



# 2021-2022 Consolidated Annual Performance and Evaluation Report (CAPER)

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ADMINISTERED BY: PLANNING AND DEVELOPMENT SERVICES

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## CR-05 - Goals and Outcomes

### Progress the jurisdiction has made in carrying out its strategic plan and its action plan.

#### 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

Below, as shown in Table 1 - Accomplishments – Program Year & Strategic Plan to Date, is a description of the progress the City of Palo Alto has made in achieving the goals outlined in its strategic plan and annual action plan. In Program Year 2021-22, the City achieved the majority of its annual goals and is on track to meet most of the five-year goals outlined in the Consolidated Plan.

PY2021 Annual Action Plan Substantial Amendment.

1. **Catholic Charities**, through the Long-Term Care Ombudsman Program, assisted 262 mostly low- or moderate- income elderly residents at the Palo Alto long-term care facilities that mainly serve low-income residents.
2. **Alta Housing** had on-site counseling services available to the residents of the 131 units of the Single-Room Occupancy (SRO) Resident Support Program at Alma Place (25 units) and Barker Hotel (106 units). Services were provided to 151 residents.
3. **LifeMoves**, at the Opportunity Services Center, provided case management services including assistance with housing and job searches, referrals, and mentoring to 56 homeless and/or very low-income Palo Alto residents.
4. **Project Sentinel** (Fair Housing Services) assisted 24 individuals in investigating their fair housing complaints;
5. **Silicon Valley Independent Living Center (SVILC)** (Housing and Emergency Services) assisted 26 adults with disabilities in developing an independent living plan for housing that resulted in improved accessibility to decent affordable housing.
6. **Rebuilding Together Peninsula** (Safe at Home) assisted six households with home rehabilitation.
7. **Downtown Streets Team** (Workforce Development) connected 14 employers with seven individuals who were meaningfully employed. The Workforce Development program was eligible for CDBG funding for July and September 2021 only, due to a change in the organization's Community Based Development Organization (CBDO) status. The City has agreed to assist the program with reimbursements for the remaining CDBG-related costs for FY2022. At year-end, the program assisted 7 individuals with job placement.
8. **Ravenswood Family Health Network** requested a time extension to complete the project for a new

ADA Accessible Clinic Entrance and Exit at the Palo Alto Clinic. The new completion timeline is June 2023.

**PY2021 Annual Action Plan Substantial Amendment**

The City was informed by the CDBG subrecipient LifeMoves that they no longer needed the remaining funds allocated to them in Program Year 2020-21. These funds supported a Rental Assistance Program and specifically came from CDBG-Coronavirus (CDBG-CV) grants. The remaining funds totaled \$194,501. Staff investigated other funding opportunities for eligible CDBG-CV activities for the reallocation of the \$194,501 and plan to fund \$160,300 for Move Mountain View to support a safe parking program and \$34,201 for LifeMoves to administer a COVID-19 testing program.

**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)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Affordable Housing	Affordable Housing	CDBG: \$	Rental units rehabilitated	Household Housing Unit	107	0	0.00%			
Affordable Housing	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	40	6	15.00%	6	6	100.00%
Economic Development	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0		0	0	
Economic Development	Non-Housing Community Development	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	0		0	0	
Economic Development	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	150	28	18.67%	15	7	46.67%
Fair Housing	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	75	41	54.67%	16	24	150.00%
Homelessness	Homeless	CDBG: \$ / CDBG-CV: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	850	429	50.47%	167	207	123.95%

Homelessness	Homeless	CDBG: \$ / CDBG- CV: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	60	54	90.00%			
Homelessness	Homeless	CDBG: \$ / CDBG- CV: \$	Homeless Person Overnight Shelter	Persons Assisted	100	43	43.00%			
Homelessness	Homeless	CDBG: \$ / CDBG- CV: \$	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	0	0				
Homelessness	Homeless	CDBG: \$ / CDBG- CV: \$	Homelessness Prevention	Persons Assisted	0	0				
Strengthen Neighborhoods	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1200	0	0.00%	1200	0	0.00%
Strengthen Neighborhoods	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1345	1574	117.03%	74	691	933.78%

Strengthen Neighborhoods	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	0		0	0	
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**Table 1 - Accomplishments – Program Year & Strategic Plan to**

**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.**

During Program Year 2021, the City's CDBG subrecipients continued to provide vital services to extremely low, very low, low and moderate-income households while addressing: (1) the priorities and needs of the community as explained in the City's adopted 2020-25 Consolidated Plan; and (2) the City's funding priorities and strategies to address COVID-19 related impacts, using funds from the CDBG CARES Act (CDBG-CV).

The City has achieved a number of goals as outlined in the 2021 Annual Action Plan (AAP) through CDBG and CDBG-CV funding. A total of \$746,715 is available for funding projects and programs during the 2021 Program Year. The City received \$536,756 from the federal CDBG program, approximately \$136,049 in program income and \$73,910 in reallocated funds from previous years. At the time of this reporting, the City has spent approximately \$186,934. However, this may increase slightly. Due to turnover and lack of staffing, three of the organizations have requested an extension of the reporting deadline and in one case an extension in contract. This would be reported in the following year's CAPER.

Through the combination of CDBG and CDBG-CV funds, in total, 935 persons were assisted in this Program Year. Of the 935 persons, 383 were extremely low-income, 421 were low income and 131 were moderate income of the total. Approximately 40 percent of all persons were assisted through the COVID-19 related activities.

With the CDBG annual formula grant, Catholic Charities, through the Ombudsman Program, assisted 262 senior residents through visitation and phone outreach at the local long-term facilities, and LifeMoves, at the Opportunity Services Center, provided case management services including assistance with housing and job searches to 56 homeless/very low-income community residents. Project Sentinel provided fair housing and tenant/landlord mediation services to 24 local residents. Additionally, through the CDBG funds, Alta Housing was able to offer on-site counseling services to 151 residents of the Single-Room Occupancy (SRO) Resident Support Program. Additionally, Rebuilding Together Peninsula was able to assist six households (eight persons) with home rehabilitation to help assist in the City's goal of affordable housing.

Ravenswood Family Health Network, a local health clinic, administered COVID-19 tests for 403 community residents through the CDBG annual formula grant through the pop-up vaccination events and booster COVID-19 vaccines.



## 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	416
Black or African American	109
Asian	146
American Indian or American Native	31
Native Hawaiian or Other Pacific Islander	3
<b>Total</b>	<b>705</b>
Hispanic	60
Not Hispanic	645

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

### Narrative

Table 2 generated in IDIS has only five racial categories and does not reflect all of the racial categories served by the City's CDBG funded activities. To accurately report the racial and ethnic breakdown, Table 2 is edited and provided as an attachment in the "Narrative" section. The updated table shows the accurate racial and ethnic categories of total individuals served in PY2021-22 through CDBG and CDBG-CV funds. Total number (935) also includes 403 individuals assisted through the COVID-19 related activities. In total, the City's CDBG program served 935 individuals in PY2021-22. Of those individuals, approximately 44% were White; 27% were African American; 36% were Asian; less than 1% were either American Indian/American Native, Native Hawaiian, American Indian/Alaskan Native and Black, American Indian/Alaskan Native and White, Black or African American/White. Fifty six percent of individuals reported as "Other."

## 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	746,715	186,934
Other	public - federal	0	

Table 3 - Resources Made Available

### Narrative

Almost all of the City's CDBG subrecipients were able to utilize all of their grant funds in PY2021-22 with the exception of LifeMoves Rental Assistance Program (PY 2020) and Ravenswood Family Health Network: ADA Accessible Clinic Entrance and Exit at the Palo Alto Clinic; both COVID-19 (CARES-ACT) projects.

- LifeMoves Rental Assistance Program had \$194,500.50 in CDBG-CV funds remaining. The program was not able to expend funds in 2021 to provide eligible households who are unable to meet their monthly financial obligations as a result of the COVID-19 emergency with rental assistance. LifeMoves informed the City that they would be unable to spend the remaining funds that they received for this program and are therefore returning the funds to the City to be reallocated towards different COVID-related activities. The City has prepared a Substantial Amendment to re-allocate these funds to MoveMountain and LifeMoves Covid Testing Program.

- For Ravenswood Family Health Network (ADA Accessible Clinic Entrance and Exit at the Palo Alto Clinic), the project was funded \$300,000 but the project had a number of issues in regards to architectural design and plan check approval. They are nearing completion for all of the preliminary items and will be putting the project out to bid soon. Once a contractor is chosen and construction begins, they estimate the work to last about 2-3 months. A combination of County plan check delays and supply chain issues were causing the overall delay of the project resulting in a request for a time extension to June 2023 to complete the work. Every year, the City tracks a sub-recipient's spending with the goals that have been established. In some cases, a sub-recipient/organization is not able to spend the remaining funds. These funds are then added to the City's unused funds from previous years and are considered roll over funds to be allocated as part of the following program year. The anticipated rollover funds from program year 2021 were included in the planning process for program year 2022. The Notice of Availability of Funding (NOFA) was published in Winter 2021.

- Hotel De Zink provided emergency shelter to homeless clients from January 2021 through June 2021. After fully funding the two requests, the City still had \$43,000 to allocate to an activity/project. In February 2021, staff re-published NOFA for the remaining \$43,000 and received only one application from LifeMoves for the same Hotel De Zink program (provide emergency shelter to homeless clients from July 2021 through December 2021). Staff amended the original contract and added \$43,000 and

extended the term of performance from June 2021 to December 2021. The organization fully utilized the additional \$43,000 by December 2021.

