



# CITY OF GILROY

## Consolidated Annual Performance and Evaluation Report

For the Third Year of the Five-Year Consolidated Plan  
Program Year 2022  
July 1, 2022 – June 30, 2023

## CR-05 - Goals and Outcomes

### Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

In May 2022, the City of Gilroy submitted its 2022-2023 Annual Action Plan (AAP) to the federal Department of Housing and Urban Development (HUD) which represents the third year AAP of the 5-year Consolidated Plan. The Action Plan detailed the goals and objectives for the Community Development Block Grant (CDBG) awarded by HUD.

At the conclusion of each program year, and no later than 90 days after a program year ends (September 28), the City of Gilroy must submit a Consolidated Annual Performance and Evaluation Report (CAPER). The intent of the CAPER is to summarize the City's progress in achieving the goals stated in the Program Year (PY) 2022-2023 Action Plan. It includes an assessment of the one-year goals and objectives, summarizes accomplishments, lists the amount of funds spent on programs in support of said goals, and, if applicable, highlights why progress was not made.

During Program Year 2022, the City successfully expended its allocation, with a total of \$570,118.95 in CDBG funds requested for payment/drawn down from HUD.

The City utilized CDBG funds for public service activities provided by the following subrecipients/programs:

- Community Agency for Resources, Advocacy and Services (C.A.R.A.S.): RYSE UP (**R**eaching our **Y**oung people to **S**ucceed and **E**mpower with **U**nlimited **P**otential) Program
- City of Gilroy Recreation Division: Gilroy Youth Activities Program
- Live Oak Adult Day Services: Adult Day Care Program
- Boys and Girls Club of Silicon Valley: Ochoa Clubhouse **CORE** Enrichment Program

Public service dollars are always highly sought after; the City went through a rigorous application process to review and rank eligible proposals of applicants who responded to the City's request for proposals. The City implemented a 2-year funding cycle for subrecipients, and this program year marked the first year of that cycle. The organizations were able to expend all of their Gilroy grant funds within this program year and three

were recommended for funding renewal in the upcoming program year. A total of \$65,452 public service dollars were spent which was 14.94% of the allocation amount and below the 15% public service cap.

The City also utilized CDBG funds for its rehabilitation activity provided by the following subrecipient/program:

-Rebuilding Together Silicon Valley: Repair and Accessibility Modification Program for Low-Income Homeowners

The Program aimed to address health/safety issues, code corrections and accessibility issues. Preference was given, as much as possible, to eligible households in the former Neighborhood Revitalization Strategy Area (NRSA), which continues to be a target service area. Still dealing with the effects of COVID, this program was underperforming through the first half of the program year, however additional marketing and informational workshops were held to increase community awareness and interest. As a result, quarter four was very productive and Rebuilding Together was able to expend all funds allocated. As shown in the table below, sixteen households were able to benefit from this program to preserve their affordable housing.

Lastly, the City utilized CDBG funds, approximately \$244,745, towards a safety enhancement improvement project that focused on designing and constructing curb ramps to accommodate and promote accessibility throughout various neighborhoods in the community.

A summary of notable accomplishments achieved during the 2022 Program Year can be found below.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Install safety and enhanced public improvements	Non-Housing Community Development	CDBG: \$852,820	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	57610	61950	107.53%	1825	4340	237.81%
Neighborhood Revitalization	Code Enforcement	CDBG: \$38,500	Housing Code Enforcement/Foreclosed Property Care	Household Housing Unit	300	40	13.33			
Planning and Administration	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$495,300	Other	Other	1	1	100.00%	1	0	0.00%
Preserve affordable housing	Affordable Housing	CDBG: \$721,820	Rental units constructed	Household Housing Unit	1	0	0.00%			
Preserve affordable housing	Affordable Housing	CDBG: \$721,820	Rental units rehabilitated	Household Housing Unit	10	0	0.00%	4	0	0.00%
Preserve affordable housing	Affordable Housing	CDBG: \$721,820	Homeowner Housing Rehabilitated	Household Housing Unit	100	52	52.00%	14	16	114.29%

