

Community Development Block Grant Fund

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T*o provide funding for local community projects and services which further the objectives of the Federal Community Development Block Grant (CDBG) program. The national objectives of the program are to provide assistance to persons of low- and moderate-income, prevent or eliminate slums and blight, or meet an urgent community development need.*

CDBG funds are granted to programs and projects carried out by local non-profit organizations and by City departments. By federal regulation, up to fifteen percent of the City's CDBG grant and program income may be allocated to public service activities. By City policy, all of these funds are provided to non-profit organizations that provide community services including but not limited to: emergency and homeless assistance; legal services; services for seniors, youth and persons with disabilities; fair housing activities; and employment services.

Up to twenty percent of the CDBG allocation may be used for administration, fair housing, and planning activities. The remainder of the CDBG funds are allocated to community development activities and construction, and awarded to non-profit organizations and City departments for activities such as capital projects, housing improvements, neighborhood revitalization, code enforcement, job creation, and economic development.

Community Development Block Grant

Budget Summary

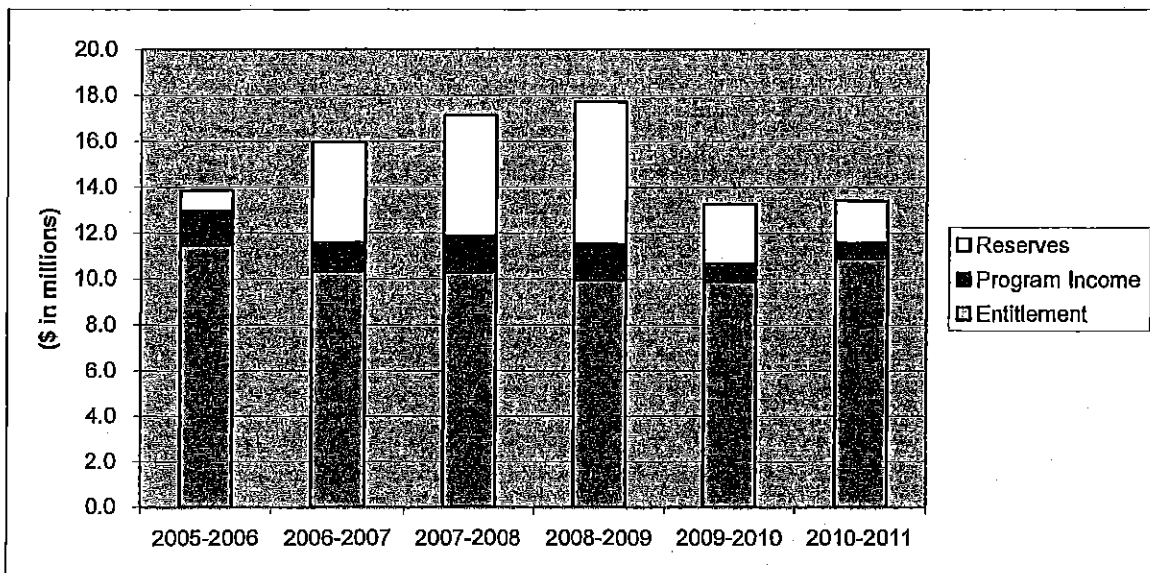
	2009-2010 Adopted	2010-2011 Adopted	Change
Contractual Community Services	\$ 1,605,000	\$ 1,739,417	8.4%
Community Development Improvements	\$ 9,455,237	\$ 9,351,013	(1.1%)
Administration, Fair Housing & Planning	\$ 2,204,237	\$ 2,319,223	5.2%

Budget Highlights 2010-2011

- 2010-2011 represents the first year of a two-year funding cycle for public service awards.
- In 2010-2011, the annual CDBG entitlement award will be \$10.9 million. The City's annual entitlement has decreased by 19% from a high of \$13.5 million in 1995-1996.
- For 2010-2011, the program established four funding categories. These funding categories are: access to health care, basic needs, legal services, and self-sufficiency.
- Funding for City projects has increased by 29% from 2009-2010.