- Ravenswood Vaccination Van was funded through a combination of PY2020 CDBG annual formula grant (\$149,950) and CDBG-CV (\$204,600) funds. This activity’s goals were achieved. According to their reporting, the Ravenswood organization assisted 403 persons with vaccination and or testing in program year 2021-2022.

**Identify the geographic distribution and location of investments**

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description

**Table 4 – Identify the geographic distribution and location of investments**

**Narrative**

The City considers the provisions of all types of housing assistance on a citywide basis consistent with the policies of the Comprehensive Plan. Palo Alto does not have specific target areas for housing activities; instead, the City attempts to provide affordable housing to lower-income persons throughout the City. Minority concentration includes areas in the City where the concentration of racial and ethnic minority population is 10% or higher than their total citywide representation. There are only a few areas that are considered to have a concentration of minority populations or low-income residents in Palo Alto. The CDBG Program defines low-income concentration as any census block group where 51% or more residents earn 80% of Median Family Income (MFI) or less. An exception exists for a jurisdiction that does not have any areas meeting this definition, such as Palo Alto, which includes the highest quartile of all areas in the City in terms of degree of concentration, is used. However, Palo Alto does not qualify activities under the low- and moderate- income (LMI) area benefit category.

## 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.**

Palo Alto leverages federal and private housing funds to the greatest extent feasible consistent with the goals identified in the 2020-2025 Consolidated Plan. Moreover, the City continues to encourage non-profit organizations to seek other local, state, and federal funding for both housing and non-housing community development activities.

**HUMAN SERVICES RESOURCE ALLOCATION PROCESS (HSRAP):** The City of Palo Alto provided \$549,306 in General Funds during PY2021-22 to address primary human service needs in the community. These funds include multi-year agreements allocated by HSRAP and administered by the Office of Human Services in the Community Services Department. Funded projects addressed the Human Relations Commission's priority needs in the following categories: early childcare and education, youth programs, senior nutrition and social services, homelessness, and basic needs such as health care and mental health.

**HOUSING IN-LIEU:** The City of Palo Alto maintains a local housing fund consisting of two sub funds: the "Commercial Housing Fund" and the "Residential Housing Fund." Palo Alto, under Chapter 16.65 of the Municipal Code, requires commercial and industrial development projects to pay a housing mitigation fee. The fees are deposited in the "Commercial Housing Fund", and the accumulated fees and interest earned on the fund are made available for the creation of new low and moderate-income housing units under the "Affordable Housing Fund Guidelines" adopted by the City Council. As of April 12, 2022, the Commercial Housing Fund had a preliminary available balance of approximately \$1,451,109.

Pursuant to Program H-3.1.2, the Below Market Rate Program of the City's Housing Element, Palo Alto collects housing in-lieu fees from residential development when it is infeasible to provide below market rate units on-site. The accumulated fees and interest earned on the fund and other miscellaneous revenues related to housing, are placed in a special fund: "Residential Housing Fund." This fund is used to provide funding for acquisition or rehabilitation of low and moderate-income housing but may also be used for assistance to new housing construction projects. As of April 12, 2022, the Residential Housing Fund had a preliminary available balance of approximately \$731,838.

These are the only local sources of funding and subsidies available for affordable housing within the City. They are used to provide matching funds, pay for expenses which exceed HUD income and cost limits, to fund the cost of features and amenities classified as ineligible under federal housing programs, predevelopment expenses, feasibility studies, site acquisition, and other similar purposes.

No publicly owned land or property was used to address needs identified in the Annual Action 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	0	0
Number of Special-Needs households to be provided affordable housing units	6	6
<b>Total</b>	<b>6</b>	<b>6</b>

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 Rehab of Existing Units	6	6
Number of households supported through Acquisition of Existing Units	0	0
<b>Total</b>	<b>6</b>	<b>6</b>

Table 6 – Number of Households Supported

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

The City has partnered with Rebuilding Together - Peninsula and introduced a "Safe at Home" Program. Through this program, critical health and safety related home repair needs were provided to six low-income homeowners and all seniors. This is the first year that this program has been implemented and had trouble initially establishing environmental process through the City. However, despite these initial setback, Rebuilding Together – Peninsula was able to meet their initial goals and will also be funded in the next program year.

The City partnered with Alta Housing and Life Moves and assisted 207 homeless individuals in the current year to exceed their goals. The City also partnerd with SVILC and Catholic Charities to assist 288 special needs clients and exceeded their goals for the year.

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

The City has partnered with Rebuilding Together - Peninsula and introduced a “Safe at Home” Program. Through this program, critical health and safety related home repair needs were provided to six low-income homeowners. All six households served were extremely low-income. As previously mentioned, the City has decided to continue to support Rebuilding Together – Peninsual in the upcoming program year. The organization has continued to provide essential services to residents and this partnership will continue to support the affordable housing goals contained in both the Consolidated Plan and Action Plans.

**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	5	0
Low-income	1	0
Moderate-income	0	0
<b>Total</b>	<b>6</b>	<b>0</b>

**Table 7 – Number of Households Served**

**Narrative Information**

## **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**

Providing services for the unhoused in Palo Alto and ultimately ending homelessness has been a long-standing local concern. As the COVID-19 pandemic continues to be present, the strain on individuals and households has increased the number of people experiencing homelessness, challenged service providers to find new ways to deliver services, and makes this topic even more relevant.

Every two years, during the last ten days of January, communities across the United States conduct comprehensive counts of the local population experiencing homelessness. The last Point-in-Time Count was done in 2019 and it showed 313 Total Unhoused in Palo Alto (299 unsheltered and 14 sheltered) which is an increase from 2017, when the count was 276. The County was unable to complete a count in PY 2021 due to COVID-19; a Point-in-Time Count was completed in 2022 and County is working on finalizing 2022 numbers.

The City of Palo Alto supports services to the unhoused as well as homelessness prevention through three main funding sources: HSRAP, CDBG, and Emerging Needs Fund. At a high level, funding for the unhoused is geared towards unhoused support and homelessness prevention. Unhoused Support includes: workforce development, basic needs stipends for work experience, food, seasonal homeless shelter, school supplies for homeless children, case management, tele-medicine equipment, and shower/laundry services.

Homelessness Prevention Support includes: Provision of emergency rent and utility funding assistance through LifeMoves and Silicon Valley Independent Living Center. Additionally, there are local and State rental assistance programs available to local residents during the COVID pandemic. LifeMoves – Opportunity Center is designated by the County as the Emergency Assistance Network Agency for financial assistance for Palo Alto.

The Opportunity Services Center (OSC) in Palo Alto exclusively serves homeless individuals. LifeMoves at the OSC, provides intake services to all the clients they serve to assess their needs and provide the appropriate resources and referrals. They also provide basic need services such as access to restrooms, showers, laundry, used clothing, hygiene supplies, health care, mail/telephone services, food, transportation assistance, information and referral services,

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counseling, and other critical services. As a result, through support from CDBG and funding from the County's office of supportive housing, in PY2021-22, they have served 56 unduplicated individuals. Palo Alto 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**



The following activity received funding from the City of Palo Alto to provide emergency shelter and/or transitional housing for homeless persons

LifeMoves – Hotel De Zink, CDBG \$ 31,545: Through the Hotel de Zink activity, LifeMoves, offered longer hours of support to the homeless population of Palo Alto. The hours of operations of the Hotel de Zink emergency shelter were extended by 55% from 9 PM through 6 AM, to 5PM through 7 AM. This allowed these vulnerable clients to have a greater portion of their day in a safe and supportive environment where they could receive the assistance they so desperately needed. The longer Hotel de Zink hours, and increased communication via the electronic signage are a few factors attributed to not having a widespread outbreak of COVID-19 within the Opportunity Services Center and/or Hotel de Zink emergency shelter. The organization is continuing the extended hours of operations.

**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 following agencies received funding from the City of Palo Alto to help low income individuals and families avoid becoming homeless.

Alta Housing; CDBG \$24,535: Alta Housing had on-site counseling services available to residents of the 131 units of the Single-Room Occupancy (SRO) Resident Support Program at Alma Place and Barker Hotel. Majority of the residents are low-income, disabled, elderly, veterans, and formerly homeless adults. Many residents have difficulty managing daily living skills, such as managing finances, maintaining their health (mental and physical) and apartments, and getting 17 along with others. Without onsite support, such issues can become so severe that tenants risk losing their housing. Case management was provided to 151 residents.

LifeMoves; Case Management; CDBG \$31,545: The organization provided 1:1 case management service including assistance with housing and job searches, referrals, and mentoring to 56 unduplicated homeless and/or very low-income Palo Alto residents.

Silicon Valley Independent Living Center; Rental Assistance Program; CDBG \$58,233: Through this grant, the organization was able to address rent increases, utility payments, emergency situations, and other market forces due to COVID-19 to 6 residents. The target population of this activity were the lower income (80% or less AMI) residents with disabilities, veterans and older adults, aged 55 and over.

The City follows the guidance of Santa Clara County's CoC as it relates to individuals who may be discharged from publically funded institutions and systems of care. The Santa Clara County's CoC has developed the Santa Clara County Countywide Quality Assurance Standards for Homeless Housing &

Service Programs (2021). The document was developed with the expectation of providing Quality, standardized services to persons who have become homeless, to facilitate their successful re-entry back into their communities. As a member of the CoC, the City of Palo Alto will be following the standards in the documents.

**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 following agencies received funding from the City of Palo Alto to help homeless persons make the transition to permanent housing and independent living.