Supportive services for homeless populations	Non-Housing Community Development	CDBG: \$79,770	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1000	473	47.30%			
Supportive services for special needs populations	Non-Homeless Special Needs	CDBG: \$287,930	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	500	441	88.20%	195	130	66.67%

**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

The City of Gilroy uses its annual Community Development Block Grant (CDBG) entitlement grant to maximize its ability to address high priority housing and supportive services for special needs populations needs within the community. These needs were identified through a public engagement process that was designed to identify both public service and community development needs within the city. These needs were then prioritized and included as high priority activities in the Five-Year Consolidated Plan and subsequent Annual Action Plans. The City will continue to monitor the ongoing priorities within the city during the timeframe of the Five-Year Consolidated Plan and modify, if necessary.

In Program Year 2022, the City was incredibly pleased to expend a majority of its total allocation on projects and programs that focus on preserving affordable housing (rehabilitation program), supportive services for special needs populations, and public improvements for pedestrian safety. These goals were prioritized in the Action Plan, and the beneficiaries are reported in the table above.

As noted in the previous CAPER, the City received Coronavirus (CV) Aid, Relief, and Economic Security (CARES) Act funding for the CDBG Program. CDBG CV-1 and CV3 funds went through the amendment process to get programmed and identified as funds aimed at preventing, preparing for, and responding to COVID-19. The City received a total of \$697,571 in CV funding.

In the previous CAPER the City reported the accomplishments and expenditures of CV-1 funding which focused on rental assistance and small

business assistance. For PY 2022/23, the City expended its remaining CV3 funds on activities provided by the following subrecipient/programs:

-YMCA of Silicon Valley: CDBG CARES Act Healthy Meal Delivery Program

- City of Gilroy: Small Business Relief Program

- Program Administration

As the table above does not include CV1 and CV3 accomplishments, they are provided below:

- CDBG CARES Act Healthy Meal Delivery Program – 42 persons
- Small Business Relief Program – 16 businesses

Due to demands and an ever-changing landscape of COVID-19, the City pivoted this program year to utilize more funding for the food distribution program rather than rental assistance, as it was determined that rental assistance was being funded by other county/state funding sources and was not going to be needed. City staff maintained close communication with its subrecipients to ensure these funds were utilized for the highest priority need and expended in an expedited manner.

According to the PR-26, Integrated Disbursement and Information System (IDIS) CDBG Financial Summary Report, for CV funds, the City has now expended all of its CV allocation which is well within the 6-year term that was provided by HUD. The following were the final amounts/activities that utilized CV monies:

- Program Administration - \$49,259
- Small Business Relief Program – \$382,986
- Homeless Prevention COVID-19 Rental Assistance Program - \$150,000
- CDBG CARES Act Healthy Meal Delivery Program - \$115,326

## CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG
White	153
Black or African American	3
Asian	3
American Indian or American Native	7
Native Hawaiian or Other Pacific Islander	0
<b>Total</b>	<b>166</b>
Hispanic	117
Not Hispanic	49

Table 2 – Table of assistance to racial and ethnic populations by source of funds

### Narrative

Race and ethnicity data are collected from all subrecipients and recipients who receive CDBG and CDBG-CV funding and provide a direct service to low/moderate income persons. The numbers above represent the demographic breakdown by race and ethnicity of beneficiaries served through CDBG and CDBG-CV funded programs. These activities are comprised of the following:

- C.A.R.A.S.– RYSE UP Program
- City of Gilroy Recreation Division: Gilroy Youth Activities Program
- Live Oak Adult Day Services: Adult Day Care Program
- Boys and Girls Club of Silicon Valley: Ochoa Clubhouse **CORE** Enrichment Program
- Rebuilding Together Silicon Valley: Repair and Accessibility Modification Program for Low-Income Homeowners
- YMCA of Silicon Valley: CARES Act Healthy Meal Delivery Program (CV Funds)

It should also be noted that the HUD chart above does not reflect beneficiary multiple race categories reported in IDIS under each activity. According to the City's data, a total of 182 persons, 124 of which reported Hispanic ethnicity, were assisted with CDBG funds. Additionally, of the 182, 52 persons, 14 of which reported Hispanic ethnicity, were assisted with CDBG-CV funds for this Program Year.

