

County of Santa Clara
Office of Affordable Housing
Housing and Community Development Program



**CONSOLIDATED
PLAN**

2005 - 2010

Approved by the
Santa Clara County Board of Supervisors
May 3, 2005

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**EXECUTIVE SUMMARY OF THE
COUNTY OF SANTA CLARA CONSOLIDATED PLAN
FOR THE PERIOD JULY 1, 2005 TO JUNE 30, 2010**

The County of Santa Clara and the smaller cities (less than 50,000 in population) in the County, comprise an entity known as the Urban County. The Urban County refers to the unincorporated portions of the County of Santa Clara, as well as the jurisdictions of Campbell, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill, and Saratoga. As part of the County's Office of Affordable Housing, the Housing and Community Development Program (HCD) oversees the activities of the Urban County, including the receipt of funds from the United States Department of Housing and Urban Development and distribution of those funds to local housing projects and services. Every five years, the Urban County is required to produce the Consolidated Plan outlining the housing and housing-related needs of the population, and presenting strategies for meeting those needs. The most recent Consolidated Plan covers the 5-year period of 2000-2005 and was approved by the Board of Supervisors on May 9, 2000, and subsequently approved by the Regional Office of the United States Department of Housing and Urban Development (HUD.)

Purpose of the Consolidated Plan

Title I of the National Affordable Housing Act establishes the requirement for state and local governments that apply for direct assistance under certain HUD programs to have a HUD-approved Consolidated Plan. The Consolidated Plan is a comprehensive planning document that identifies a jurisdiction's overall needs for affordable and supportive housing and outlines a strategy to address those needs. In this case, the jurisdiction is the Urban County.

The Consolidated Plan describes the activities that the Urban County anticipates undertaking during the five-year period of Fiscal Years 2005-2010 with funds received through the Community Development Block Grant (CDBG) Program and the Home Investment Partnership Act (HOME) Program. These activities are intended to meet the Urban County's affordable housing and community development needs and objectives. The Action Plan is an annual increment to the Consolidated Plan and describes the specific activities that the Urban County plans to undertake to address the established objectives.

Resources

Federal Funds

One of the largest federal grants administered by County HCD is the Community Development Block Grant (CDBG) Program. CDBG provides funding for a wide variety of housing and housing-related activities, including the development of new affordable housing units, the rehabilitation of affordable housing units, construction of neighborhood facilities, the removal of architectural barriers for the elderly and persons with disabilities, fair housing services, and a variety of public services.

HCD also manages the federal HOME Investment Partnership Program which is federally funded. HOME funds can be used for the acquisition of land or buildings and the rehabilitation or new construction of affordable housing. The American Dream Down-payment Initiative (ADDI) is a new component of the HOME Program and is intended for down-payment assistance toward the purchase of single family housing by low income households who are first-time homebuyers.

Estimate of Anticipated Federal Resources, 2005-2010

The primary resources for addressing housing and community development needs of the Urban County are the CDBG and HOME Programs. The current year (FY 2005-2006) allocation for CDBG is \$2,018,640. The HOME Program has been allocated \$870,408. To augment the HOME Program, the Urban County has been awarded funds for the American Dream Down-Payment Initiative (ADDI) in the amount of \$28,350. The combined programs total \$2,917,398. Projecting that amount over the next five years would bring the figure to \$14,586,990. However, due to the population decline of the Urban County by the unincorporated pockets annexing to larger cities and budget cutbacks at the Federal level, the Urban County has been steadily receiving reduced awards, making it difficult to project an accurate figure.

Other Resources

Other resources not administered by the Urban County HCD Program are also available for housing projects and housing-related services. These resources are from the following:

- The Local Redevelopment Agencies (RDA) of the cities of Campbell, Los Gatos, and Morgan Hill, which are mandated to set aside 20% of their funding for low-income housing projects.
- The Mortgage Credit Certificate (MCC) Program, administered by the County's Office of Affordable Housing, which is available for eligible first-time home buyers.
- Low Income Tax Credits, which are available to non-profit housing developers.
- The Rental/Mortgage Assistance Loan Program created by the Housing Bond Trust Fund Committee of Santa Clara County.
- The Housing Trust Fund of Santa Clara County, which was developed by the Santa Clara County Housing Collaborative, in association with the Silicon Valley Manufacturers Group (SVMG) which provides a Countywide renewable resource for affordable housing projects and homeless activities.
- The County's Affordable Housing Funds, which were set aside by the Board of Supervisors in September, 2003. So far, allocated \$7.68 million has been awarded to assist in the development of affordable housing projects. Round Two of the Affordable Housing Fund for an amount of \$3 million will occur in the 2nd half of 2005.

Objectives and Types of Activities to be Undertaken

Funding objectives were established for both the CDBG and HOME programs through an extensive community review process resulting in the FY 2005-2010 5-Year Consolidated Plan. This process included an evaluation by HCD staff, public meetings in Central and South County, public meetings before the HCD Citizens Advisory Committee (CAC) and the HCD Council Committee (CC). The following section outlines the Urban County's objectives with regard to the HUD priorities identified in **Table B** and the known needs of the seven jurisdictions that make up the Urban County. (Objectives are not ranked in order of importance.)

Following the objectives is a summary of the types of activities that could be funded to address each established objective. A Request for Proposal (RFP) will be issued toward the end of each calendar year announcing CDBG and HOME funding availability and encouraging applications to be submitted. Once the funding cycle is completed, a detailed description of activities to be undertaken will be included in the annual Action Plan and can be found in the "Listing of Proposed Projects."

Objective 1: Increase the available supply of housing affordable to lower income households.

There are many factors affecting the affordability of housing in the Urban County jurisdictions. One significant factor is the shortage of affordable housing units relative to demand. This shortage manifests itself in several ways, such as a low affordable housing vacancy rates and home prices and rents that are very high relative to the incomes of lower income households. The lack of developable land and local development standards are other constraints to providing housing at densities that allow affordability.

The objective is to increase the total number of affordable housing units in the Urban County jurisdictions in order to provide for the current and projected needs of the low and moderate-income families living in those communities. The affordable units should be appropriate in cost and type for a range of households earning at or below 80% of the countywide median.

The types of activities to be undertaken to address this objective include acquisition, acquisition with rehabilitation, and new construction projects that can be undertaken by housing development corporations that provide affordable housing.

Objective 2: Increase housing opportunities for special needs households and the un-housed.

Certain populations in the Urban County communities encounter extraordinary difficulty in finding both affordable and accessible housing. These categories include disabled persons, persons with HIV/AIDS, the elderly, lower income households, agricultural workers, lower income mobile home residents in projects in threat of conversion, homeless (also known as the “unhoused”), veterans, youth (youth aging out of foster care), Section 8 conversion tenants, and survivors of domestic violence.

The types of activities to be undertaken to address this objective include housing counseling to the Urban County disabled, and handicapped access for Urban County residents. Also, battered women's facilities, which assist in providing emergency and short term housing, food, counseling, and life skills workshops may be funded. Shared transitional housing for homeless youth aging out of foster care may be funded to provide a safe, secure, and positive transitional living environment in a shared housing setting for 4 to 6 Urban County young adults between the ages of 18 and 21. These are at-risk, young adults who have aged out of the foster care system and have become homeless.

Objective 3: Increase affordable housing opportunities for low to moderate income first time homebuyers.

Santa Clara County is one of the top ten regions in the nation for high housing costs. Many potential homebuyers are “closed out” of the housing market and denied the ability to build equity through homeownership. This situation has serious consequences for the entire region and serves as a disincentive for the job force to remain in the area.

The types of activities to be undertaken to address this objective include the HOME and ADDI program funds that can be used for down-payment assistance for eligible first time homebuyers.

Objective 4: Rehabilitate and maintain existing affordable housing.

The Urban County jurisdictions, like all communities in the Bay Area, have been experiencing significant, unprecedented increases in housing costs for at least a decade. The continuing price increases have impacted the sales price of older and newly constructed homes. The older homes in Santa Clara County are typically smaller, more modest units than those more recently constructed. They were built in an era of considerably less costly construction. In the past, these houses, duplexes, and small apartments provided affordable “starter” homes for young families. They also served as affordable rental units for lower-income families, seniors, and those with special needs. The strategies below are aimed at maintaining the number and diversity of the existing affordable housing stock.