Silicon Valley Independent Living Center; Case Management; CDBG \$14,021: SVILC is highly recognized for its Housing Workshops. The Housing Workshops cover many important topics such as: credit readiness and credit repair; types of low-income housing and eligibility; application and interview preparation; tenant and landlord rights and responsibilities; fair housing and home modifications laws and resources; security deposit and rental assistance programs; long term services and supports. Through the PY2021-22 CDBG funding, 26 unduplicated Palo Alto residents with disabilities received one-on-one assistance and developed an independent living plan for housing which resulted in improved accessibility to decent affordable housing. Their annual goal was 24.

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Project Sentinel; Fair Housing Services; CDBG \$33,698: Project Sentinel provided community education and outreach regarding fair housing law and practices, investigation, counseling and legal referral for victims of housing discrimination. In total, 17 fair housing complaints were investigated by Project Sentinel and 24 residents were provided individual consultation relating to specific fair housing questions.

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

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

Not applicable. The Housing Authority of the County of Santa Clara (HACSC) owns and manages four (4) public housing units, which are all located in the City of Santa Clara. There is no public housing in Palo Alto.

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

While the majority of their units have been converted to affordable housing stock, HACSC is proactive in incorporating resident input into the agency's policy-making process. An equitable and transparent policy-making process that includes the opinions of residents is achieved through the involvement of two tenant commissioners, one being a senior citizen, on the HACSC board.

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

Not applicable.

## **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)**

The City of Palo Alto has undertaken a number of actions to eliminate barriers to the development of affordable housing including participation in a county-wide effort to provide additional affordable housing units; programs in the 2015-2023 Housing Element to increase the supply of affordable housing; and increase the development impact fees for housing.

Housing Trust Silicon Valley (Housing Trust): The Housing Trust, formerly the Housing Trust Fund of Santa Clara County (HTSCC), was created to provide additional financial resources to address the County's affordable housing deficit. The Housing Trust's mission is to make Silicon Valley a more affordable place to live. Loans and grants are issued to increase the supply of affordable housing, assist first-time home buyers, prevent homelessness and stabilize neighborhoods. Palo Alto was among the contributors during its founding and has continued to allocate funding. A provision was added to ensure the City's funds be used exclusively for qualifying affordable housing projects within the City of Palo Alto.

2015-2023 Housing Element Update: The Palo Alto Housing Element, which is part of the City's Comprehensive Plan, is the chief policy document describing the City's housing needs and the policies and programs the City will use to meet those needs. The 2015-2023 Housing Element Update has been certified by the California State Department of Housing and Community Development.

Development Impact Fees for Housing: The City's impact fees are comprised of four categories: Housing, Traffic, Community Facilities, and Parkland Dedication. The City has completed Nexus Studies for Residential and Commercial Development. The studies served as a basis for an update to both residential and non-residential housing fees and became effective on June 19, 2017. The housing impact fees are updated annually. Full payment is required at building permit issuance with some exemptions including hospitals and convalescent facilities, private education facilities, public facilities and private clubs, lodges and fraternal organizations.

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

The City's CDBG program diligently works with other purveyors of funding to provide the most value per dollar. This is actualized by partnering with other City resources such as HSRAP and

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leveraging dollars invested in site acquisition for low-income housing with a multitude of other funding sources. However, Palo Alto is at a disadvantage in removing or eliminating obstacles to meeting underserved needs due to the consistently shrinking amount of CDBG funds available in recent years. To address this, the City supplements its CDBG funding with other resources and funds, such as:

- During PY2021-22, the City's Human Service Resource Allocation Process (HSRAP) provided approximately \$549,306 from the General Fund in support of human services. The HSRAP funds, in

conjunction with the CDBG public service funds, are distributed to local non-profit agencies;

- The Palo Alto Commercial Housing Fund is used primarily to increase the number of new affordable housing units for Palo Alto's work force. It is funded with mitigation fees required from developers of commercial and industrial projects;
- The Palo Alto Residential Housing Fund is funded with mitigation fees provided under Palo Alto's BMR housing program from residential developers and money from other miscellaneous sources, such as proceeds from the sale or lease of City property;
- The City's Below Market Rate Emergency Fund was authorized in 2002 to provide funding on an ongoing basis for loans to BMR owners for special assessment loans and for rehabilitation and preservation of the City's stock of BMR ownership units; and
- HOME Program funds are available on an annual competitive basis through the State of California HOME program, and the County's HOME Consortium.

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

Lead poisoning can cause permanent damage to the brain and many other organs, and can result in reduced intelligence and behavioral problems in young children. More than 80,000 children younger than six years old living in the United States have lead in their blood that is above the level of concern set by the Centers for Disease Control and Prevention (CDC). A significant number of these children are in families of low income and are living in old homes with heavy concentration of lead-based paint and lead-contaminated dust and soil in the environment.

The City's housing and CDBG staff provides information and referrals to property owners, developers, and nonprofit organizations rehabilitating older housing about lead-based paint (LBP) hazards. Any house to be rehabilitated with City financial assistance is required to be inspected for the existence of LBP hazards. The City will provide financial assistance for the abatement of LBP hazards in units rehabilitated with City funding. The City also requires that contractors are trained and certified in an effort to decrease the risk of potential use of LBP in

22

new units. All development and rehabilitation projects must be evaluated according to HUD's Lead Safe Housing Rule 24 CFR Part 35.[1]

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

The City, in its continuing effort to reduce poverty, prioritized funding agencies that provide direct assistance to the homeless and those in danger of becoming homeless. In PY2021-2022, these programs included the following:

Catholic Charities of Santa Clara County, through the Ombudsman Program, assisted 262 senior residents through visitation and phone outreach at the local long-term facilities.

LifeMoves, at the Opportunity Services Center, provided case management services including assistance with housing and job searches to 56 homeless/very low-income community residents LifeMoves provides basic necessities for persons who are homeless or at risk of becoming homeless. The Opportunity Services Center is a comprehensive, one-stop, multi-service, day drop-in center that

provides critical services for homeless Palo Alto residents. Specifically, the facility provides showers, laundry, clothing, snacks, case management, and shelter/housing referral services.

Alta Housing provided counseling and supportive case management services for low-income residents of single-room occupancy facilities to help them maintain housing stability. Activities included financial counseling, health maintenance, information and referral, problem solving, employment assistance, crisis intervention, and case management. Alta Housing was able to provide services to 151 individuals. Downtown Streets Team is a nonprofit in the City that works to reduce homelessness through a “work first” model. Downtown Streets Team utilized their community connections to provide training and job opportunities to homeless people, specifically in the downtown area. The Workforce Development Program provided transition from unemployment and homelessness to regular employment and housing through case management, job training, mentoring, housing, and transportation assistance. The Downtown Streets Team connected seven individuals who were meaningfully employed. As mentioned previously, the City provided LifeMoves with \$31,545 in CDBG funds in PY2021-22. During the fiscal year 56 homeless and/or very low-income Palo Alto residents received case management services including assistance with housing/job search, referral and mentoring.

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

The City is striving to improve intergovernmental and private sector cooperation to synergize efforts and resources and develop new revenues for community service needs and the production of affordable housing. Collaborative efforts include:

- Regular bi-weekly meetings between entitlement jurisdictions at the CDBG Coordinators;
- Meeting and Regional Housing Working Group;
- Joint jurisdiction Request for Proposals and project review committees;
- Coordination on project management for projects funded by multiple jurisdictions; and
- HOME Consortium meetings between member jurisdictions for affordable housing projects.

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

The City benefits from a strong jurisdiction and region-wide network of housing and community development partners, such as the County and the Continuum of Care (CoC). To improve intergovernmental and private sector cooperation, the City participated with other local jurisdictions and developers in sharing information and resources. In addition to the actions listed above, the City will continue to coordinate with the City’s HSRAP funding efforts to comprehensively address community needs.

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

The City makes every effort to affirmatively further fair housing in compliance with the adopted Analysis of Impediments. The following is a list of actions taken to affirmatively further fair housing:

- The Department of Housing and Community Development has certified the City's 2015-2023 Housing Element update;
- The City targeted the majority of its local housing funds to increase and preserve the supply of affordable housing;
- The Office of Human Services regularly met with the County of Santa Clara Housing Authority to place homeless individuals with Section 8 vouchers;
- Affordable housing information and referral services were provided by the Office of Human Services;

and  
24

• In a joint effort with the County of Santa Clara and Cities, the City is currently updating its Assessment of Fair Housing (AFH) Plan. The Palo Alto AFH Plan is expected to be completed in Winter/Spring 2023. During PY2021-22, the City continued to support actions to affirmatively further fair housing choice through a subrecipient agreement with Project Sentinel, a non-profit organization dedicated to assisting individuals with housing problems. Project Sentinel exceeded their goal of 15 individuals served through case work. They served 24 individuals via casework. They also exceeded their goal of 12 consultations. They completed 16 extended fair housing consultations, and reached 1,147 Palo Alto residents and service providers through outreach. They updated their fair housing manual for housing providers and is readily available on their website. They also met their goal of distributing a minimum of 1000 pieces of literature. They exceeded their goal of reaching 50 people through intake and referral and instead reached 53 people.

## **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**

The City continues to actively monitor all subrecipients and projects ensuring compliance with program and comprehensive planning requirements. Monitoring involves review of semiannual and annual performance reports, review of reimbursement requests and submitted backup documentation, agency's audit reports etc. Biennial on-site monitoring is carried out for all CDBG subrecipients and consists of reviewing client files, project objectives and conformance with agreement, administrative management, financial management/internal controls etc.

For the program year 2021-22, the City anticipates completing the monitoring in by end of 2022. The City is anticipate to do risk assessments for all grantees, including those receiving CARES-ACT funding.