## CR-15 - Resources and Investments 91.520(a)

### Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	438,177	\$570,185

Table 3 - Resources Made Available

### Narrative

The "resources made available" are based on Program Year 2022 CDBG entitlement grant dollars received from HUD. Expenditures exceeded the resources available as projects from the previous program year were completed/expended. Overall, the City is extremely pleased it spent its CDBG program funds in a timely manner, meeting its timeliness test this year.

### Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
CDBG Target Area			
Citywide	100	100	Citywide

Table 4 – Identify the geographic distribution and location of investments

### Narrative

In Program Year 2022, the City provided funding within its former Neighborhood Revitalization Strategy (NRSA). The HUD NRSA designation expired at the end of the prior 5-year Consolidated Plan cycle and has not been renewed with HUD. Even though it does not meet HUD's regulatory requirements for an NRSA, the City continues to focus on this area at the local level due to the existing high levels of poverty, need for improved public facilities, and neighborhood deterioration. The City continued providing home repairs and modifications, citywide, through its Repair and Accessibility Modification Program for Low-Income Homeowners. This program gave preference to residents living within the NRSA, as much as possible. Because the NRSA designation is not recognized by HUD, the CDBG Target Area in the above table is blank.



## Leveraging

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

The funding provided through the City's CDBG program represents only a portion of the agencies' costs to run their programs. Awarded funds may be utilized as a match for the agency to acquire other funding.

Additionally, no publicly owned land or property was used to address the needs identified in the Plan.

## CR-20 - Affordable Housing 91.520(b)

**Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.**

	One-Year Goal	Actual
Number of homeless households to be provided affordable housing units	0	0
Number of non-homeless households to be provided affordable housing units	14	16
Number of special-needs households to be provided affordable housing units	0	0
<b>Total</b>	14	16

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through rental assistance	0	0
Number of households supported through the production of new units	0	0
Number of households supported through the rehab of existing units	14	16
Number of households supported through the acquisition of existing units	0	0
<b>Total</b>	14	16

Table 6 – Number of Households Supported

**Discuss the difference between goals and outcomes and problems encountered in meeting**

**these goals.**

Overall, the City's housing rehabilitation/home repair and accessibility modification program assisted sixteen households; considering the ongoing COVID-19 impacts residents continue to deal with, the City is extremely pleased with this total. Beneficiaries utilized the program to make necessary repairs and modifications to their home to ensure safety, accessibility and maintain affordability.

**Discuss how these outcomes will impact future annual action plans.**

The City developed a working partnership with Rebuilding Together Silicon Valley for implementing these home repair/rehabilitation funds and intends to continue to provide this valuable service to the community. Due to the limited CDBG funds available and general cost of development in the City, it is unlikely the City will have the ability to accomplish any large-scale affordable housing projects in the future. The City will maintain its focus on home repair/housing rehabilitation. In PY 2022-23, the City met with Rebuilding Together to increase the exposure of this program and ensure the program is being marketed to the full extent, as interest in the program was lower than previous years. These efforts appeared to make a difference as there was much higher demand for the program in quarter 3 and quarter 4. Additionally, to meet higher costs associated with these projects, the City and Rebuilding Together Silicon Valley determined that increasing the limits for projects will better suit those households in need by allowing for larger, more costly repairs. In PY 2023, the program will receive almost double its “normal” allocation to allow for this program adjustment.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

<b>Number of Households Served</b>	<b>CDBG Actual</b>	<b>HOME Actual</b>
Extremely Low-income	9	0
Low-income	6	0
Moderate-income	1	0
<b>Total</b>	<b>16</b>	<b>0</b>

**Table 7 – Number of Households Served**

**Narrative Information**

In addition to the figures reported in the tables above that reflect CDBG dollars spent, affordable housing units for unhoused households were made available through St. Joseph’s Family Center’s Gilroy Place and Our New Place (ONP) programs. The HUD funded Gilroy Place program serves chronically unhoused individuals with a disabling condition. Utilizing the “Housing First” approach to addressing homelessness, the program provides permanent housing, intensive case management, employment support services and counseling services to help stabilize the individuals served. ONP is a partnership between St. Joseph’s Family Center and Community Solutions to assist families experiencing intimate partner violence who are coming from a temporary shelter. The program provides intensive case

management, employment services and counseling services to help stabilize the families and move them toward better health, self-sufficiency and overall well-being. For program year 2022, Gilroy Place provided 12 units to 16 individuals and Our New Place provided 13 units to 42 individuals.