The types of activities to be undertaken to address this objective include the local Housing

Rehabilitation Programs. Each participating city and the County's unincorporated area may continue to operate their programs that provide low interest loans to lower-income households for the repair of their homes. Also, a minor home repair program may continue serving several Urban County cities and in the unincorporated area.

Objective 5: Preserve existing affordable housing.

In a region that has recently experienced phenomenal increases in housing costs, simply maintaining the affordable units that are currently in the housing stock is a major task. The conversion of apartments to condominiums, the redevelopment of former mobile home parks, the demolition of small homes and apartments, and the "gentrification" of older, small home/small lot neighborhoods represent serious threats to the existing affordable housing supply. Having been built and financed in an earlier era, these older units are typically less costly to rent or buy than newer housing. This is the type of housing young families, single people, first time homebuyers, and the fixed-income elderly can more easily afford. It fills a very important need for many different types of households.

Unfortunately, the Urban County Jurisdictions were subject to the termination of federal mortgage and/or rent subsidies, and their concern was that the loss of those subsidies would not result in the conversion of affordable housing units to market-rate units. The principal objectives of Strategies 11-14 are to prevent the conversion or loss of existing affordable units, and ensuring that those units remain available to low and moderate-income households in Urban County communities.

The types of activities to be undertaken to address this objective include providing shared housing for low income people. Persons are considered "providers" meaning they have available space in their home are matched with "seekers" who need are searching for affordable housing opportunities.

Objective 6: Ensure equal housing opportunities.

Housing discrimination experienced by low and moderate-income households exacerbates affordability problems by further restricting the housing options available. Despite years of effort to curtail discrimination, it continues to occur; even though it is illegal. The objective of the strategies below is to eliminate illegal and unwarranted discrimination in the Urban County communities. The strategies, thus, address a broad range of activities that define discriminatory housing practices.

The types of activities to be undertaken to address this objective includes the Santa Clara County Fair Housing Consortium, comprised of several fair-housing agencies, that may continue to provide resources for Urban County residents with tenant/landlord, housing discrimination, and fair housing concerns.

The Homeless and Others with Special Needs

Homeless Services

The Santa Clara County Collaborative on Affordable Housing and Homeless Issues, which was established in 1992, represents homeless shelter providers, service providers, housing advocates, non-profit housing developers, and representatives of local governmental jurisdictions. More than 160 agencies have come together to form the Collaborative in order to obtain more funding for homeless shelters, services, and to develop more affordable housing.

"Keys to Housing: A 10-Year Plan to End Chronic Homelessness in Santa Clara County" was completed by a Homeless Task Force appointed by the County Board of Supervisors in October, 2004. The final draft was accepted by the Board of Supervisors on May 3, 2005. The Office of Affordable Housing continues to work on the priorities of this plan with all the County's municipalities and community groups.

In addition, the Collaborative supports inter-agency partnerships, and submitted funding requests from 29 agencies, totaling over \$8,822,935 in the most recent McKinney funding cycle.

Special Needs

The City of San Jose has been designated by HUD as a recipient of Housing Opportunities for People with AIDS (HOPWA) funds and therefore, administers the HOPWA Program. San Jose works with the other entitlement cities to determine the appropriate allocation of these funds. Much of this money is directed toward countywide HIV/AIDS prevention and support services.

Many of the jurisdictions in the Urban County are using CDBG funds to meet the American's with Disability Act (ADA) requirements. These improvements include restroom access improvements, curb cuts, ramps, automatic doors, etc.

The Housing Authority has been working with a local group called Housing Choices to provide housing opportunities for persons with special needs and continues to explore land opportunities for construction of additional housing for persons with special needs.

1. GENERAL

Summary

This section provides general information about the County of Santa Clara and describes the Urban County. Maps illustrate the County as a whole and the cities that comprise the Urban County.

General Description of the County of Santa Clara

The County of Santa Clara, also referred to as "Silicon Valley," is unique because of its combination of physical attractiveness and ethnic diversity. With its numerous natural amenities and one of the highest standards of living in the country, the County has long been considered one of the best areas in the United States in which to live and work.

The County of Santa Clara is located at the southern end of the San Francisco Bay and encompasses 1,312 square miles. The Mediterranean climate of the region remains temperate year round due to the area's geography and its proximity to the Pacific Ocean. The area is warm and dry much of the year. Rarely is the humidity uncomfortable, and the thermometer seldom drops below freezing. Rain generally confines itself to the winter and snow to the tops of the local mountains. The Diablo Range lines the eastern border of the County and the Santa Cruz Mountains are to the west. Salt marshes and wetlands lie in the northwestern part of the county, adjacent to the waters of San Francisco Bay.

Today, the County is a major employment center for the region, providing more than a quarter of all jobs in the Bay Area. It has one of the highest median family incomes in the country, and a wide diversity of cultures, backgrounds and talents. The County of Santa Clara continues to attract people from all over the world.

The County's population of nearly 1.7 million is one of the largest in the state, following Los Angeles, San Diego, and Orange Counties, and the largest of the nine Bay Area counties. Its population constitutes about one fourth of the Bay Area's total population. There are 15 jurisdictions including Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, Saratoga, and Sunnyvale ranging from Palo Alto to the north, to Gilroy in the south. San Jose is the largest city in the County, with a population of nearly 900,000, and is the administrative site of County Government. A significant portion of the County's land area is unincorporated ranch and farmland. Nearly 92% of the population lives in cities.

The County of Santa Clara has a culture rich in its history, ethnic diversity (over 100 languages and dialects are spoken), artistic endeavors, sports venues, and academic institutions.

In sports and recreation, San Jose is home to teams for professional soccer, minor league baseball, and the San Jose Sharks, the only professional ice hockey team in Northern California. Other local sports teams include the San Jose Earthquakes, the San Jose Sabercats, the San Jose CyberRays, and the San Jose Giants. Numerous public and private golf courses are located throughout the County. In addition to these recreational facilities, the County of Santa Clara operates 27 parks covering more than 50,000 acres including lakes, streams, and miles of hiking and biking trails.

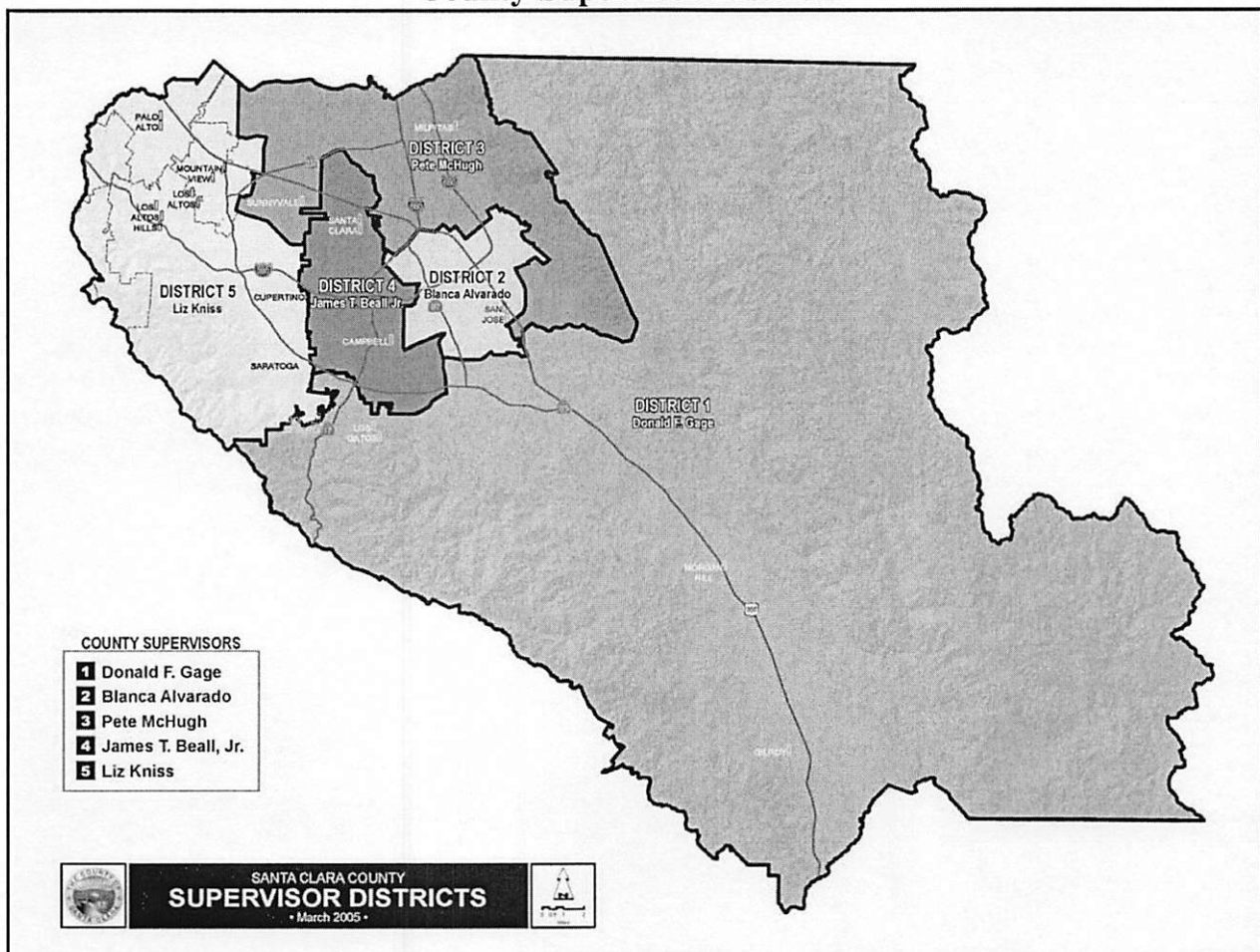
The County is home to three major universities - Stanford University, Santa Clara University, and San Jose State University - as well as excellent community colleges. Local museums and art galleries include the Tech Museum of Innovation, the Kanter Museum, the Rosicrucian Museum, the Children's Discovery Museum, the San Jose History Park, the San Jose Museum of Art, the Triton Museum and many others. There are also abundant performing arts venues including opera, symphonies, musical theatre, repertory theatre, concerts, and children's musical theatre.