## **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.**

The program year 2021-2022 Draft CAPER was made available on the City website (<https://www.cityofpaloalto.org/CDBG>) for the required 15 days public comment period from August 24th through September 7, 2022. An advertisement was placed in The Daily Post, a newspaper of general circulation, on August 24, 2022, advertising the availability of the CAPER for public review and comment. The draft CAPER was posted on the City's website on August 24, 2022. Due to COVID-19, copies of the CAPER were available electronically. The Human Relations Commission held a virtual public hearing on September 8, 2022 to discuss the CAPER and to allow the public an opportunity to comment on the CAPER.

Per the City's adopted Citizen Participation Plan, the City offers translation services when a significant number of non-English speaking residents can be reasonably expected to participate, or when a reasonable request for such an accommodation is made. Non-English speaking residents requiring translation assistance or residents requiring any accommodations are advised to submit their request as soon as possible but no later than 48 hours in advance of a scheduled meeting, program, or service.

Comments were received during the public meeting and have been summarized and provided in the attachments.

## **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.**

Not applicable. The City does not plan to change the CDBG program objectives.

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

No

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

**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.**

Not applicable. The City does not plan to change the CDBG program objectives.

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

No

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

### 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	0	0	0	0	0
Total Labor Hours					
Total Section 3 Worker Hours					
Total Targeted Section 3 Worker Hours					

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

**Narrative**

**Attachments**

**Public Notices, Meetings and Comments**

Public Notices, Meetings, and Comments



**CITY OF PALO ALTO  
NOTICE OF PUBLIC REVIEW, COMMENT PERIOD,  
AND PUBLIC HEARING FOR THE FISCAL YEAR (FY)  
2021-2022 CONSOLIDATED ANNUAL PERFORMANCE  
AND EVALUATION REPORT (CAPER)**

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Electronic copy of the draft CAPER will be available on August 24, 2022, on the City's website:

<https://www.cityofpaloalto.org/cdbg>.

**PUBLIC REVIEW AND COMMENT PERIOD**

The draft CAPER will be available for public review and comment for a 15-day period, beginning on August 24, 2022, and end on September 7, 2022.

**CONTACT INFORMATION**

Written comments may be submitted during the review period and should be sent to the City of Palo Alto, Planning and Development Services Department, Attention: Maria Gallegos, 250 Hamilton Avenue, 5th Floor, Palo Alto, CA 94301. Comments can also be submitted via e-mail to: [maria.gallegos@mbakerintl.com](mailto:maria.gallegos@mbakerintl.com).

Additional questions and/or comments about the CAPER, please contact Maria Gallegos, CDBG Consultant, at (951) 961-9068 or via email at [maria.gallegos@mbakerintl.com](mailto:maria.gallegos@mbakerintl.com).

**PUBLIC HEARING**

The City of Palo Alto Human Relations Commission (HRC) will hold a virtual public hearing to review and take public comments on the draft FY 2021-2022 CAPER on Thursday September 8, 2022, at 6:00 p.m. via virtual teleconference.

Zoom Link: <https://zoom.us/join> Meeting ID: 919 9454 8701 Phone: 1(669) 900-6833

For Agenda, Meeting Link and additional information related to the meeting please visit: <https://www.cityofpaloalto.org/Departments/Community-Services/Other-Services/Commissions/Human-Relations-Commission/HRC-Current-Year-Agendas-and-Minutes>

*Persons with disabilities who require materials in an appropriate alternative format, auxiliary aids or modifications to policies or procedures to access City meetings, programs, or services should contact the City's ADA Coordinator, City of Palo Alto, 650-329-2550 (Voice) or by emailing [ada@cityofpaloalto.org](mailto:ada@cityofpaloalto.org). Requests for assistance or accommodations should be submitted as soon as possible, but no later than 48 hours in advance of a scheduled meeting, program, or service.*

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**CITY OF PALO ALTO**

**NOTICE OF PUBLIC REVIEW, COMMENT PERIOD, AND PUBLIC HEARING FOR THE FISCAL YEAR (FY) 2021-2022 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)**

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**NEWS**

# New bill against 'cyber flashers'

California residents who receive unsolicited sexually graphic material by text, email, app or other electronic means could sue the sender under a bill that state lawmakers sent to Gov. Gavin Newsom on Monday.

The bill targets what's known as "cyber flashing," where victims receive such unwelcome surprises often from strangers.

"Just as individuals suffer sexual harassment and abuse in their physical, non-digital lives, there's a growing incidence of individuals being harassed by receiving unsolicited, sexually explicit images and videos including from people they do not know," said Democratic Assembly member Cecilia

Aguiar-Curry when the Assembly approved the bill.

**No opposition for bill**

The Assembly passed the measure 76-0 on Thursday and the Senate sent the bill to Newsom on a 37-0 roll call Monday. There was no recorded opposition. Newsom is a Democrat and his office declined comment yesterday on whether he will sign the bill into law.

The most common recipients of the unsolicited material are young women, Aguiar-Curry said. The Pew Research Center in a report last year on online harassment found that 33% of women under 35 had been sexually harassed online, three times as often as men.

**SUDOKU**

**Easy**

1	8	5	2	6	3	4	9	7
2	6	4	9	8	7	5	3	1
6	7	3	1	5	2	6	8	4
8	9	8	5	7	2	1	4	3
4	3	2	6	9	1	7	5	6
5	1	7	4	3	8	2	9	7
8	4	9	5	1	5	7	2	6
7	6	1	3	2	9	8	4	5
3	2	6	7	4	8	2	1	5

**Difficult**

6	8	1	2	9	4	7	5	3	
6	3	4	7	8	9	1	2	5	
7	2	9	1	3	5	8	4	6	
3	4	2	9	7	1	8	5	6	
8	9	7	5	4	6	3	2	1	
1	6	8	2	3	4	9	7	5	
9	8	3	1	2	5	7	6	4	
2	1	8	6	5	7	2	3	9	
2	7	3	5	3	8	9	1	4	6

Puzzles on page 25

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**LOS ALTOS CITY COUNCIL**

**NOTICE OF PUBLIC HEARING ON 19-D-01, 19-UP-01 and 19-SD-01 - 4350 El Camino Real Multiple Family Development Project**

Notice is hereby given that on August 23, 2022, at 7:00 p.m. the City Council of the City of Los Altos will hold a public hearing to consider 4350 El Camino Real Multiple-Family Design Review, Conditional Use Permit and Tentative Subdivision map for a new multiple-family development with a five-story building with 47 condominium units along El Camino Real with two levels of underground parking. The proposal includes seven affordable units with four moderate-income units and three very-low-income units, and a density bonus with development incentives to allow for increased building height and a reduced parking aisle width. A Mitigated Negative Declaration with Mitigation Monitoring and Reporting Program in compliance with the California Environmental Quality Act (CEQA) will be considered. On July 21, 2022 the Planning Commission recommended Council approval of the project. Project Planner: Radha Hayagreev

The City Council public hearing will be held via tele/videoconference, at 7:00 p.m., Tuesday, September 6, 2022.

Members of the public may participate via computer at <https://losaltosca.gov/zoom.us/j/85465017003?pwd=MG91N3VKTlJHMHhMIFM1FQTXBkdz09>

Webinar ID: 854 6501 7003 // Passcode: 632555

Agenda, reports, and additional public participation details will be posted August 29, 2022, please visit <https://www.losaltosca.gov/citycouncil/page/city-council-meeting-156>

Angel Rodriguez  
Los Altos Interim City Clerk

Publication: Daily Post, August 24, 2022



# AFFIDAVIT OF PUBLICATION

IN THE

## DAILY POST

385 Forest Avenue, Palo Alto, California 94301  
(650)328-7700

IN THE

SUPERIOR COURT  
OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SANTA CLARA

No. Public Notice

NOTICE OF PUBLIC REVIEW, COMMENT PERIOD,  
AND PUBLIC HEARING FOR THE FISCAL YEAR (FY)  
2021-2022 CONSOLIDATED ANNUAL PERFORMANCE  
AND EVALUATION REPORT (CAPER)

STATE OF CALIFORNIA }  
COUNTY OF SANTA CLARA } SS

I, the undersigned, state that I am, and at all times herein mentioned was, a citizen of the United States of America, over the age of eighteen years, and not a party to or interested in the above entitled matter, that I was at and during all said times and still am the principle clerk of the publisher of the Daily Post in said County of Santa Clara, State of California; that said is and was at all times herein mentioned a newspaper of general circulation as that term is defined by Section 6000 and 6020 of the Government Code of the State of California; that said was adjudged as such by Superior Court of the County of Santa Clara, State of California, under date of February 27, 2017, Case Number 17CV305056; that the notice of which the annexed is a true printed copy, was set not smaller than nonpareil and was preceded with words printed in black-face type not smaller than nonpareil, describing and expressing in general terms, the purport and character of the notice intended to be given; that said notice was published and printed in said newspaper on the following dates, to wit:

08/24/22

08/24/22

DATE OF FIRST PUBLICATION IN THE DAILY POST

I declare under penalty of perjury that the foregoing is true and correct.

Executed on

08/24/22

at Palo Alto, California

Signed



### CITY OF PALO ALTO NOTICE OF PUBLIC REVIEW, COMMENT PERIOD, AND PUBLIC HEARING FOR THE FISCAL YEAR (FY) 2021-2022 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

Notice is hereby given that the City of Palo Alto has completed a draft of its FY2021-2022 Consolidated Annual Performance and Evaluation Report (CAPER). The City is required to report annually to the U.S. Department of Housing and Urban Development (HUD) the accomplishments for the Community Development Block Grant (CDBG) program. This report reviews the City's CDBG accomplishments from July 1, 2021, to June 30, 2022 and the expenditures for the Fiscal Year (FY) 2021-22 CDBG funding cycle.