The Santa Clara County Housing Authority (SCCHA) is the regional Public Housing Authority for the City of Gilroy and administers a Section 8 Housing Choice Voucher (HCV) Program for its residents. Interested families are now drawn from an always open interest list onto the waiting list when tenant-based voucher assistance is available. Families on the interest list must interact with their interest list account at least once per year to keep the account active. Interest list registrants are drawn by a lottery process, so time on the interest list does not influence the likelihood to be drawn for a waiting list.

There are currently 1,200 families/individuals from Gilroy registered on the interest list. For PY 2022, 962 Gilroy households utilized tenant-based and project-based vouchers within the City, of which approximately 50% are made up of disabled or elderly individuals.

The following complexes have been awarded Project Based Section 8 contracts which subsidize some or all of the units:

- Sobrato Family Apartments
- Monterey Gateway Apartments
- Monticelli Apartments
- Connell Apartments
- Sunset Gardens Apartments
- Wheeler Manor Apartments

## **CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

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

Every two years, during the last ten days of January, communities across the United States conduct comprehensive counts of the local population experiencing homelessness. These biennial Point-In-Time (PIT) Counts estimate the prevalence of homelessness in each community and collect information on individuals and families sleeping in emergency shelters and transitional housing, as well as people sleeping on the streets, in cars, in abandoned properties, or in other places not meant for human habitation. Homelessness continues to represent the number one social issue facing the City of Gilroy.

The County of Santa Clara, the City of San Jose, the other cities in Santa Clara County, and the Continuum of Care worked in conjunction with Applied Survey Research (ASR) to conduct the Santa Clara County Homeless Census and Survey for 2023.

The 2023 Santa Clara County PIT Census was a community-wide effort conducted on January 24-25, 2023. In the weeks following the street count, a survey was administered to 1,006 unsheltered and sheltered individuals experiencing homelessness to profile their experience and characteristics. A detailed overview of the survey response can be found on the County's website [Santa Clara County Homeless Census and Survey Reports - Office of Supportive Housing - County of Santa Clara \(sccgov.org\)](https://www.sccgov.org/homeless-census)

For 2023, the PIT Census recorded 1,048 sheltered and unsheltered individuals in Gilroy as homeless. This represents a dramatic increase of 49% when compared to 704 in 2019. While not specifically known, the increase would appear to be directly tied to COVID-19 and the hardships that resulted from the pandemic.

Santa Clara County implements a coordinated entry system, a consistent, community-wide intake process to match unhoused persons to existing community resources which best address their situation. This coordinated process makes it easier for people to seek assistance by having them complete a standard assessment tool (the Vulnerability Index-Service Prioritization Decision Assessment Tool or VI-SPDAT).

During PY 2022, the City received Permanent Local Housing Allocation (PLHA) funding from the State through application and partnership with Santa Clara County to provide services to the unhoused in Gilroy. The South County Compassion Center (SCCC) exclusively served homeless Gilroy individuals through Gilroy's PLHA allocation. The following SCCC services were provided through the encampment outreach unit and wrap-around support services activities: basic needs services to unhoused families and individuals, including food, clothing, personal care items, VI-SPDAT intakes, assistance with job searches, resume writing, applying for identification, accessing benefits, educational opportunities, and

appropriate resources and referrals.

Pit Stop Outreach is not funded with CDBG or PLHA funding, but it is noteworthy to include the following services this organization provided to unhoused residents of Gilroy: volunteers worked in partnership with unhoused Gilroy residents to improve safety, health, and well-being, and to meet basic needs. They provided 100-125 meals per weeknight, clothing and supplies, cleanup events, health and safety items, and special events. On Saturdays, 50-100 meals were provided.