For more information on local entertainment at the Center for Performing Arts, Civic Auditorium, and Montgomery Theater, visit the San Jose & Convention Visitors Bureau. For local concerts, please visit the Compaq Center, Mountain Winery, and Villa Montalvo. Local theme parks and venues for children and adults include Paramount's Great America, Bonfante Gardens, Raging Waters, and the Santa Clara County Fair.

There are five (5) Supervisorial Districts in the County of Santa Clara. The Supervisor for each district is elected by voters that reside within the boundaries of that specific district. Each elective term of service for County Supervisors is four years. The current Supervisors for each district are:

District 1 One: Donald F. Gage
District 2 Two: Blanca Alvarado
District 3 Three: Pete McHugh
District 4 Four: James T. Beall, Jr.
District 5 Five: Liz Kniss

Map 1
County Supervisor Districts



General Description of the "Urban County"

Since 1975, the County of Santa Clara has qualified for funding from the United States Department of Housing and Urban Development (HUD) as an Entitlement Jurisdiction. A jurisdiction with a population in excess of 50,000 persons can apply to HUD directly for funding as an Entitlement Jurisdiction. The other Entitlement Jurisdictions in the County are the cities of Cupertino, Gilroy, Milpitas, Palo Alto, Mountain View, San Jose, Santa Clara, and Sunnyvale. The County has entered into Joint Powers Agreements with several local Non-Entitlement cities that are not allowed to individually apply to HUD for funds to form the "Urban County." As such, the Urban County has developed a program of operation and implementation in seven of the fifteen cities in the County. The jurisdictions that currently participate as the Urban County are the Non-Entitlement Jurisdictions of Campbell, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill, Saratoga and the Unincorporated Area of the County.

The County of Santa Clara Office of Affordable Housing, through the Housing and Community Development Program, administers the activities of the Urban County as the Grantee, including the receipt of funds from HUD and the distribution of those funds to local housing projects and services.

Population of the Urban County

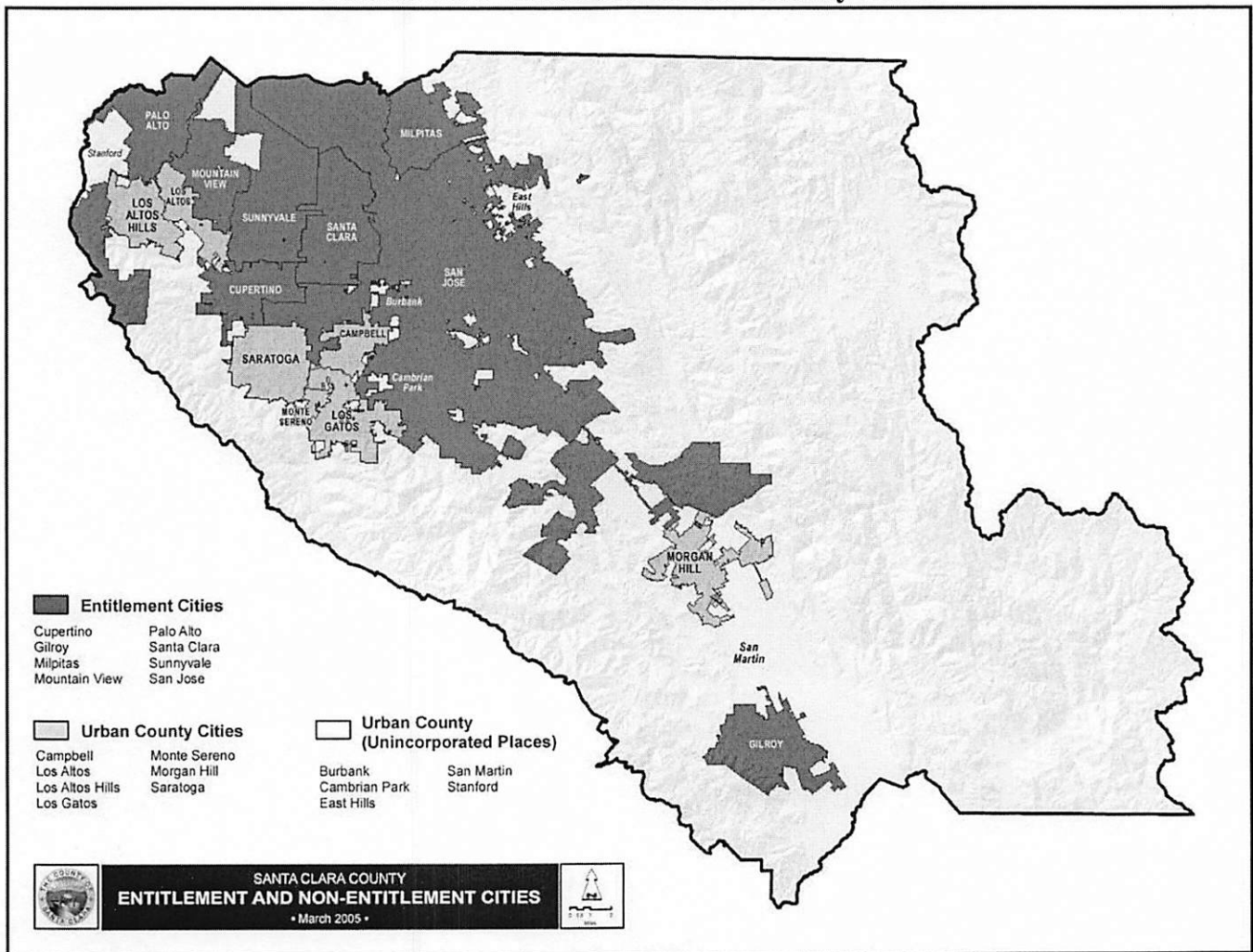
As described in Table A, the population of the Urban County is 270,954. In addition, there are 260,654 households in the Urban County.