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#### CONTACT INFORMATION

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Zoom Link: <https://zoom.us/join> Meeting ID: 919 9454 8701 Phone: 1 (669) 900-6833

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## Planning & Development Services

### Memorandum

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**To:** Human Relations Commission  
**From:** Clare Campbell, Manager of Long Range Planning  
**Date:** September 8, 2022  
**Re:** Summary of Fiscal Year 2021-2022 Community Development Block Grant (CDBG) Program Accomplishments - Review Consolidated Annual Performance and Evaluation Report (CAPER)

---

#### **Recommendation**

This is an informational report and no action is required.

#### **Executive Summary**

The City is required to report annually to U.S. Department of Housing and Urban Development (HUD) the accomplishments for the Community Development Block Grant (CDBG) program. This report, the Consolidated Annual Performance and Evaluation Report (CAPER), summarizes the City's CDBG accomplishments and expenditures for the Fiscal Year (FY) 2021-22 CDBG funding cycle. The City funded a total of eight projects in FY2021-22. The CAPER (Attachment A) is required to be submitted to HUD by September 30, 2022.

#### **Background**

The City of Palo Alto receives funds annually from HUD as an entitlement city under the CDBG program. As a recipient of CDBG funds, the City is required to prepare a Consolidated Annual Performance Evaluation and Report (CAPER) at the end of the fiscal year. The CAPER describes the City's progress implementing the activities identified in the Annual Action Plan<sup>1</sup> and the goals and objectives of the Con Plan<sup>2</sup>.

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<sup>1</sup> Annual Action Plan: An annual report listing the activities the City intends to undertake with CDBG funds to address the needs and implement the strategies identified in the Consolidated Plan.

<sup>2</sup> Consolidated Plan (Con Plan): A five-year strategic plan that addresses the housing and non-housing community development needs of lower income persons and establishes annual goals and objectives to meet the identified needs.

**Discussion**

During FY2021-22, the City's CDBG subrecipients continued to provide vital services to extremely low, very low, low and moderate-income households while addressing the priorities and needs of the community and the City's funding priorities; including strategies to address COVID-19 related impacts, using funds from the CDBG CARES Act (CDBG-CV). The City achieved a number of goals as outlined in the 2021 Annual Action Plan (AAP) through CDBG and CDBG-CV funding.

A total of \$746,715 was available for funding projects and programs during the 2021 program year. The City received \$536,756 from the federal CDBG program, approximately \$136,049 in program income, and \$73,910 in reallocated funds from previous years.

Through the combination of CDBG and CDBG-CV funds, in total, 935 persons were assisted in this program year. Of the 935 persons, 383 were extremely low-income, 421 were low income and 131 were moderate income of the total. Approximately 40 percent of all persons were assisted through the COVID-19 related activities.

The CAPER, attachment A, provides a detailed description of the programs and project accomplishments. The major accomplishments include the following:

1. **Catholic Charities**, through the Long-Term Care Ombudsman Program, assisted 262 mostly low- or moderate- income elderly residents at the Palo Alto long-term care facilities that mainly serve low-income residents. Additionally, the Long-Term Care Ombudsman Program resolved 47 complaints made by, or on behalf of, low-income elderly residents of the facilities. [Goal: Assist 50 individuals]
2. **Alta Housing** had on-site counseling services available to the residents of the 131 units of the Single-Room Occupancy (SRO) Resident Support Program at Alma Place (25 units) and Barker Hotel (106 units). Services were provided to 151 residents. [Goal: Assist 131 individuals]
3. **LifeMoves**, at the Opportunity Services Center, provided case management services including assistance with housing and job searches, referrals, and mentoring to 56 homeless and/or very low-income Palo Alto residents. [Goal: Assist 30 individuals]
4. **Project Sentinel** (Fair Housing Services) assisted 17 individuals in investigating their fair housing complaints; 21 residents received individual consultation relating to specific fair housing questions. [Goal: Assist 15 individuals]
5. **Silicon Valley Independent Living Center (SVILC)** (Housing and Emergency Services) assisted 26 adults with disabilities in developing an independent living plan for housing that resulted in improved accessibility to decent affordable housing. [Goal: Assist 24 individuals]
6. **Rebuilding Together Peninsula** (Safe at Home) assisted six households with home rehabilitation. [Goal: Assist five households]

7. **Downtown Streets Team** (Workforce Development) connected 14 employers with seven individuals who were meaningfully employed. [Goal: Assist 14 individuals]

The Workforce Development program was eligible for CDBG funding for July and September 2021 only, due to a change in the organization's Community Based Development Organization (CBDO) status. The City has agreed to assist the program with reimbursements for the remaining CDBG-related costs for FY2022. At year-end, the program assisted 15 individuals with job placement.

8. **Ravenswood Family Health Network** requested a time extension to complete the project for a new ADA Accessible Clinic Entrance and Exit at the Palo Alto Clinic. The new completion timeline is June 2023.

#### Other CDBG Program Updates

The **Ravenswood Family Health Network** Mobile Clinic was put into service in September 2021 2022 and has been used to provide vaccination and booster COVID-19 vaccines. The Mobile Clinic has assisted 403 individuals. This was a CV funded project in FY2021.

#### **Timeline**

The FY2020-21 CAPER will be submitted to HUD by the September 30 deadline.

#### **Stakeholder Engagement**

An advertisement was published in The Daily Post on August 24, 2022 announcing the availability of the draft CAPER for public review and comment. The draft CAPER was posted on the City's CDBG webpage (<https://www.cityofpaloalto.org/cdbg>) from August 24, 2022 through September 7, 2022. At the time this report was prepared no public comments were received.

#### **Attachments**

Attachment A: Draft FY2021-22 Consolidated Annual Performance and Evaluation Report (CAPER)



**DRAFT**

**CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)**

PROGRAM YEAR JULY 1, 2021 THROUGH JUNE 30, 2022

PUBLIC COMMENT PERIOD  
August 24, 2022 THROUGH SEPTEMBER 7, 2022

ADMINISTERED BY: PLANNING AND DEVELOPMENT SERVICES

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**CR-05 - Goals and Outcomes**

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

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

Below, as shown in Table 1 - Accomplishments – Program Year & Strategic Plan to Date, is a description of the progress the City of Palo Alto has made in achieving the goals outlined in its strategic plan and annual action plan. In Program Year 2021-22, the City achieved the majority of its annual goals and is on track to meet most of the five-year goals outlined in the Consolidated Plan.

**PY2021 Annual Action Plan Substantial Amendment**

The City was informed by the CDBG subrecipient LifeMoves that they no longer needed the remaining funds allocated to them in Program Year 2020-21. These funds supported a Rental Assistance Program and specifically came from CDBG-Coronavirus (CDBG-CV) grants. The remaining funds totaled \$194,501. Staff investigated other funding opportunities for eligible CDBG-CV activities for the reallocation of the \$194,501 and plan to fund \$160,300 for Move Mountain View to support a safe parking program and \$34,201 for LifeMoves to administer a COVID-19 testing program.

**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)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Affordable Housing	Affordable Housing	CDBG: \$0	Rental units rehabilitated	Household Housing Unit	107	0	0.00%	0	0	0
Affordable Housing	Affordable Housing	CDBG: \$65,340	Homeowner Housing Rehabilitated	Household Housing Unit	40	6	15.00%	6	6	100

Economic Development	Non-Housing Community Development	CDBG: \$0	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0			0		
Economic Development	Non-Housing Community Development	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	0		0	0	
Economic Development	Non-Housing Community Development	CDBG: \$160,477	Jobs created/retained	Jobs	150	28	18.00%	15	7	46.67%
Fair Housing	Non-Housing Community Development	CDBG: \$33,698	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	75	41	22.67%	16	24	105%
Homelessness	Homeless	CDBG: \$48,556 / CDBG-CV: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	850	222	26.12%	167	222	132.93%
Homelessness	Homeless	CDBG: \$0 / CDBG-CV: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	60	54	90.00%			90.00%



Homelessness	Homeless	CDBG: \$31,545 / CDBG-CV: \$	Homeless Person Overnight Shelter	Persons Assisted	100	99	99.00%	38	56	147%
Homelessness	Homeless	CDBG: \$0 / CDBG-CV: \$	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	0	0		0	0	
Homelessness	Homeless	CDBG: \$0 / CDBG-CV: \$	Homelessness Prevention	Persons Assisted	0			0		
Strengthen Neighborhoods	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$ / CDBG-CV: \$300,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1200	0	0.00%			
Strengthen Neighborhoods	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$ / CDBG-CV:	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1345	1286	95.00%		403	

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

Please note, these activities and the goals listed in the table are related to the City's 5-Year Consolidated Plan. Where there is funding listed in the table above, these goals were set as priorities for PY2021-22.

**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.**

During Program Year 2021, the City's CDBG subrecipients continued to provide vital services to extremely low, very low, low and moderate-income households while addressing: (1) the priorities and needs of the community as explained in the City's adopted 2020-25 Consolidated Plan; and (2) the City's funding priorities and strategies to address COVID-19 related impacts, using funds from the CDBG CARES Act (CDBG-CV).

