve for this group enables members to share information and to provide technical assistance to one another. The quarterly meetings promote and create an environment of cooperation and understanding of differing needs, concerns, and issues among the group. This expansion of knowledge of regional issues and sharing of information benefits each of the individual jurisdictions represented in the group.

Also, City staff participates in the South County Collaborative that consists of providers of services to low income and special needs residents of Gilroy, San Martin and Morgan Hill. The Collaborative is a nonprofit organization, which is able to apply for funding that benefits the communities it serves. Collaborative members share information through an active list serve, and receive notices of public comment periods on the Annual Action Plans and CAPERs.

Lastly, the City's Police Department hosts a monthly meeting that includes representatives from County Mental Health, staff from various nonprofit agencies, health workers, the Santa Clara Valley Water District, faith-based organizations, as well as individual volunteers. The focus is on identifying resources and on sharing information on homeless individuals that have been identified by the police and outreach workers as being ready to get off the streets or who are in particularly dire need. The sharing of information and resources also has as a goal of conserving resources such as police time spent in re-arresting the same homeless person multiple times. The group is also considering viable alternatives to illegal encampments in Gilroy.

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

As noted in the "Actions planned to develop institutional structure" the City actively participates in various groups and collaborative designed to share information, bring awareness to the needs and services of the community and organized to design solutions to the many needs in the community. The City will continue to participate in such efforts with the goal of bringing forth additional resources to City residents.

Discussion

See above

Program Specific Requirements

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

Introduction

The city will continue to collect additional revenue to support the actions noted in the Annual Action Plan. The funds, known as Program Income, is collected from various sources to include repayment of past rehabilitation loans, rents from city-owned properties that were improved with CDBG and Housing Trust Fund funds and bank interest.

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	36,000
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 grantee's 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:	36,000

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.	70%

Discussion

See above