Table A
Population of the Urban County

SANTA CLARA COUNTY		
	<u>Population</u>	<u>Households</u>
CAMPBELL	38,179	37,889
LOS ALTOS	27,512	27,093
LOS ALTOS HILLS	8,355	8,290
LOS GATOS	28,750	28,048
MONTE SERENO	3,501	3,501
MORGAN HILL	35,489	34,976
SARATOGA	30,311	29,950
UNINCORP AREA	98,857	90,907
URBAN COUNTY	270,954	260,654
ENTITLEMENT JURIS	1,460,468	1,441,177
COUNTY TOTAL	1,731,422	1,701,831

Source: 2000 Census

Map 2
Entitlement Cities and Urban County Area



Estimate of Anticipated Resources, 2005-2010

The primary resources for addressing housing and community development needs of the Urban County are the Community Development Block Grant Program (CDBG) and Home Investment Partnerships Act (HOME) Program. The current year (2004-2005) allocation for CDBG is \$2,018,640 and the HOME Program is allocated \$870,408. In addition, the Urban County has been awarded funds for the American Dream Down-Payment Initiative (ADDI) in the amount of \$28,350, for an annual total of \$2,917,398. Projecting that amount over the next five years would bring the figure to \$14,586,990. However, due to the increase of incorporating areas in the County and budget cutbacks at the Federal level, the Urban County has been steadily reduced in Federal awards for housing activities making it difficult to project an accurate figure.

2. CONSULTATION PROCESS (91.100)

Development of the Consolidated Plan

The County of Santa Clara Office of Affordable Housing administers the Housing and Community Development Program (HCD) which oversees the activities of the Urban County, including the receipt of funds from the United States Department of Housing and Urban Development (HUD), and distribution of those funds to local housing projects and services. Every five years, the Urban County is required to produce a consolidated plan outlining the housing and housing-related needs of the population, and presenting strategies for meeting those needs.

Title I of the National Affordable Housing Act establishes the requirement for State and local governments that apply for direct assistance under certain HUD programs to have a HUD-approved Consolidated Plan. The Consolidated Plan is a comprehensive planning document that identifies a jurisdiction's overall needs for affordable and supportive housing, and outlines a strategy to address those needs. In this case, the jurisdiction is the Urban County.

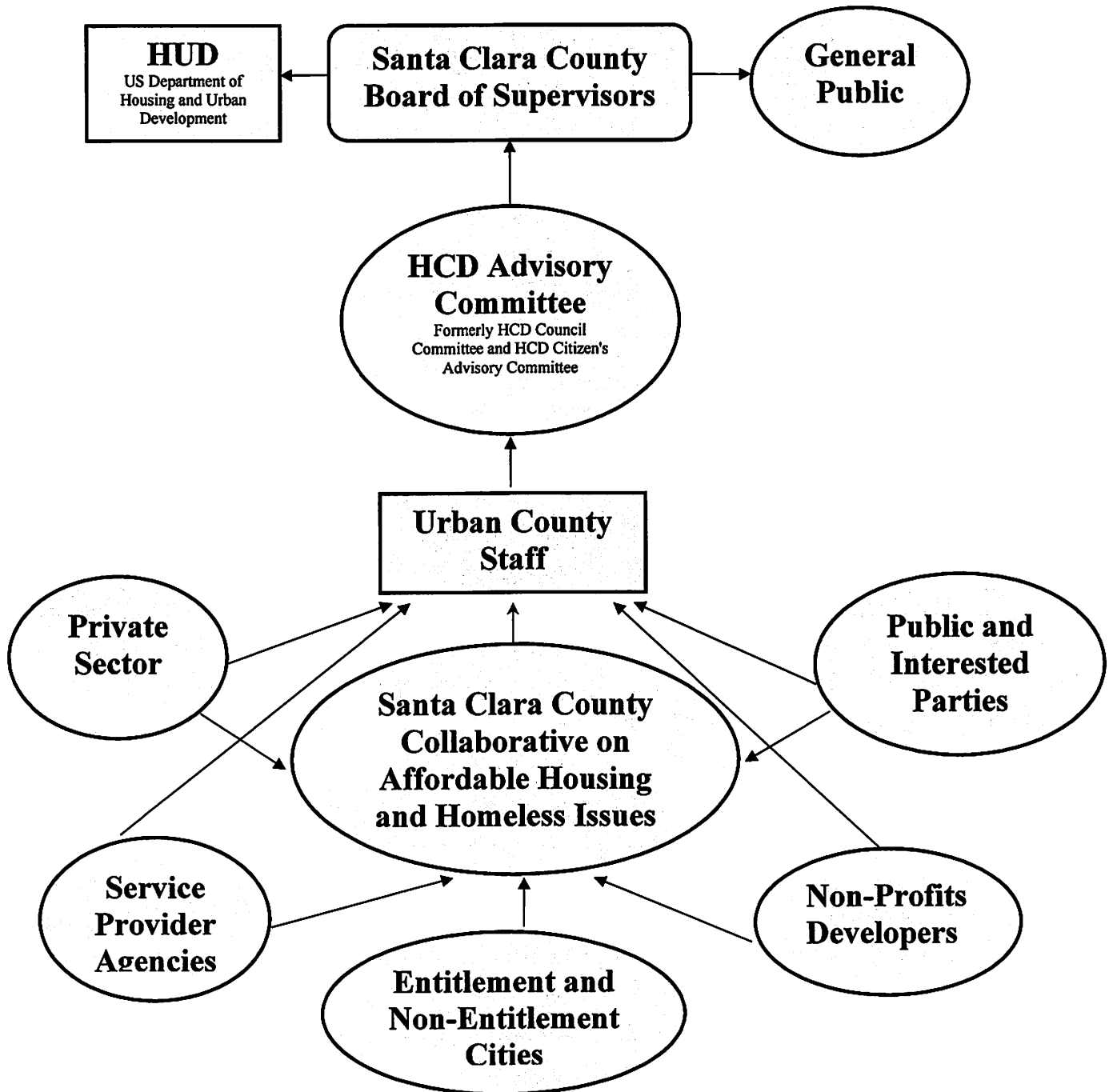
The Consolidated Plan replaces the previously required Comprehensive Housing Affordability Strategy (CHAS). The CHAS was a five-year housing plan that was updated annually by the preparation of an Annual Plan and Annual Performance Report. Like the CHAS, the Consolidated Plan is prepared for a five-year period and updated annually to reflect any changes in the needs or strategies.

On December 31, 1991, HUD approved the Santa Clara County Urban County CHAS covering the period from October 1, 1991 to September 30, 1996. The County of Santa Clara's 1995 Consolidated Plan was primarily developed as an update and expansion of the approved CHAS. Data required in the new Consolidated Plan that had not been required in the CHAS, such as the non-housing needs, were collected and incorporated into the document.

On May 11, 1995, Santa Clara County submitted its Board-approved 1995 Consolidated Plan on HUD. This document covered the period of 1995-2000, and much of the information in this plan was based data from the 1990 Census since the 2000 Census was not available until 2003. On May 15, 2000, Santa Clara County submitted its Board-approved 2000 Consolidated Plan to HUD. This document covered the period of 2000-2005.

Office of Affordable Housing
Housing and Community Development

Consolidated Plan Development Process



3. CITIZEN PARTICIPATION (PUBLIC PARTICIPATION) (91.105, and 91.200)

Public participation is an important element of the Consolidated Plan. The Urban County jurisdictions want the public to be aware of the range of activities that are undertaken through the HCD program, how those activities are selected for funding, and the amount of funding provided for each type of project or service. The Urban County also wants to provide the public with an opportunity to articulate any unmet needs within their jurisdiction, and to express their preferences about activities planned or proposed to meet both the needs identified in this draft plan, as well as those which may be brought to the attention of the Urban County through the public review process. (Note: The complete Public Participation Plan can be found in Appendix B.)

The public review process included two public meetings held in the month of February specifically for the purpose of informing the community about the Consolidated Plan Update for Federal Fiscal Years 2005-2010. Issues discussed included the needs, strategies, and priorities for the Urban County, and how to make the best use of Community Development Block Grant (CDBG), and HOME funds.