Budget

CDBG FUNDING



Community Development Block Grant

Fund Overview

The City's Community Development Block Grant (CDBG) program budget is based on a 2010 entitlement grant of \$10.9 million. Annual program income from repayment of prior CDBG housing rehabilitation and revolving loans is estimated at \$700,000, a decline from previous collection levels. Additionally, the program expects to utilize approximately \$150,000 in funds available from prior years. These funds are primarily a result of savings from prior projects that were liquidated. Also, the rebudgeting of unexpended funds in 2009-2010 for projects totaling \$1.7 million was approved. Of the total \$13.4 million in the 2010-2011 budget, approximately \$1.7 million will be available for public service programs through the Contractual Community Services (CCS) category, approximately \$9.4 million will be available for Community Development Improvements (CDI), and approximately \$2.3 million will be available for Administration, Fair Housing, and Planning activities. In addition, one-time federal grant funding of \$2.7 million for the American Recovery and Reinvestment Act of 2009 was received in late 2008-2009 and \$1.0 million of that funding was spent in 2009-2010 for various activities including creating suitable living environments and providing affordable housing. The remaining funding of \$1.7 million will be spent in 2010-2011.

Contractual Community Services

Forty-one projects from non-profit agencies offering services to San José residents were approved for funding in 2010-2011. Programs funded under this category offer a variety of services to the community, including job training and referrals, legal assistance, housing assistance, and assistance to special needs populations.

Community Development Improvements

Eight City programs and projects are funded in the CDI category. In addition, four non-profit agencies will receive funding to support economic development and housing rehabilitation programs.

Administration, Fair Housing, and Planning

Funds in this category are used to support a variety of projects, including administration of the program, fair housing, and planning activities. One non-profit agency will receive funding for fair housing services and the Office of Economic Development will receive funds to support the non-profit strategic platform. The Finance, Housing, Planning, Building and Code Enforcement, and Transportation Departments will also receive funding for the support services they provide to the program.

Funding allocations within each CDBG category are contained within the "2010-2015 Consolidated Plan, Annual Action Plan 2010-2011." One public hearing was held on April 8, 2010 to discuss the "2010-2015 Consolidated Plan, Annual Action Plan 2010-2011." The Annual Action Plan, including the CDBG funding allocations, was approved by City Council on May 4, 2010. The following information summarizes the approved funding allocations according to each category. Details of each allocation are contained in the "2010-2015 Consolidated Plan, Annual Action Plan 2010-2011" that can be found at <http://www.sjhousing.org/report/conplan.html>.

Community Development Block Grant

Fund Overview (Cont'd.)

	2008-2009 Actual 1	2009-2010 Adopted 2	2010-2011 Adopted 3	% Change (2 to 3)
Dollars by Sources				
Beginning Fund Balance	\$ 10,752,219	\$ 9,940,906	\$ 8,058,611	(18.9%)
CDBG Entitlement	9,941,267	9,900,000	10,896,115	10.1%
Housing Rehabilitation Loan Program Income	653,862	600,000	525,000	(12.5%)
Other Revenue	108,021	200,000	175,000	(12.5%)
Recovery Act - CDBG Fund	2,700,463	0	0	N/A
Total	\$ 24,155,832	\$ 20,640,906	\$ 19,654,726	(4.8%)
Dollars by Uses				
Contractual Community Services	\$ 1,633,649	\$ 1,605,000	\$ 1,739,417	8.4%
Community Development Improvements	11,184,739	9,455,237	9,351,013	(1.1%)
Administration, Fair Housing & Planning	2,176,637	2,204,237	2,319,223	5.2%
Recovery Act - CDBG Fund	0	2,700,463	1,700,463	(37.0%)
Ending Fund Balance	9,160,807	4,675,969	4,544,610	(2.8%)
Total	\$ 24,155,832	\$ 20,640,906	\$ 19,654,726	(4.8%)

Community Development Block Grant

Budget Category: Contractual Community Services

Budget Category Overview

Contractual Community Services (CCS) funds may be used for activities defined as public services under CDBG regulations. These funds support programs that provide services in the areas of community service, recreation, legal services, senior services, services for persons with

disabilities, youth services, transportation for seniors, homeless assistance, and employment services. The total available for this category in 2010-2011 is \$1,739,417. By policy, the City makes all of these funds available to local non-profit organizations.