Homeless outreach primarily occurs in the City of San Jose, although outreach efforts to the rest of the County are expected to increase. One such example is the provision of outreach services during the cold weather season that runs from the end of November to mid-April. Gilroy has dedicated significant time and resources to identify and implement measures that assist the unhoused in Gilroy, including two Quality of Life Officers and a website providing a variety of unhoused resources and efforts and emergency housing. The Quality-of-Life Officers make site visits and connect unhoused individuals with service providers who conduct assessments, provide services, and link the unhoused to resources and programs offered by the County and nonprofit organizations. Gilroy also created a Gilroy Unhoused Service Providers Network and conduct regular meetings to increase collaboration and partnership among the service providers and the City to connect the unhoused with services. Gilroy will continue to explore its funding strategy and collaborate with other South County cities to ensure that limited federal and local resources are targeted to pressing community needs such as homelessness

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

There were three facilities that provide emergency shelter in Gilroy.

The Gilroy Armory Cold Weather Shelter transformed from a seasonal shelter to the Gilroy Shelter, a 24/7 year-round emergency shelter operated by HomeFirst. The Shelter provides varying levels of staff, including a Shelter Manager who oversees operations and a Community Engagement Coordinator who cultivates support and donations from the surrounding community. The Gilroy Shelter requires a referral, is pet friendly, offers communal spaces, mobile laundry, shared restrooms and showers, generally serves adults only, however, families are served whenever possible and provides case management services via the South County Compassion Center.

The seasonal short-term Arturo Ochoa Winter Shelter served unhoused 35 families with at least one dependent, under the age of 18. The shelter operated from mid-December to mid-March. Referrals were accepted beginning mid-November and priority was given to referrals from partner agencies. Homelessness will be verified by Saint Joseph's Family Center staff.

Persons interested in seeking shelter at the Gilroy Armory or the Arturo Ochoa Winter Shelter are invited to call the housing/shelter call center "Here 4 You" at (408) 385-2400. They must specify if they prefer placement in a Gilroy shelter. The Here4You Call Center coordinates emergency sheltering and temporary housing. During inclement weather events, the sheltering capacity increases to

accommodate emergency sheltering needs at various warming locations throughout the County. The Call Center hours are 9:00 AM to 7:00 PM.

Community Solutions provided La Isla Pacifica Shelter for survivors of intimate partner violence and their children. For eligibility questions residents can call 408.779-2113 during business hours and the crisis hotline 877-363-7238 after hours.

The City continues to explore an expansion of affordable housing options and, where possible, identify potential opportunities to provide permanent supportive housing to homeless individuals. Examples of affordable apartments providing permanent supportive housing are:

- Sobrato Family Apartments: this apartment complex provided forty units with permanent supportive housing, by referral only, and nineteen units with no supportive services
- Gilroy Studios: this complex provided twenty-five studios with supportive housing, by referral only
- Monterey Gateway Apartments: this apartment complex for seniors provided thirty-seven units with permanent supportive housing and 37 units with no supportive services

On a countywide basis, New Directions provides intensive case management to frequent users of the emergency departments at four area hospitals, many of whom are chronically homeless individuals. Santa Clara Valley Medical Center, O'Connor Hospital, Regional Medical Center, and Saint Louise Regional Hospital, in the City of Gilroy, are served by this project. Health Care for the Homeless provides medical care to homeless people through its clinics and a mobile medical van at homeless encampments.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after 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); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The City does not currently fund any program to prevent homelessness by individuals or families being discharged from publicly funded institutions and systems of care. The biggest barrier to funding such a program is the limited availability of funds and the need to address the established priorities of the community. Should resources increase, the City will evaluate if opportunities exist to partner with other public agencies or local nonprofits to fund such a program.

On a countywide basis, particularly for chronically homeless, it is preferred that individuals receive intensive case management rather than simple information and referral services. Case managers work to assist homeless individuals find housing, connect with resources, and receive services to maintain housing. The provision of case management is person-based rather than shelter-based with the goal of

rapid rehousing. Within the five-year goals of the Community Plan to End Homelessness, the target is to create 6,000 housing opportunities for persons who are homeless. An additional goal is for each of the 6,000 new tenants to have access to the services that will allow them to maintain that housing.