The meeting dates and locations were as follows:

February 15, 2005	5:30 p.m.	Consolidated Plan Review Morgan Hill Community and Cultural Center 1700 Monterey Road Morgan Hill, CA 95037
February 17, 2005	5:30 p.m.	Consolidated Plan Review County Government Center Isaac Newton Senter Auditorium 70 W. Hedding Street San Jose, CA 95110

In addition to the specific Consolidated Plan public review meetings, time was provided at meetings of the Citizen's Advisory Committee and the Council Committee for comment on the plan. The schedule of those meetings was as follows:

January 20, 2005	5:30 p.m.	Joint HCD CAC/CC Meeting County of Santa Clara Conference and Training Room 1641 N. First Street San Jose, CA 95112
February 24, 2005	6:30 p.m.	HCD Citizen's Advisory Committee County of Santa Clara Conference and Training Room 1641 N. First Street San Jose, CA 95112
April 7, 2005	4:30 p.m.	HCD Citizen's Advisory Committee County of Santa Clara Conference and Training Room 1641 N. First Street San Jose, CA 95112

April 7, 2005 5:00 p.m. HCD Council Committee
County of Santa Clara
Conference and Training Room
1641 N. First Street
San Jose, CA 95112

The draft Consolidated Plan was made available for public review on April 1, 2005. It was available at the County Office of Affordable Housing and libraries in the cities of Campbell, Los Gatos, Los Altos, Morgan Hill, and Saratoga. In addition, a copy of the Board-approved document will be placed on the Office of Affordable Housing website at www.oah.sccgov.org. The final day for written public comment was May 1, 2005. A hearing to make final recommendations on the plan, prior to forwarding the completed text to HUD, will be:

May 4, 2005 1:30 p.m. Public Hearing
Board of Supervisors Chambers
70 West Hedding Street
San Jose, CA 95110

4. HOUSING AND HOMELESS NEEDS ASSESSMENT (91.205)

Summary

This section describes the Urban County in terms of population, income, and family size and outlines the needs of the homeless and of special populations such as the physically or mentally impaired. Also mentioned are racial or ethnic disproportionality, and lead-based paint hazards. Information on cost burden, overcrowding, and substandard housing can be found in this section.

Estimates of Current Housing Needs

The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census for HUD provides detailed information on housing needs by income level for different types of households. Detailed CHAS data based on the 2000 Census is displayed in *Table B*. Based on CHAS, housing problems include: 1) units with physical defects (lacking complete kitchen or bathroom); 2) overcrowded conditions (housing units with more than one person per room); 3) housing cost burden, including utilities, exceeding 30 percent of gross income; or 4) severe housing cost burden, including utilities, exceeding 50 percent of gross income. The types of problems vary according to household income, type, and tenure. Some highlights include:

- In general, renter households had a higher level of housing problems than owner households.
- As expected, generally the lower the group income level, the higher the proportion of households experiencing housing problems.
- Large family renter households tended to have the highest level of housing problems of any subgroup, regardless of income level.
- Elderly renter households had the next highest level of housing problems. A significant percentage of these households experienced housing problems in every jurisdiction in the Urban County Area, except for Los Altos Hills and Monte Sereno. Cost burden tended to be a major component of these housing problems.

Table B
Urban County Housing Needs Table

URBAN COUNTY Housing Problems Output for All Households

Name of Jurisdiction: URBAN COUNTY		Source of Data: CHAS Data Book				Data Current as of: 2000					
	Renters					Owners					
Household by Type, Income, & Housing Problem	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners	Total Households
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(L)
URBAN COUNTY											
1. Household Income <=50% MFI	2,043	2,880	1,264	2,910	9,097	2548	872	262	576	4,258	13,355
2. Household Income <=30% MFI	1,424	1,400	559	1,633	5,016	1923	922	249	485	3,579	8,595
3. % with any housing problems	65%	87%	84%	76%	77%	67%	74%	89%	82%	72%	75%
4. % Cost Burden >30%	---	---	---	---	---	---	---	---	---	---	---
5. % Cost Burden >50%	---	---	---	---	---	---	---	---	---	---	---
6. Household Income >30% to <=50% MFI	619	1480	619	1,277	3,995	2344	1019	527	443	4,333	8,328
7. % with any housing problems	70%	78%	95%	74%	78%	35%	72%	85%	74%	54%	65%
8. % Cost Burden >30%	---	---	---	---	---	---	---	---	---	---	---
9. % Cost Burden >50%	---	---	---	---	---	---	---	---	---	---	---
10. Household Income >50 to <=80% MFI	249	1,384	601	1,282	3,516	1847	1,023	450	480	3,800	7,316
11. % with any housing problems	54%	57%	81%	63%	63%	24%	69%	84%	69%	49%	56%
12. % Cost Burden >30%	---	---	---	---	---	---	---	---	---	---	---
13. % Cost Burden >50%	---	---	---	---	---	---	---	---	---	---	---
14. Household Income >80% MFI	794	6,205	1,221	7,098	15,318	10,795	31,575	6,811	6,156	55,337	70,655
15. % with any housing problems	44%	21%	52%	16%	22%	14%	25%	39%	32%	25%	25%
16. % Cost Burden >30%	---	---	---	---	---	---	---	---	---	---	---
17. % Cost Burden >50%	---	---	---	---	---	---	---	---	---	---	---
18. Total Households	3,086	10,469	3,000	11,290	27,845	16,909	34,539	8,037	7,564	67,049	94,894
19. % with any housing problems	59%	43%	72%	37%	45%	24%	29%	46%	40%	31%	35%
20. % Cost Burden >30	---	---	---	---	---	---	---	---	---	---	---
21. % Cost Burden >50	---	---	---	---	---	---	---	---	---	---	---

(---) see Appendix K for detail per jurisdiction

Disproportionate Housing Need

Disproportionate need refers to any need that is more than 10 percentage points above the need demonstrated for all households. For example, 87.8 percent of large renter families (a subset of renter households) in the unincorporated area of Santa Clara County experienced housing problems, compared to 49 percent of all renter households or 39 percent of all households. Thus, large families in the unincorporated County that are renting have a disproportionate need for housing assistance. The basis for determination of disproportionate housing need is the CHAS tables presented in *Table B*.

Extremely Low Income Households (0-30 Percent MFI)

The following jurisdictions had subgroups experiencing disproportionate housing needs in this income group, based on the number of households within the jurisdiction:

- Campbell – All household subgroups except for large related owner households.
- Los Altos – All household subgroups except for large related renter households.
- Los Altos Hills – All household subgroups except for elderly renter households.
- Los Gatos – All household subgroups except for large related owner households.
- Monte Sereno – Small related and large related owner households.
- Morgan Hill – All household subgroups.
- Saratoga – All household subgroups except for large related and other renter households.
- Unincorporated Santa Clara County – All household subgroups.

Very Low Income Households (31-50 Percent MFI)

The following jurisdictions had subgroups experiencing disproportionate housing needs in this income group, based on the number of households within the jurisdiction:

- Campbell – All household subgroups except for elderly owner households.
- Los Altos – All household subgroups except for large related renter and all other owner households.
- Los Altos Hills – Other renter households, all owner households except for large related.
- Los Gatos – All household subgroups.
- Monte Sereno – Small related owner households.
- Morgan Hill – All household subgroups except for other renter households and elderly owner households.
- Saratoga – All household subgroups except for large related renter households and elderly owner households.
- Unincorporated Santa Clara County – All household subgroups except for elderly renter and owner households.

Low Income Households (51-80 Percent MFI)

The following jurisdictions had subgroups experiencing disproportionate housing needs in this income group, based on the number of households within the jurisdiction:

- Campbell – All household subgroups except for elderly renter and owner households.
- Los Altos – All household subgroups except for elderly renter and owner households.
- Los Altos Hills – Other renter households.
- Los Gatos – All household subgroups except for elderly and large related owner households.
- Monte Sereno – All owner households except for small related households.
- Morgan Hill – All household subgroups except for elderly renter and owner households.
- Saratoga – Small related renter households, all owner households except for elderly households.
- Unincorporated Santa Clara County – Elderly and large related renter households, all owner households except for elderly.

While the Santa Clara Urban County Area has a large number of lower and moderate income households requiring housing assistance, it also has a limited inventory of affordable housing, particularly in the rental housing market. Jurisdictions within the Urban County Area have expended substantial resources to provide affordable housing opportunities for its lower and moderate-income residents through a variety of rental assistance, home ownership assistance, and rehabilitation programs.