The City has achieved a number of goals as outlined in the 2021 Annual Action Plan (AAP) through CDBG and CDBG-CV funding. A total of \$746,715 is available for funding projects and programs during the 2021 Program Year. The City received \$536,756 from the federal CDBG program, approximately \$136,049 in program income and \$73,910 in reallocated funds from previous years. At the time of this reporting, the City has spent approximately \$186,934. However, this will significantly increase in the next few months. Due to turnover and lack of staffing, three of the organizations have requested an extension of the reporting deadline and in one case an extension in contract. Per HUD standards, this would be reported in the following year's CAPER.

Through the combination of CDBG and CDBG-CV funds, in total, 935 persons were assisted in this Program Year. Of the 935 persons, 383 were extremely low-income, 421 were low income and 131 were moderate income of the total. Approximately 40 percent of all persons were assisted through the COVID-19 related activities.

With the CDBG annual formula grant, Catholic Charities, through the Ombudsman Program, assisted 262 senior residents through visitation and phone outreach at the local long-term facilities, and LifeMoves, at the Opportunity Services Center, provided case management services including assistance with housing and job searches to 56 homeless/very low-income community residents. Project Sentinel provided fair housing and tenant/landlord mediation services to 24 local residents. Additionally, through the CDBG funds, Alta Housing was able to offer on-site counseling services to 151 residents of the Single-Room Occupancy (SRO) Resident

Support Program. Additionally, Rebuilding Together Peninsula was able to assist six households (eight persons) with home rehabilitation to help assist in the City's goal of affordable housing.

Ravenswood Family Health Network, a local health clinic, administered COVID-19 tests for 403 community residents through the CDBG annual formula grant through the pop-up vaccination events and booster COVID-19 vaccines.

**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)**

	<b>CDBG</b>
White	416
Black or African American	109
Asian	146
American Indian/Alaskan Native	31
American Indian/Alaskan White	2
Asian/White	1
Native Hawaiian or Other Pacific Islander	3
Other	227
<b>Total</b>	<b>935</b>

**Source: IDIS Table 2 – Table of assistance to racial and ethnic populations by source of funds**

**Narrative**

Table 2 generated in IDIS has only five racial categories and does not reflect all of the racial categories served by the City's CDBG funded activities. To accurately report the racial and ethnic breakdown, Table 2 is edited and provided as an attachment in the "Narrative" section. The updated table shows the accurate racial and ethnic categories of total individuals served in PY2021-22 through CDBG and CDBG-CV funds. Total number (935) also includes 403 individuals assisted through the COVID-19 related activities. In total, the City's CDBG program served 935 individuals in PY2021-22. Of those individuals, approximately 44% were White; 27% were African American; 36% were Asian; less than 1% were either American Indian/American Native, Native Hawaiian, American Indian/Alaskan Native and Black, American Indian/Alaskan Native and White, Black or African American/White. Fifty six percent of individuals reported as "Other."

**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	746,715	186,934

**Table 3 - Resources Made Available**

**Narrative**

Almost all of the City's CDBG subrecipients were able to utilize all of their grant funds in PY2021-22 with the exception of Silicon Valley Independent Living Center (SVILC) Rental Assistance Program and Ravenswood Family Health Network: ADA Accessible Clinic Entrance and Exit at the Palo Alto Clinic; both COVID-19 (CARES-ACT) projects.

- Silicon Valley Independent Living Center (SVILC) Rental Assistance Program has \$47,085 remaining in this grant. SVILC has continued to face challenges with the shutdown due to the COVID-19 pandemic and their inability to provide in-person services to residents at the Palo Alto Opportunity Services Center. Additionally, the State's extended eviction moratorium has postponed many residents' acute concerns about being behind on rent. The City has worked with SVILC and provided them an extension of six additional months through December 2021, to utilize the remaining grant funds because the agency expects that after the state's eviction moratorium ends, there will be an increase demand for rental assistance. SVILC reported that they have assisted 6 people and their goal was 10 for the year.
- For Ravenswood Family Health Network (ADA Accessible Clinic Entrance and Exit at the Palo Alto Clinic), the project was funded \$300,000 but the project had a number of issues in regards to architectural design and plan check approval. They are nearing completion for all of the preliminary items and will be putting the project out to bid soon. Once a contractor is chosen and construction begins, they estimate the work to last about 2-3 months. A combination of County plan check delays and supply chain issues were causing the overall delay of the project resulting in a request for a time extension to June 2023 to complete the work.

Every year, the City tracks a sub-recipient's spending with the goals that have been established. In some cases, a sub-recipient/organization is not able to spend the remaining funds. These funds are then added to the City's unused funds from previous years and are considered roll over funds to be allocated as part of the following program year. The anticipated rollover funds from program year 2021 were included in the planning process for program year 2022. The Notice of Availability of Funding (NOFA) was published in Winter 2021.

In the case that SVILC and Ravenswood are not able to spend the remaining funds, these funds will be added to the City’s unused funds from previous years and will be allocated as part of the 2023-24 Notice of Availability of Funding (NOFA) to be published in Winter 2022.

In October 2020, Staff published NOFA for the second round of available CDBG-CV funds (\$451,504) and received two applications Ravenswood Vaccination Van, and LifeMoves Hotel De Zink Program.

- Hotel De Zink provided emergency shelter to homeless clients from January 2021 through June 2021. After fully funding the two requests, the City still had \$43,000 to allocate to an activity/project. In February 2021, staff re-published NOFA for the remaining \$43,000 and received only one application from LifeMoves for the same Hotel De Zink program (provide emergency shelter to homeless clients from July 2021 through December 2021). Staff amended the original contract and added \$43,000 and extended the term of performance from June 2021 to December 2021. The organization fully utilized the additional \$43,000 by December 2021.
- Ravenswood Vaccination Van was funded through a combination of PY2020 CDBG annual formula grant (\$149,950) and CDBG-CV (\$204,600) funds. This activity’s goals were achieved. According to their reporting, the Ravenswood organization assisted 403 persons with vaccination and or testing in program year 2021-2022.

**Identify the geographic distribution and location of investments**

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
N/A	N/A	N/A	N/A

**Table 4 – Identify the geographic distribution and location of investments**

**Narrative**

The City considers the provisions of all types of housing assistance on a citywide basis consistent with the policies of the Comprehensive Plan. Palo Alto does not have specific target areas for housing activities; instead, the City attempts to provide affordable housing to lower-income persons throughout the City. Minority concentration includes areas in the City where the concentration of racial and ethnic minority population is 10% or higher than their total citywide representation. There are only a few areas that are considered to have a concentration of minority populations or low-income residents in Palo Alto. The CDBG Program defines low-income concentration as any census block group where 51% or more residents earn 80% of Median Family Income (MFI) or less. An exception exists for a jurisdiction that does not have any

areas meeting this definition, such as Palo Alto, which includes the highest quartile of all areas in the City in terms of degree of concentration, is used. However, Palo Alto does not qualify activities under the low- and moderate- income (LMI) area benefit category.

## **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.**

Palo Alto leverages federal and private housing funds to the greatest extent feasible consistent with the goals identified in the 2020-2025 Consolidated Plan. Moreover, the City continues to encourage non-profit organizations to seek other local, state, and federal funding for both housing and non-housing community development activities.

**HUMAN SERVICES RESOURCE ALLOCATION PROCESS (HSRAP):** The City of Palo Alto provided \$549,306 in General Funds during PY2021-22 to address primary human service needs in the community. These funds include multi-year agreements allocated by HSRAP and administered by the Office of Human Services in the Community Services Department. Funded projects addressed the Human Relations Commission's priority needs in the following categories: early childcare and education, youth programs, senior nutrition and social services, homelessness, and basic needs such as health care and mental health.

**HOUSING IN-LIEU:** The City of Palo Alto maintains a local housing fund consisting of two sub funds: the "Commercial Housing Fund" and the "Residential Housing Fund." Palo Alto, under Chapter 16.65 of the Municipal Code, requires commercial and industrial development projects to pay a housing mitigation fee. The fees are deposited in the "Commercial Housing Fund", and the accumulated fees and interest earned on the fund are made available for the creation of new low and moderate-income housing units under the "Affordable Housing Fund Guidelines" adopted by the City Council. As of April 12, 2022, the Commercial Housing Fund had a preliminary available balance of approximately \$1,451,109.

Pursuant to Program H-3.1.2, the Below Market Rate Program of the City's Housing Element, Palo Alto collects housing in-lieu fees from residential development when it is infeasible to provide below market rate units on-site. The accumulated fees and interest earned on the fund and other miscellaneous revenues related to housing, are placed in a special fund: "Residential Housing Fund." This fund is used to provide funding for acquisition or rehabilitation of low and moderate-income housing but may also be used for assistance to new housing construction projects. As of April 12, 2022, the Residential Housing Fund had a preliminary available balance of approximately \$731,838.



These are the only local sources of funding and subsidies available for affordable housing within the City. They are used to provide matching funds, pay for expenses which exceed HUD income and cost limits, to fund the cost of features and amenities classified as ineligible under federal housing programs, predevelopment expenses, feasibility studies, site acquisition, and other similar purposes.

No publicly owned land or property was used to address needs identified in the Annual Action 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.**

	<b>One-Year Goal</b>	<b>Actual</b>
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	0	0
Number of Special-Needs households to be provided affordable housing units	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**Table 5 – Number of Households**

	<b>One-Year Goal</b>	<b>Actual</b>
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 Rehab of Existing Units	5	6
Number of households supported through Acquisition of Existing Units	0	0
<b>Total</b>	<b>5</b>	<b>6</b>

**Table 6 – Number of Households Supported**

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

The City has partnered with Rebuilding Together - Peninsula and introduced a "Safe at Home" Program. Through this program, critical health and safety related home repair needs were provided to six low-income homeowners. This is the first year that this program has been implemented and had trouble initially establishing environmental process through the City. However, despite these initial setback, Rebuilding Together – Peninsula was able to exceed their initial goals and will also be funded in the next program year.