**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 currently fund the services described above and will evaluate the benefits of such programs should resources increase.

## **CR-30 - Public Housing 91.220(h); 91.320(j)**

### **Actions taken to address the needs of public housing**

No public housing units exist in the City of Gilroy nor are there any plans to build such housing in the future.

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

As noted above, no public housing units exist in the City of Gilroy.

### **Actions taken to provide assistance to troubled PHAs**

There are no troubled public housing agencies in the City of Gilroy.



## **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken 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. 91.220 (j); 91.320 (i)**

As required by the State of California, the City is required to complete a Housing Element. The Housing Element outlines the city's goals, policies, and implementation for the preservation, conservation, improvement and production of housing for the 2023-2031 planning period. The 2023-2031 Housing Element identifies the specific actions the City will take to address existing and future housing needs. Some example program actions include:

1. Inclusionary Housing Policy: Develop an affordable housing policy to establish inclusionary housing requirements so that specified new developments reserve a percentage of the total units for lower- and moderate-income households or pay an in-lieu of housing fee for projects below the threshold for inclusionary housing.
2. ADU Pre-Designed Plans: The City will develop an ADU program that includes pre-designed "model" plans for ADUs that meet zoning and building, and fire codes.
3. Facilitate Missing Middle / Middle Income Housing: Amend the City Code to allow triplexes, and fourplexes to be approved ministerially on corner lots with a minimum 8,000 sf lot size in the R1 and R2 zones (approximately 449 lots) so long as the project complies with objective design standards and the lot was created prior to May 1, 2023.
4. ADU Ordinance Update: To incentivize ADU production, the City will replace the ADU deed restriction requirement with an owner affidavit form that does not require recordation at the County. This change will accelerate and streamline the process for approving ADUs in the City.
5. Zoning Ordinance Update: Changes will include streamlining permit processes and making them more transparent, ensuring General Plan densities are achievable, and revising development standards to be objective. Consistent with state law, the zoning ordinance will also allow by-right approval of emergency housing, supportive housing, low-barrier navigation centers, and housing for agricultural employees in specified zones where residential uses are allowed. The City will develop a process to allow 100% residential projects in the Downtown Expansion District, and create a process that allows flexibility in the type of non-residential uses allowed in the new First Street Mixed-Use Corridor for projects that include residential units with affordable rents for extremely low-income households, farmworkers, persons with disabilities, or other special needs households.

6. Revise Neighborhood District Policy: Adopt standards related to affordability distribution, term/years of affordability, and other standards necessary for transparency and consistency in decision making.

**Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

The City continues to focus its limited resources on meeting underserved needs in the community. All services funded meet such needs and accomplishments of each are noted in previous sections of this CAPER. The City will continue to research potential opportunities for additional sources of funding to address the needs it is unable to meet 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.

**Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

In PY 2017, the City began funding the “Rebuilding Home Repair, Rehabilitation and Accessibility Modification Program” a primarily minor repair program administered by Rebuilding Together, Silicon Valley. The grant funded services are provided to low-income homeowners whose homes are in need of health and safety repairs. Rebuilding Together’s staff provided all beneficiaries with the “lead-safe certified guide to renovate right” pamphlet and followed HUD lead requirements. The Program continued to be funded in program year 2022 under the name Repair and Accessibility Modification Program for Low-Income Homeowners.

**Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

The City expects that the community services funded with CDBG dollars will help reduce the number of poverty-level families. Quantifiable data does not exist that illustrates this beneficial impact; however, the City believes the availability of services will positively impact the quality of life for the individuals served.

The City works to reduce the number of poverty-level families through all projects by making them available to low-and moderate-income (LMI) persons citywide. The following projects were created to address the need of expanding economic opportunities for lower-income people and others may offer additional benefits in reducing poverty, simply by way of design.