Large Households

Large households, those with five or more persons, have special housing needs due to their income and the lack of adequately sized, affordable housing. As a result, large households often live in overcrowded conditions. *Table C* shows the proportion of large households within each jurisdiction of the Urban County Area. The comparable figure for the County in 2000 was 15.5 percent. The special census tabulations for HUD further indicate that among the large households in the Urban County Area, approximately 64.2 percent experienced some form of housing problems, which include overcrowding, cost burden, or substandard housing conditions. This illustrates that the Urban County Area has a need for affordable housing units with three or more bedrooms.

Table C
Large Household Profile of Urban County Area
Large Household Profile of
Santa Clara Urban County Area

Jurisdiction	Percent of Households¹	Lower Income²	Housing Problems²
Campbell	6.8%	28.8%	54.3%
Los Altos	7.7%	7.2%	26.5%
Los Altos Hills	11.3%	7.2%	31.2%
Los Gatos	6.3%	15.1%	43.6%
Monte Sereno	11.8%	8.5%	65.2%
Morgan Hill	16.8%	32.2%	50.5%
Saratoga	10.9%	8.0%	42.2%
Unincorporated County	16.2%	22.1%	65.0%
Santa Clara County	15.5%	34.3%	65.6%

Sources: 1) 2000 Census. 2) HUD CHAS, 2003

To provide affordable home ownership opportunities for low-income large households, jurisdictions have implemented various programs to assist in the construction of family housing and provide first-time homebuyer assistance to qualified families, including the Mortgage Credit Certificate (MCC) program. Funding sources include CDBG and HOME funds, redevelopment agency set-aside funds and general funds, and first time homebuyer programs.

Current Estimates of Urban County Housing Populations and Conditions and Areas of Ethnic and Low/Moderate Income Concentration

Racial/Ethnic Concentrations

Race and ethnicity have implications on housing need in that certain demographic and economic variables correlate with race. For example, the average household size for Santa Clara County was 2.92 in 2000. However, the average household size for Hispanics was 4.20 and for Asians was 3.35, while for non-Hispanic Whites it was 2.55.

Between 1990 and 2000, the Santa Clara Urban County Area became increasingly diverse in its race and ethnic makeup. This trend follows County, state and national trends. In California, no one ethnic group holds a majority. In the Urban County Area, however, the White population still constitutes substantially more than half the City residents. As shown in *Table D*, the population in Santa Clara Urban County area is comprised of 64 percent non-Hispanic White persons. The Hispanic population is the second largest racial/ethnic group in the County (22.4 percent). Black, Asian, and other racial/ethnic groups constituted only a small proportion of the population. Comparing the racial/ethnic composition of the population with that of the householders indicates that 72 percent of households in Santa Clara Urban County area are headed by Whites and only 16 percent by Hispanics (*Table E*). This reflects the typically larger household size for Hispanic households than for White households.

Table D
Race and Ethnicity by Persons

	Persons								
	Campbell	Los Altos	Los Altos Hills	Los Gatos	Monte Sereno	Morgan Hill	Saratoga	Uninc. County	Urban County Area
White	25,257	21,536	5,633	23,639	2,899	20,720	19,436	54,770	173,890
Hispanic	4,883	949	245	1,552	178	9,237	852	29,238	47,134
Black	821	80	41	101	19	421	153	1,760	3,396
Asian/PI	5,737	4,234	1,821	2,370	334	2,091	8,598	11,665	36,850
Other	1,489	786	260	1,021	129	1,166	816	3,542	9,209
Total	38,187	27,585	8,000	28,683	3,559	33,635	29,855	100,975	270,479

Source: 2000 Census

Table E
Race and Ethnicity by Households

	Households								
	Campbell	Los Altos	Los Altos Hills	Los Gatos	Monte Sereno	Morgan Hill	Saratoga	Uninc. County	Urban County Area
White	11,726	8,651	2,145	10,409	1,033	7,693	7,576	24,654	73,887
Hispanic	1,420	256	63	453	39	2,091	204	6,235	10,761
Black	387	26	12	53	0	159	30	470	1,137
Asian/PI	1,974	1,382	500	821	107	668	2,495	3,079	11,026
Other	483	153	54	304	40	250	137	875	2,296
Total	15,990	10,468	2,774	12,013	1,219	10,861	10,464	30,889	94,678

Source: 2000 Census

Areas with concentrated minority residents may have different needs. Concentration is defined as block groups with above the County average of Hispanic populations (24.0 percent) or other minority populations (31.9 percent). *Map 3* shows the concentrations of minority populations in Santa Clara County.

Concentrations of Low Income Population

Household income is an important consideration when evaluating housing and community development needs, because low incomes typically constrain people's ability to procure adequate housing or services. *Table F* shows the median incomes in the Santa Clara Urban County Area in comparison to the County as a whole.

Table F
Median Household Income

Jurisdiction	Median Household Income
Campbell	\$67,214
Los Altos	\$126,740
Los Altos Hills	\$173,570
Los Gatos	\$94,319
Monte Sereno	\$154,268
Morgan Hill	\$81,958
Saratoga	\$139,895
Unincorporated County	\$74,439
Santa Clara County	\$105,500

Source: 2000 Census

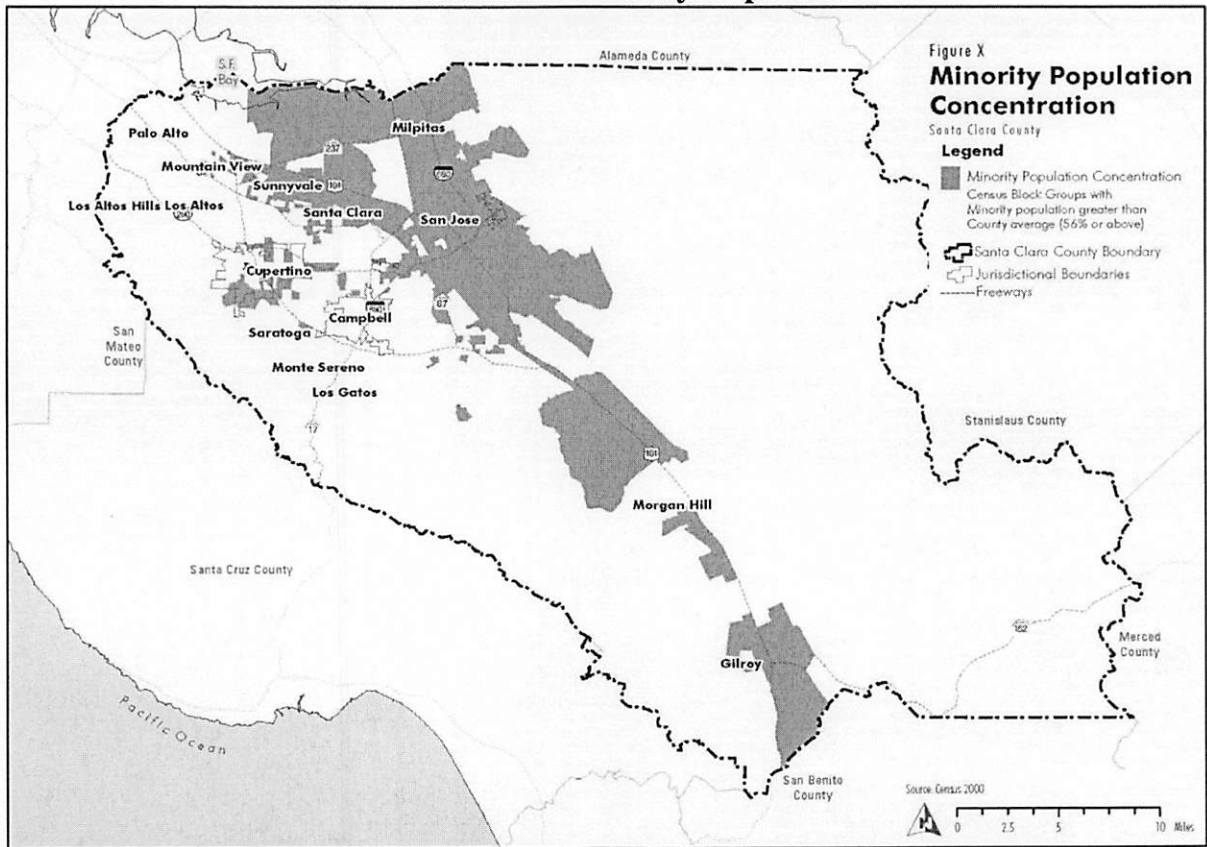
Income Definitions

For purposes of housing and community development resource programming, HUD has established different income definitions based on the Median Family Income (MFI) for a given Metropolitan Statistical Area (MSA). These income definitions are presented in *Table G*. They are the same as the definitions used in the CHAS tables.

