



Memorandum

TO: NEIGHBORHOOD SERVICES AND EDUCATION COMMITTEE **FROM:** Leslye Krutko

SUBJECT: HOUSING COUNSELING SERVICES REPORT

DATE: August 24, 2009

Approved

Date

9-1-09

COUNCIL DISTRICT: Citywide

RECOMMENDATION

It is recommended that the Neighborhood Services and Education Committee accept the status report regarding housing counseling activities in San José. Housing Department staff will make a brief presentation at the meeting and be available for questions.

BACKGROUND

Over the years, the Community Development Block Grant (CDBG) Program has historically awarded approximately \$350,000 annually for housing counseling services to a number of agencies, including the Legal Aid Society of Santa Clara County (Legal Aid). The annual allocation of CDBG funding has dropped significantly in recent years, resulting in a decrease in funding available for this purpose.

During the FY 2009-10 application process, the Legal Aid application for housing counseling services did not make the recommended funding list. As Legal Aid serves more than 2,000 participants a year, the City Council requested that staff return with a review of the impact the lack of funding would have on the services provided to the low- and moderate-income community.

ANALYSIS

Housing Department staff has completed an analysis of the housing counseling services provided to San Jose residents. Table 1 below details the services provided, which include education, information and outreach, tenant and landlord counseling, and mediation. In addition to Legal Aid, housing counseling services are provided by the Project Sentinel Fair Housing Consortium, Catholic Charities Housing Search and Stabilization Program, Bay Area Legal Aid's Housing Preservation Program, and the Housing Department's Rental Rights and Referral Program.

**Table 1
Housing Counseling Service Comparison**

Activity	Legal Aid: Housing Counseling Project	Project Sentinel (Fair Housing Consortium Member)	Bay Area Legal Aid: Housing Preservation Program	Housing Department Rental Rights and Referral Program	Catholic Charities: Housing Search and Stabilization
City Funded (CDBG or other source)	√	√		√	√
Legal representation			√		
Seminars/Trainings		√	√		
Education, information and outreach (i.e. brochures, PSA's, resource fairs, etc.)	√	√	√	√	√
Rent control legal assistance			√		
Counseling for tenants and landlords	√	√	√	√	√
Mediation services	√	√	√	√	√
Rent control education				√	
Assessment services					√
Financial education					√
Housing placements					√

In preparing this report, staff made verbal contact with these agencies to determine if they have experienced an increase in activity after July 1, 2009. They all indicated that there has been an increase in services requested, both before and after July 1, 2009, and attribute this increased demand to the current unemployment rate and the surge in foreclosure filings from January to June 2009.

Additionally, staff learned that Legal Aid continues to provide housing counseling services as of July 1, 2009, however, these services are limited to San Jose residents. All residents outside of San Jose are referred to other non-profits or other local jurisdictions, as appropriate. Restructuring of other financial resources, a minor decrease in staffing, and collaboration with other nonprofits has enabled the continuation of these services by Legal Aid. With operational changes and program streamlining, it is expected that the agency will maintain the same level of service in FY 2009-10.

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CONCLUSION

Two months into the fiscal year, there appears to be no significant impact in the delivery of services to the low- and moderate-income community due to the decrease in CDBG funding to housing counseling services. Operational improvements and collaboration with other non-profits providing housing counseling services has enabled Legal Aid to continue to provide services at the same level for the residents of San Jose. Staff will continue to monitor the availability of housing counseling services and report back to the City Council if there are any concerns.



LESLYE KRUTKO
Director of Housing

For questions please contact Leslye Krutko, Director of Housing, at 408-535-3851.