Budget Category Summary

	2008-2009 Actual 1	2009-2010 Adopted 2	2010-2011 Adopted 3	% Change (2 to 3)
Contractual Community Services	\$ 1,633,649	\$ 1,605,000	\$ 1,739,417	8.4%
Total	\$ 1,633,649	\$ 1,605,000	\$ 1,739,417	8.4%

Community Development Block Grant

Budget Category: Contractual Community Services

Budget Category Summary (Cont'd.)

The following projects were approved for funding in the 2010-2011 Adopted Budget from the Contractual Community Services (CCS) allocation.

<u>Adopted Allocation</u>	<u>2010-2011 Amount</u>
2nd Street One-Stop Drop-In Center (Bill Wilson Center)	\$ 25,000
Alzheimer's Activity Center Senior Day Program (Respite and Research for Alzheimer's Disease)	29,478
Alzheimer's Activity Center Food and Nutrition Program (Respite and Research for Alzheimer's Disease)	25,000
Asian Law Alliance (Santa Clara County Asian Law Alliance)	44,395
Asian Women's Home (Asian Americans for Community Involvement)	34,000
Azawount Services (Ethiopian Community Services)	25,000
Bill Wilson Runaway and Homeless Youth Shelter (Bill Wilson Center)	36,031
Brown Bag Program (Second Harvest Food Bank of Santa Clara and San Mateo Counties)	25,950
Case Management for Homeless Families (Family Supportive Housing)	29,986
Cecil White Center (InnVision The Way Home)	40,847
Center for Survivors of Torture (Asian Americans for Community Involvement)	25,000
Chronic Disease Self Management Program (The Health Trust)	25,000
Day Break Senior Resilience and Empowerment Project (Catholic Charities of Santa Clara County)	55,537
Diabetes Prevention Program (Indian Health Center of Santa Clara Valley)	25,000
Domestic Violence Services to the City of San José - Self Sufficiency (Support Network for Battered Women)	25,000
Fair Housing Investigation and Enforcement Services (Law Foundation of Silicon Valley, for the San José Fair Housing Consortium)	260,000
Family Self Sufficiency (Housing Authority of Santa Clara County)	65,764
GOLD (Fresh Lifelines for Youth, Inc.)	25,000
Happy 5 Vietnamese Parenting Workshop (International Children Assistance Network)	25,000
Heart Benefits Assistance and Training (Sacred Heart Community Services)	25,000
Independent Living Skills (Silicon Valley Independent Living Center)	25,089
Julian Street Inn (InnVision The Way Home)	30,627
Juvenile Drug Treatment Court Mentoring Program (Fresh Lifelines for Youth, Inc.)	33,684
Legal Assistance to San José Elders (Senior Adults Legal Assistance)	72,605
Legal Eagle (Fresh Lifelines for Youth, Inc.)	38,838
Long Term Care Ombudsman Program (Catholic Charities of Santa Clara County)	27,409
Meals on Wheels (The Health Trust)	25,950
Mental Health Advocacy Project (Law Foundation of Silicon Valley)	25,089
Montgomery Street Inn (InnVision The Way Home)	25,950
Portuguese Community Center Senior Health Support Program (Portuguese Organization for Social Services and Opportunities)	25,000
Portuguese Community Center Senior Nutrition Services (Portuguese Organization for Social Services and Opportunities)	38,592
Rasin Machal (Ethiopian Community Services)	30,398
San José H.O.M.E.S. (EHC Lifebuilders)	50,327
Senior Adult Day Care/Respite (Live Oak Adult Day Services)	29,073
Senior Health Transportation and Resources Program (Outreach and Escort, Inc.)	40,190
Senior Nutrition Program (Asian Americans for Community Involvement)	25,000
Shelter Next Door (Next Door Solutions to Domestic Violence)	75,776
Step-up to Brighter Futures (Community Partners for Youth)	98,370

Community Development Block Grant
Budget Category: Contractual Community Services

Budget Category Summary (Cont'd.)