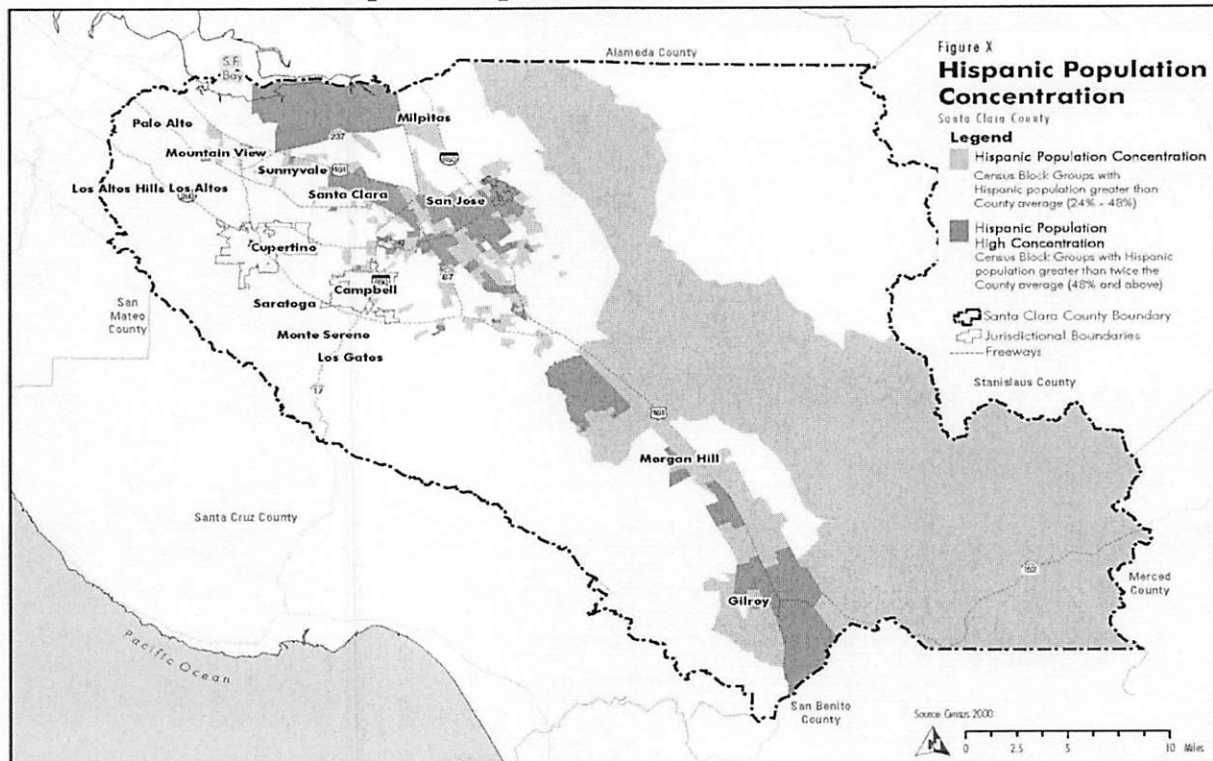
Table G
HUD Income Definitions

Income Group	% of Area MFI
Extremely Low Income	0-30%
Very Low Income	31-50%
Low Income	51-80%
Middle	81-95%
Upper	Above 95%
Note: Federal housing and community development resources are typically not available for households with above 80% of the Area MFI. Therefore, differentiating the Middle Income group from the Upper Income group under the federal definitions is not critical.	

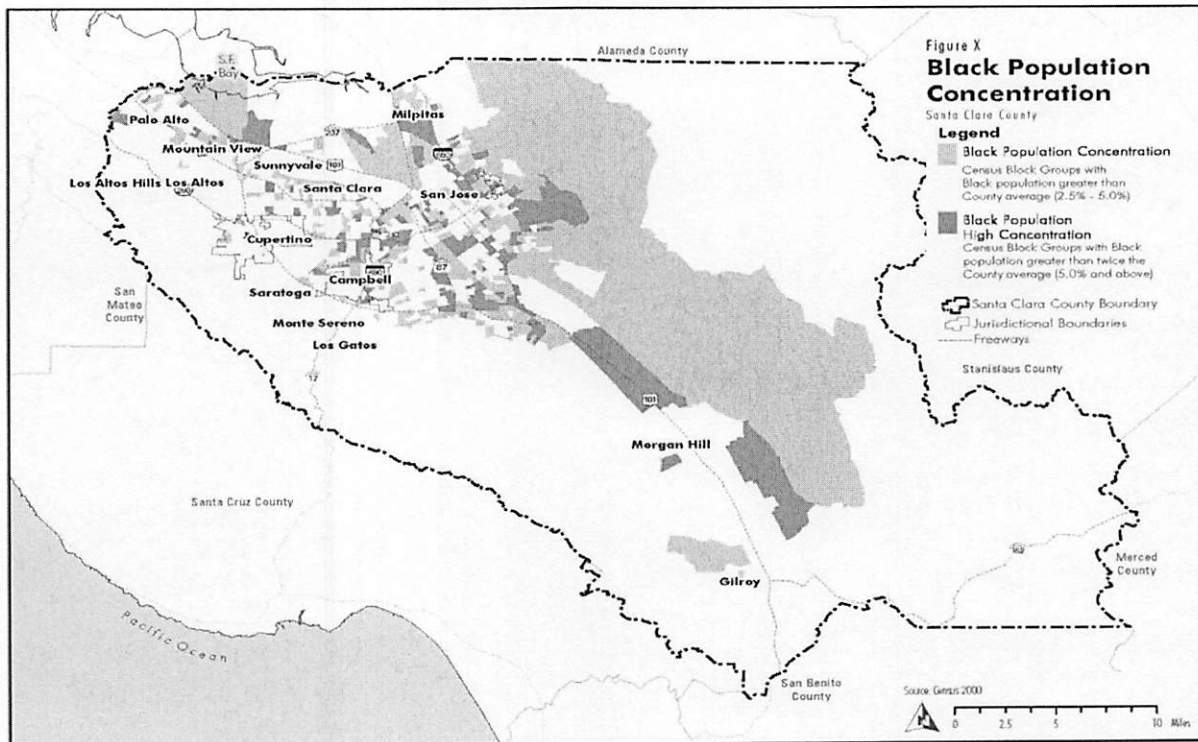
Map 3
Concentrations of Minority Populations