- The Live Oak Adult Day Services’ Adult Day Care Program provided recreation and socialization for persons who are unable to live independently. This program allowed caretakers to go to work during the hours that the program is open. Were it not for this program, the caretaker may not be able to earn an income for the household because the beneficiary of the day program does not have anywhere else to go during that time.
- The Rebuilding Together Silicon Valley Repair and Accessibility Modification Program for Low-Income Homeowners benefitted low-income homeowners in making necessary health and

safety and accessibility repairs to their homes that they otherwise would not be able to afford, and which may otherwise lead to uninhabitability and potentially homelessness.

- The City of Gilroy Recreation Division's Gilroy Youth Activities Program kept Gilroy youth engaged after school and for 2-week sessions during the summer, while their parents were at work and they are not in school.
- The C.A.R.A.S. RYSE UP Program sought to support at-risk low-income youth who are displaying offending behaviors, truancy, trauma and are on the verge of or in the juvenile system, with activities that will help build their self-esteem.

### **Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

City staff and staff from the other CDBG entitlement cities in Santa Clara County, the County of Santa Clara Office of Supportive Housing, and the Housing Authority of Santa Clara County participate in bi-weekly CDBG/Housing Regional Coordinators meetings. These meetings discuss data resources and strive to coordinate requests for information to both public and private countywide agencies. Additionally, HUD staff meets with this group to clarify issues and assist in providing ongoing programmatic technical information. The email listserv for this group enables members to share information and to provide technical assistance to one another. The ongoing CDBG/Housing Regional Coordinator's 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 with the ability to apply for funding to benefit the communities it serves. Collaborative members share information through an active listserv and receive notices of public comment periods on the Annual Action Plan, Assessment of Fair Housing (AFH), Consolidated Plan (ConPlan), and CAPER.

During PY 2022, the Community Development Department transitioned back to overseeing the Housing and Community Development Division, which changed its name to Housing and Community Services Division in PY 2023.

During PY 2022, the name of the Unhoused Service Providers Group (USPG) was changed to Unhoused Service Providers Network (USPN), the group transitioned back to the Community Development Department, and monthly meetings were facilitated by the Community Development Director. This network of service providers included representatives from the Gilroy Police Department (Quality of Life Officers), County of Santa Clara Office of Supportive Housing, staff from various nonprofit agencies, Gilroy Shelter staff, health workers, the Santa Clara Valley Water District, and faith-based organizations. The focus was on identifying resources and sharing specific information on how to support unhoused individuals and families in the City of Gilroy, but the group also took into consideration the larger context of issues occurring in the County. The Quality-of-Life Officers were active members and worked

directly with outreach workers in connecting unhoused residents with resources, case management as well as shelter options available in the County.

**Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

As noted above, the City actively participates in various groups and the 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.

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

Santa Clara County and participating cities including Gilroy issued a Request for Proposal in FY 19/20 for an Assessment of Fair Housing (AFH) which meets both federal and state fair housing analysis requirements. A qualified consultant was selected and has been working with Gilroy (and the County) on the AFH. Due to the COVID-19 pandemic, a number of delays have occurred, however the majority of the City's draft AFH has been completed. Staff continues to coordinate with the consultant to consider further changes to the goals and priorities.

## **CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

As a recipient of federal CDBG funds, the City of Gilroy is responsible for managing the day-to-day operations of all CDBG funded activities and ensuring that CDBG funds are used within all applicable requirements. Monitoring is the primary tool to ensure that this happens.

The three primary goals of monitoring are:

1. Ensure production and accountability.
2. Ensure compliance with CDBG and other federal requirements.
3. Evaluate organizational and project performance.

City staff conducts a desktop review of all subrecipients / grantees (City staff programs) and on-site monitoring of all newly funded agencies, as well as any agencies receiving \$15,000 or more in CDBG or any subrecipients that show signs of concern. Desktop reviews that indicate substandard performance are followed up with phone contact, email communication and, if needed, and on-site review. These steps ensure long-term compliance with the requirements of the programs involved.

For any subrecipients/grantees that do not otherwise require on-site monitoring, City staff provides specific technical assistance regarding benchmarks, reporting, and record keeping, prior to signing agreements.