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

The City has partnered with Rebuilding Together - Peninsula and introduced a "Safe at Home" Program. Through this program, critical health and safety related home repair needs were provided to six low-income homeowners. All six households served were extremely low-income. As previously mentioned, the City has decided to continue to support Rebuilding Together – Peninsula in the upcoming program year. The organization has continued to provide essential services to residents and this partnership will continue to support the affordable housing goals contained in both the Consolidated Plan and Action Plans.

**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	6	0
Low-income	0	0
Moderate-income	0	0
<b>Total</b>	<b>6</b>	<b>0</b>

**Table 7 – Number of Households Served**

**Narrative Information**

**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**

Providing services for the unhoused in Palo Alto and ultimately ending homelessness has been a long-standing local concern. As the COVID-19 pandemic continues to be present, the strain on individuals and households has increased the number of people experiencing homelessness, challenged service providers to find new ways to deliver services, and makes this topic even more relevant.

Every two years, during the last ten days of January, communities across the United States conduct comprehensive counts of the local population experiencing homelessness. The last Point-in-Time Count was done in 2019 and it showed 313 Total Unhoused in Palo Alto (299 unsheltered and 14 sheltered) which is an increase from 2017, when the count was 276. The County was unable to complete a count in PY 2021 due to COVID-19; a Point-in-Time Count was completed in 2022 and County is working on finalizing 2022 numbers.

The City of Palo Alto supports services to the unhoused as well as homelessness prevention through three main funding sources: HSRAP, CDBG, and Emerging Needs Fund. At a high level, funding for the unhoused is geared towards unhoused support and homelessness prevention. Unhoused Support includes: workforce development, basic needs stipends for work experience, food, seasonal homeless shelter, school supplies for homeless children, case management, tele-medicine equipment, and shower/laundry services.

Homelessness Prevention Support includes: Provision of emergency rent and utility funding assistance through LifeMoves and Silicon Valley Independent Living Center. Additionally, there are local and State rental assistance programs available to local residents during the COVID pandemic. LifeMoves – Opportunity Center is designated by the County as the Emergency Assistance Network Agency for financial assistance for Palo Alto.

The Opportunity Services Center (OSC) in Palo Alto exclusively serves homeless individuals. LifeMoves at the OSC, provides intake services to all the clients they serve to assess their needs and provide the appropriate resources and referrals. They also provide basic need services such as access to restrooms, showers, laundry, used clothing, hygiene supplies, health care, mail/telephone services, food, transportation assistance, information and referral services,

counseling, and other critical services. As a result, through support from CDBG and funding from the County's office of supportive housing, in PY2021-22, they have served 56 unduplicated individuals.

Palo Alto 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**

The following activity received funding from the City of Palo Alto to provide emergency shelter and/or transitional housing for homeless persons

**LifeMoves – Hotel De Zink, CDBG \$ 31,545:** Through the Hotel de Zink activity, LifeMoves, offered longer hours of support to the homeless population of Palo Alto. The hours of operations of the Hotel de Zink emergency shelter were extended by 55% from 9 PM through 6 AM, to 5PM through 7 AM. This allowed these vulnerable clients to have a greater portion of their day in a safe and supportive environment where they could receive the assistance they so desperately needed. The longer Hotel de Zink hours, and increased communication via the electronic signage are a few factors attributed to not having a widespread outbreak of COVID-19 within the Opportunity Services Center and/or Hotel de Zink emergency shelter. The organization is continuing the extended hours of operations.

**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 following agencies received funding from the City of Palo Alto to help low income individuals and families avoid becoming homeless.

**Alta Housing; CDBG \$24,535:** Alta Housing had on-site counseling services available to residents of the 131 units of the Single-Room Occupancy (SRO) Resident Support Program at Alma Place and Barker Hotel. Majority of the residents are low-income, disabled, elderly, veterans, and formerly homeless adults. Many residents have difficulty managing daily living skills, such as managing finances, maintaining their health (mental and physical) and apartments, and getting

along with others. Without onsite support, such issues can become so severe that tenants risk losing their housing. Case management was provided to 151 residents.

**LifeMoves; Case Management; CDBG \$31,545:** The organization provided 1:1 case management service including assistance with housing and job searches, referrals, and mentoring to 56 unduplicated homeless and/or very low-income Palo Alto residents.

**Silicon Valley Independent Living Center; Rental Assistance Program; CDBG \$58,233:** Through this grant, the organization was able to address rent increases, utility payments, emergency situations, and other market forces due to COVID-19 to 6 residents. The target population of this activity were the lower income (80% or less AMI) residents with disabilities, veterans and older adults, aged 55 and over.

The City follows the guidance of Santa Clara County's CoC as it relates to individuals who may be discharged from publically funded institutions and systems of care. Currently, neither the CoC nor the City have a written policy that specifically addresses discharges, but the CoC actively works with health care facilities, hospitals, and correction programs and institutions when individuals are discharged to provide referrals to shelters.

**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 following agencies received funding from the City of Palo Alto to help homeless persons make the transition to permanent housing and independent living.

**Silicon Valley Independent Living Center; Case Management; CDBG \$14,021:** SVILC is highly recognized for its Housing Workshops. The Housing Workshops cover many important topics such as: credit readiness and credit repair; types of low-income housing and eligibility; application and interview preparation; tenant and landlord rights and responsibilities; fair housing and home modifications laws and resources; security deposit and rental assistance programs; long term services and supports. Through the PY2021-22 CDBG funding, 26 unduplicated Palo Alto residents with disabilities received one-on-one assistance and developed an independent living plan for housing which resulted in improved accessibility to decent affordable housing. Their annual goal was 24.

**Project Sentinel; Fair Housing Services; CDBG \$33,698:** Project Sentinel provided community education and outreach regarding fair housing law and practices, investigation, counseling and legal referral for victims of housing discrimination. In total, 17 fair housing complaints were investigated by Project Sentinel and 24 residents were provided individual consultation relating to specific fair housing questions.

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

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

Not applicable. The Housing Authority of the County of Santa Clara (HACSC) owns and manages four (4) public housing units, which are all located in the City of Santa Clara. There is no public housing in Palo Alto.

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

While the majority of their units have been converted to affordable housing stock, HACSC is proactive in incorporating resident input into the agency's policy-making process. An equitable and transparent policy-making process that includes the opinions of residents is achieved through the involvement of two tenant commissioners, one being a senior citizen, on the HACSC board.

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

Not applicable.



**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)**

The City of Palo Alto has undertaken a number of actions to eliminate barriers to the development of affordable housing including participation in a county-wide effort to provide additional affordable housing units; programs in the 2015-2023 Housing Element to increase the supply of affordable housing; and increase the development impact fees for housing.

**Housing Trust Silicon Valley (Housing Trust):** The Housing Trust, formerly the Housing Trust Fund of Santa Clara County (HTSCC), was created to provide additional financial resources to address the County's affordable housing deficit. The Housing Trust's mission is to make Silicon Valley a more affordable place to live. Loans and grants are issued to increase the supply of affordable housing, assist first-time home buyers, prevent homelessness and stabilize neighborhoods. Palo Alto was among the contributors during its founding and has continued to allocate funding. A provision was added to ensure the City's funds be used exclusively for qualifying affordable housing projects within the City of Palo Alto.

**2015-2023 Housing Element Update:** The Palo Alto Housing Element, which is part of the City's Comprehensive Plan, is the chief policy document describing the City's housing needs and the policies and programs the City will use to meet those needs. The 2015-2023 Housing Element Update has been certified by the California State Department of Housing and Community Development.

**Development Impact Fees for Housing:** The City's impact fees are comprised of four categories: Housing, Traffic, Community Facilities, and Parkland Dedication. The City has completed Nexus Studies for Residential and Commercial Development. The studies served as a basis for an update to both residential and non-residential housing fees and became effective on June 19, 2017. The housing impact fees are updated annually. Full payment is required at building permit issuance with some exemptions including hospitals and convalescent facilities, private education facilities, public facilities and private clubs, lodges and fraternal organizations.

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

The City's CDBG program diligently works with other purveyors of funding to provide the most value per dollar. This is actualized by partnering with other City resources such as HSRAP and

leveraging dollars invested in site acquisition for low-income housing with a multitude of other funding sources. However, Palo Alto is at a disadvantage in removing or eliminating obstacles to meeting underserved needs due to the consistently shrinking amount of CDBG funds available in recent years. To address this, the City supplements its CDBG funding with other resources and funds, such as:

- During PY2021-22, the City's Human Service Resource Allocation Process (HSRAP) provided approximately \$549,306 from the General Fund in support of human services. The HSRAP funds, in conjunction with the CDBG public service funds, are distributed to local non-profit agencies;
- The Palo Alto Commercial Housing Fund is used primarily to increase the number of new affordable housing units for Palo Alto's work force. It is funded with mitigation fees required from developers of commercial and industrial projects;
- The Palo Alto Residential Housing Fund is funded with mitigation fees provided under Palo Alto's BMR housing program from residential developers and money from other miscellaneous sources, such as proceeds from the sale or lease of City property;
- The City's Below Market Rate Emergency Fund was authorized in 2002 to provide funding on an ongoing basis for loans to BMR owners for special assessment loans and for rehabilitation and preservation of the City's stock of BMR ownership units; and
- HOME Program funds are available on an annual competitive basis through the State of California HOME program, and the County's HOME Consortium.