Adopted Allocation	2010-2011 Amount
Tech Santa Clara County Tools for Ending Chronic Homelessness (Community Technology Alliance)	\$ 74,959
Transitional House (Maitri)	25,000
Vietnamese Senior Services (Vietnamese Voluntary Foundation)	49,503
Total Contractual Community Services	\$ 1,739,417

Community Development Block Grant

Budget Category: Community Development Improvements

Budget Category Overview

The largest portion of the City's CDBG funds are allocated to the Community Development Improvements (CDI) category. This category includes non-construction projects including economic development projects and code enforcement

activities. In addition, this category also includes construction projects or physical improvements. The following table demonstrates the distribution of funding in the CDI category by non-construction and construction categories.

Budget Category Summary

Community Development Improvements	2008-2009 Actual 1	2009-2010 Adopted 2	2010-2011 Adopted 3	% Change (2 to 3)
CDI Non-Construction	\$ 7,790,256	\$ 6,659,541	\$ 6,617,082	(0.6%)
CDI Construction	3,394,483	2,795,696	2,733,931	(2.2%)
Total	\$ 11,184,739	\$ 9,455,237	\$ 9,351,013	(1.1%)

The following projects were approved for funding in the 2010-2011 Adopted Budget from the Community Development Improvements (CDI) allocation.

Adopted Allocation	2010-2011 Amount
CDI Non-Construction	
Proactive Code Enforcement (Planning, Building and Code Enforcement Program)	\$ 2,148,568
Housing Rehabilitation Single and Multi Family (Housing Department)	1,700,000
Fire Engines in Low Moderate Income Areas (Fire Department)	1,100,000
Smart Start San José Family Childcare Training (Library Department)	456,491
Rebuilding Housing Repair Program (Rebuilding Together Silicon Valley)	303,268
Microcredit San Jose (Opportunity Fund Northern California)	258,677
Assets for New American: Virtual Business Incubator (Anewamerica Community Corp.)	250,000
Minor Repair Program (Housing Department)	250,000
Small Business Incubator Program (Santa Clara County Black Chamber of Commerce)	150,078
Total CDI Non-Construction	6,617,082
CDI Construction	
Meridian Facility Rehabilitation (Indian Health Center of Santa Clara Valley)	1,200,000
LED Streetlight Conversion (Department of Transportation)	693,728
ADA Compliance Sidewalks (Department of Public Works)	599,004
KACS Community Center Renovation (Korean American Community Services)	100,000
Alexander Avenue Curb, Gutter and Sidewalk Installation (Department of Public Works)	75,000
Green Streets Project (Department of Transportation)	66,199
Total CDI Construction	2,733,931
Total Community Development Improvements	\$ 9,351,013

Community Development Block Grant

Budget Category: Administration, Fair Housing and Planning

Budget Category Overview

The Administration, Fair Housing and Planning category consists of primarily program administration, environmental review services, and database services.

Budget Category Summary

	2008-2009 Actual 1	2009-2010 Adopted 2	2010-2011 Adopted 3	% Change (2 to 3)
Administration, Fair Housing and Planning	\$ 2,176,637	\$ 2,204,237	\$ 2,319,223	5.2%
Total	\$ 2,176,637	\$ 2,204,237	\$ 2,319,223	5.2%

The following projects were approved for funding in the 2010-2011 Adopted Budget from the Administration, Fair Housing and Planning allocation.

Adopted Allocation	2010-2011 Amount
Program Development and Monitoring (Housing Department)	\$ 1,744,223
Accounting Services (Finance Department)	200,000
Legal Aid Society Fair Housing Counseling Project (Legal Aid Society of Santa Clara County)	150,000
Tree Study on Low Moderate Income Areas (Department of Transportation)	125,000
Non-Profit Platform (Office of Economic Development)	50,000
Environmental Review Services (Planning, Building and Code Enforcement Department)	30,000
City-Wide Grants Management System (Parks, Recreation & Neighborhood Services Department)	20,000
Total Administration, Fair Housing and Planning	\$ 2,319,223

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