In PY 2022, the following monitoring visits were conducted by City staff for the previous program year:

- Rebuilding Together Silicon Valley—Rebuilding Home Repair, Rehabilitation and Accessibility Modification Program FY 2021-22, \$140,000 monitored on 10-26-22
- City of Gilroy Recreation Division---Youth Activities Program FY 2021-22, \$38,452 grant monitored on 11-21-22
- Bay Area Community Health (BACH) Community Outreach and Navigation PrEP Program FY 2021-22, \$10,250 grant monitored on 2-28-23
- St. Joseph’s Family Center—CARES Act Subsistence/Rental Assistance Program FY 2020-21, CV1 \$150,000

- The Health Trust Meals on Wheels Program FY 2021-22, \$8,643 desktop monitoring throughout the program year during a one-year funding cycle
- Live Oak Adult Day Services—Adult Day Care-Gilroy Center FY 2021-22, \$8,560 desktop monitoring throughout the program year during one-year funding cycle

The monitorings were conducted to determine whether each agency implemented and administered their program activities in accordance with City and Federal requirements as laid out in each subrecipient agreement. In most cases, staff conducted a programmatic review of the program as a whole and then a separate review of financial information related to each program. These monitorings provide subrecipients with an evaluation of how they are administering their programs, and a time to offer additional training should it be needed.

Overall, each monitoring went well, with items of concerns being noted and corrected by each organization. A detailed report from each monitoring visit is maintained in each agency's project file at the City.

### **Citizen Participation Plan 91.105(d); 91.115(d)**

#### **Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

A public notice was advertised in the local newspaper (Gilroy Dispatch) on September 8, 2023, that allowed for a public comment period until September 26, 2023. The public notice was advertised in both English and Spanish. Additionally, the draft CAPER was posted at the following locations for the public to view it:

- City of Gilroy Website: <https://www.cityofgilroy.org/cdbg>
- City Hall: 7351 Rosanna St., Gilroy, CA, Monday – Thursday from 8:30 AM to 4:30 PM
- Gilroy Library: 350 W. Sixth St., Gilroy, CA, Monday – Saturday during business hours

Notices of the draft CAPER were also emailed to the following groups/organizations for their input:

- South County Collaborative
- Unhoused Service Providers Network
- South County Youth Task Force
- Current CDBG grant recipients

## **CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

The City of Gilroy did not make any changes to the CDBG program objectives during the year. As we are still in the 2020-2025 Consolidated Plan cycle, we felt it best to maintain those goals and objectives that have already been put in place. The City monitored expenditure of CDBG funds throughout the year to ensure that projects/programs awarded, either during this year or from prior periods, were completed and dollars expended.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

Not applicable

### CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

<b>Total Labor Hours</b>	<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>	<b>HOPWA</b>	<b>HTF</b>
Total Number of Activities	1	0	0	0	0
Total Labor Hours	686				
Total Section 3 Worker Hours	0				
Total Targeted Section 3 Worker Hours	0				

**Table 8 – Total Labor Hours**

<b>Qualitative Efforts - Number of Activities by Program</b>	<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>	<b>HOPWA</b>	<b>HTF</b>
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.					
Direct, on-the job training (including apprenticeships).					
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).					
Outreach efforts to identify and secure bids from Section 3 business concerns.					
Technical assistance to help Section 3 business concerns understand and bid on contracts.					
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.					
Held one or more job fairs.					
Provided or connected residents with supportive services that can provide direct services or referrals.					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.					
Assisted residents with finding child care.					
Assisted residents to apply for or attend community college or a four year educational institution.					
Assisted residents to apply for or attend vocational/technical training.					
Assisted residents to obtain financial literacy training and/or coaching.					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					
Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.					
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.					
Other.	1				

**Table 9 – Qualitative Efforts - Number of Activities by Program**



## **Narrative**

The City was aware of the new Section 3 requirements and was aware this project would trigger it due to the funding threshold being met. Staff worked with public works to ensure bid language was updated to include all applicable information related to Davis Bacon and Section 3, and specifically called it out to contractors. The prime contractor who was selected was required to register on the Section 3 HUD portal and was instructed on how to proceed in obtaining new hires that might meet these benchmarks. Unfortunately, no new hires were needed, and no Section 3 employees were currently on the contractor payroll, thus the benchmark was not met. The City will continue to promote Section 3 hires in future construction projects.