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

Lead poisoning can cause permanent damage to the brain and many other organs, and can result in reduced intelligence and behavioral problems in young children. More than 80,000 children younger than six years old living in the United States have lead in their blood that is above the level of concern set by the Centers for Disease Control and Prevention (CDC). A significant number of these children are in families of low income and are living in old homes with heavy concentration of lead-based paint and lead-contaminated dust and soil in the environment.

The City's housing and CDBG staff provides information and referrals to property owners, developers, and nonprofit organizations rehabilitating older housing about lead-based paint (LBP) hazards. Any house to be rehabilitated with City financial assistance is required to be inspected for the existence of LBP hazards. The City will provide financial assistance for the abatement of LBP hazards in units rehabilitated with City funding. The City also requires that contractors are trained and certified in an effort to decrease the risk of potential use of LBP in

new units. All development and rehabilitation projects must be evaluated according to HUD's Lead Safe Housing Rule 24 CFR Part 35.[1]

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

The City, in its continuing effort to reduce poverty, prioritized funding agencies that provide direct assistance to the homeless and those in danger of becoming homeless. In PY2021-2022, these programs included the following:

Catholic Charities of Santa Clara County, through the Ombudsman Program, assisted 262 senior residents through visitation and phone outreach at the local long-term facilities.

LifeMoves, at the Opportunity Services Center, provided case management services including assistance with housing and job searches to 56 homeless/very low-income community residents. LifeMoves provides basic necessities for persons who are homeless or at risk of becoming homeless. The Opportunity Services Center is a comprehensive, one-stop, multi-service, day drop-in center that provides critical services for homeless Palo Alto residents. Specifically, the facility provides showers, laundry, clothing, snacks, case management, and shelter/housing referral services.

Alta Housing provided counseling and supportive case management services for low-income residents of single-room occupancy facilities to help them maintain housing stability. Activities included financial counseling, health maintenance, information and referral, problem solving, employment assistance, crisis intervention, and case management. Alta Housing was able to provide services to 151 individuals.

Downtown Streets Team is a nonprofit in the City that works to reduce homelessness through a "work first" model. Downtown Streets Team utilized their community connections to provide training and job opportunities to homeless people, specifically in the downtown area. The Workforce Development Program provided transition from unemployment and homelessness to regular employment and housing through case management, job training, mentoring, housing, and transportation assistance. The Downtown Streets Team connected seven individuals who were meaningfully employed.

As mentioned previously, the City provided LifeMoves with \$31,545 in CDBG funds in PY2021-22. During the fiscal year 56 homeless and/or very low-income Palo Alto residents received case management services including assistance with housing/job search, referral and mentoring.

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

The City is striving to improve intergovernmental and private sector cooperation to synergize efforts and resources and develop new revenues for community service needs and the production of affordable housing. Collaborative efforts include:

- Regular bi-weekly meetings between entitlement jurisdictions at the CDBG Coordinators;
- Meeting and Regional Housing Working Group;
- Joint jurisdiction Request for Proposals and project review committees;
- Coordination on project management for projects funded by multiple jurisdictions; and
- HOME Consortium meetings between member jurisdictions for affordable housing projects.

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

The City benefits from a strong jurisdiction and region-wide network of housing and community development partners, such as the County and the Continuum of Care (CoC). To improve intergovernmental and private sector cooperation, the City participated with other local jurisdictions and developers in sharing information and resources. In addition to the actions listed above, the City will continue to coordinate with the City's HSRAP funding efforts to comprehensively address community needs.

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

The City makes every effort to affirmatively further fair housing in compliance with the adopted Analysis of Impediments. The following is a list of actions taken to affirmatively further fair housing:

- The Department of Housing and Community Development has certified the City's 2015-2023 Housing Element update;
- The City targeted the majority of its local housing funds to increase and preserve the supply of affordable housing;
- The Office of Human Services regularly met with the County of Santa Clara Housing Authority to place homeless individuals with Section 8 vouchers;
- Affordable housing information and referral services were provided by the Office of Human Services; and

- In a joint effort with the County of Santa Clara and Cities, the City is currently updating its Assessment of Fair Housing (AFH) Plan. The Palo Alto AFH Plan is expected to be completed in Winter/Spring 2023.

During PY2021-22, the City continued to support actions to affirmatively further fair housing choice through a subrecipient agreement with Project Sentinel, a non-profit organization dedicated to assisting individuals with housing problems. Project Sentinel exceeded their goal of 15 individuals served through case work. They served 24 individuals via casework. They also exceeded their goal of 12 consultations. They completed 16 extended fair housing consultations, and reached 1,147 Palo Alto residents and service providers through outreach. They updated their fair housing manual for housing providers and is readily available on their website. They also met their goal of distributing a minimum of 1000 pieces of literature. They exceeded their goal of reaching 50 people through intake and referral and instead reached 53 people.

**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**

The City continues to actively monitor all subrecipients and projects ensuring compliance with program and comprehensive planning requirements. Monitoring involves review of semiannual and annual performance reports, review of reimbursement requests and submitted backup documentation, agency's audit reports etc. Biennial on-site monitoring is carried out for all CDBG subrecipients and consists of reviewing client files, project objectives and conformance with agreement, administrative management, financial management/internal controls etc.

For the program year 2021-22, the City anticipates completing the monitoring in by end of 2022.

**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.**

The program year 2021-2022 Draft CAPER was made available on the City website (<https://www.cityofpal Alto.org/CDBG>) for the required 15 days public comment period from August 24th through September 7, 2022. An advertisement was placed in The Daily Post, a newspaper of general circulation, on August 24, 2022, advertising the availability of the CAPER for public review and comment. The draft CAPER was posted on the City's website on August 24, 2022. Due to COVID-19, copies of the CAPER were available electronically. The Human Relations Commission held a virtual public hearing on September 8, 2022 to discuss the CAPER and to allow the public an opportunity to comment on the CAPER.

Per the City's adopted Citizen Participation Plan, the City offers translation services when a significant number of non-English speaking residents can be reasonably expected to participate, or when a reasonable request for such an accommodation is made. Non-English speaking residents requiring translation assistance or residents requiring any accommodations are advised to submit their request as soon as possible but no later than 48 hours in advance of a scheduled meeting, program, or service.

**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.**

Not applicable. The City does not plan to change the CDBG program objectives.

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

No

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

**CR-58 – Section 3**

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

Not Applicable

<b>Total Labor Hours</b>	<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>	<b>HOPWA</b>	<b>HTF</b>
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**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>
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**Table 9 – Qualitative Efforts - Number of Activities by Program**



HRC Meeting – September 8, 2022

FY 2021-2022 CAPER

Public comments were not received during the 15-day public review/comment period.

Two (2) public comments were received during the HRC meeting held on September 12, 2022.

Speaker #1 – Alexis Crews-Holloway, Project Manager with Downtown Streets Team

- *First off, I would like to thank HRC, City staff and the City's CDBG consultants Maria and Maria for all their hard work on this and our continued partnership. We are so appreciative of you all. I would like to call to everyone's attention to the memo that will be attached to the CAPER as a separate attachment when it is submitted to HUD. It does state that our program assisted 15 individuals with job placement at year end, which is accurate and that we have achieved 107% of our contract goal. Our goal was to assist 14 individuals, so we actually have exceeded our contract goal even though what is reported in the CAPER does not reflect this. I'm here if anyone has questions, although we still have questions ourselves hoping to have answered soon from City's CDBG consultants. So, thank you to the HRC and everyone involved in this reporting process. I hope you all have a good evening.*

Speaker #2 – Carol Conn, Executive Director Project Sentinel

- *Just want to thank the HRC Commission and otherwise all the staffing that goes into the work to make the fair housing piece of the services sing. We are thankful for the partnership with the City of Palo Alto. We, in addition to fair housing and the significant work we put forward there. We also have a very robust landlord/tenant mediation program that the goal for which is to keep people housed and living in harmony and that is also a very big component of what Project Sentinel does for the City of Palo Alto. Just wanted to reiterate our appreciation and thanks to the City for the continued support. Thank you.*

Carol Conn, the Executive Director at Project Sentinel, shared they have been integral to the city of Palo Alto. Project Sentinel's goals are to keep people housed and living together in harmony through their tenant/landlord mediation program.







# Clarification for Adjustments

Palo Alto: CDBG PR 26 - Summary of Adjustments

Line	Amount Adjusted	Notes:
Line 01	\$ 140,338.12	This was the amount noted in the previous 2020 CAPER.
Line 10	\$ 83,212.27	This amount was included for projects in 2021, but were drawdown in September of 2022. Please see below for the list of vouchers and amounts.
Line 20	\$ 96,233.29	This total includes \$13,021.02 which was excluded plus an additional \$83,212.27 that was not included in expenditures since the drawdown occurred in September 2022. These drawdown included the following vouchers:
	Vouchers 6678201	\$7,255.00
	6678201	\$38,038.25
	6678201	\$6,418.02
	6678201	\$24,535.00
	6678234	\$6,966.00
	6656207	\$13,021.02
Line 30	\$ (29,319.91)	This amount was reduced to account for drawdown for Activity #336 for \$47,085 and Activity #343 \$27,408.93. Activity #336 was for a 2020 Program and Activity #336 was for the Downtown Streets Program (DTS). DTS was classified as a CBDO and eligible for CDBG funding in the first quarter. This also accounted for the amount that was drawdown in September \$45,174.02.
Line 40	\$23,950.67	Adjustment needed to correct the amount of Admin Spent in program Year 2021. The vouchers below list what was drawdon in September of 2022.
	6678201	\$6,013.38
	6678201	\$17,937.29