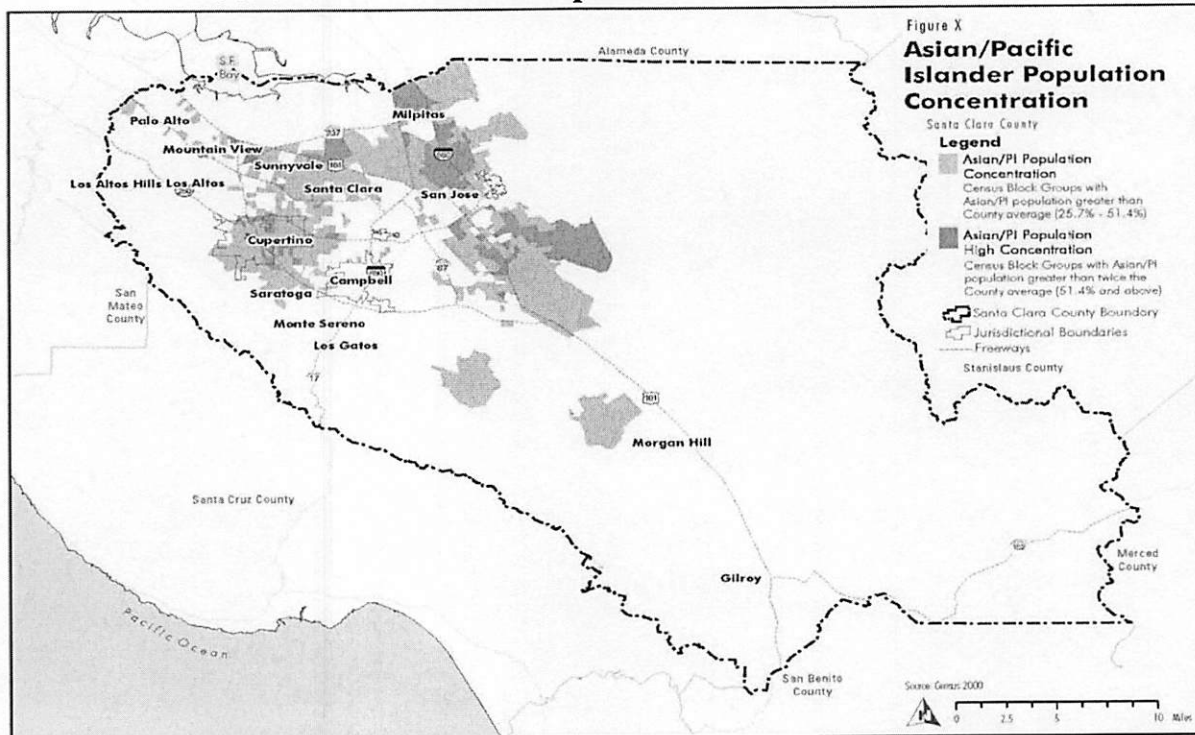
Map 4
Hispanic Population Concentration



Map 5
Black Population Concentration



Map 6
Asian/Pacific Islander Population Concentration



Income Distribution

Based on the income definitions specified above, almost 17.8 percent of all households in the Urban County Area in 2000 were within Extremely Low Income and Very Low Income (50 percent MFI) levels, and 7.7 percent were within the Low Income level (*Table H*). Throughout this document, the term "lower income households" refers to those with up to 80 percent of the County MFI. In the Urban County Area, households with lower incomes (up to 80 percent of the County MFI) comprised 74.6 percent of all households. The proportion of households with Low Income or less was higher among Hispanic (61.7 percent) and Black (63.8 percent) households than for White (49 percent) and Asian (22.5 percent) households (*Table I*). Between 1990 and 2000, all households for which data are available experienced an increase in the proportion of lower income households.

Table H
Household Income by Race/Ethnicity

Households	Total Households	% of Total Households	% Extremely Low and Very Low Incomes (0-50% MFI)	% Low Income (51-80% MFI)	% Moderate/Upper Incomes (>80% MFI)
White	24,555	25.9%	27.0%	22.0%	51.0%
Hispanic	5,411	5.7%	38.8%	22.9%	38.3%
Asian/Pacific Isl.	10,814	11.4%	16.0%	6.5%	77.5%
Black	1,596	1.6%	35.5%	28.3%	36.2%
All Households	94,678	100%	17.8%	7.7%	74.6%

Source: HUD CHAS Data Book, based on 2000 Census.

Table I
Lower Income Households by Race/Ethnicity
1990-2000

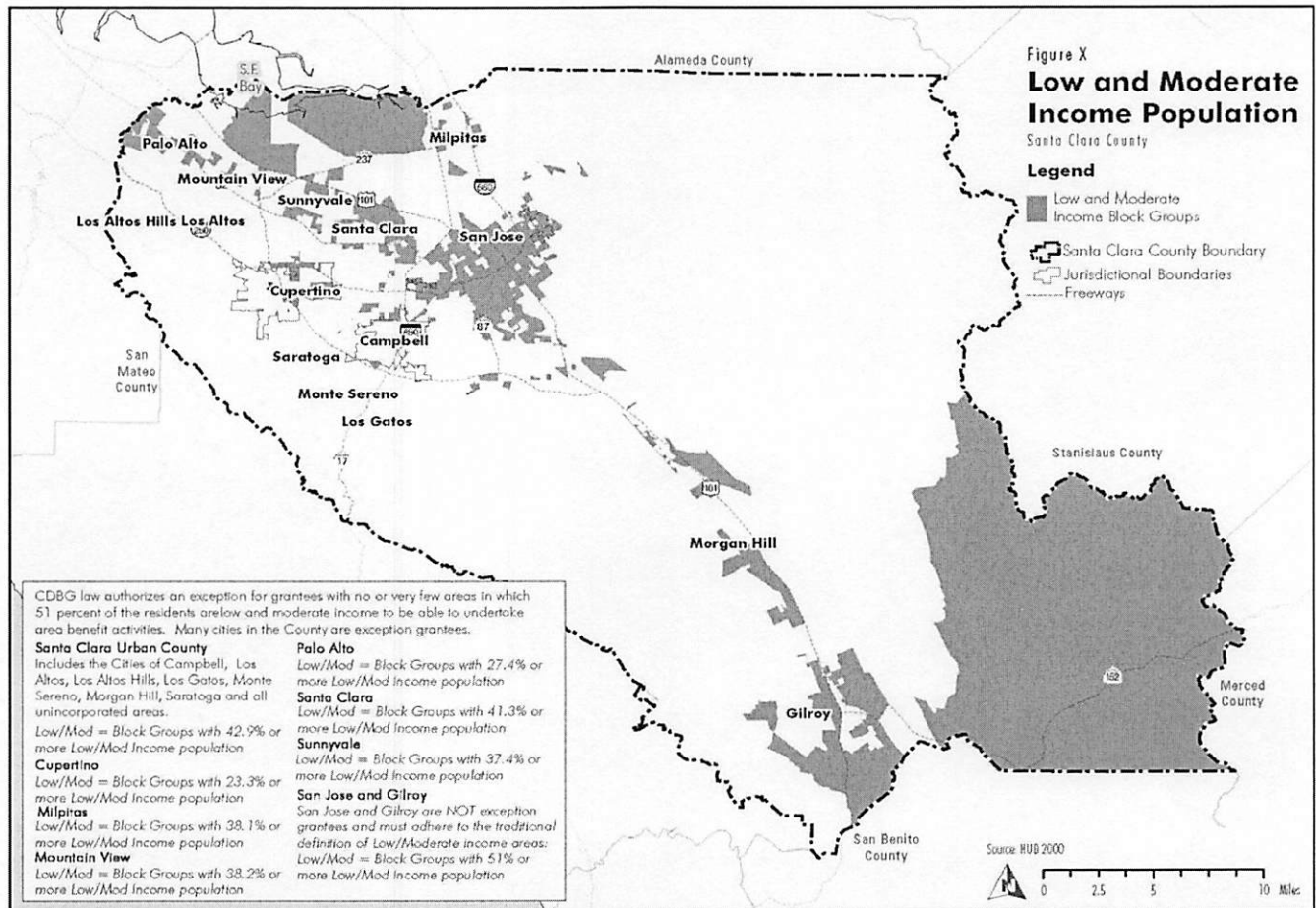
Household	% of Lower Income Households 2000	% of Lower Income Households 1990
White	26.9%	23.4%
Hispanic	50.6%	45.8%
Black	38.5%	36.3%
Asian/Pacific Islander	30.7%	N/A
Total Households	22.8%	29.1%

N/A – not available

Source: HUD CHAS Data, 1999 and 2003

Use of CDBG funds on public improvements can only occur in income-eligible areas. The CDBG program defines income eligibility as any block group with 51 percent or more of the population earning incomes less than 80 percent of the Area MFI. *Map 7* shows the concentration of lower-income households within Santa Clara County.

Map 7 Concentrations of Lower-Income Households



ABAG Housing Needs

The Association of Bay Area Governments (ABAG) has prepared a Regional Housing Needs Determination (RHND) for its nine member counties and the cities within them. The RHND is based upon estimated housing need for the period from January 1, 1999 to June 30, 2006¹. For the ABAG region, the estimated housing need for the 1999-2006 period is 230,743 units. Santa Clara County's share of this regional housing need is 57,991 units, or approximately 25.1 percent of the total need. The Santa Clara Urban County Area, including the unincorporated County, has been allocated 6,068 units. This figure is approximately 10.5 percent of the allocation for the County, and 2.6 percent of the total regional need. **Table J** shows the breakout of the RHND for the Urban County Area. Based upon the RHND, approximately 1,714 of the future required units in the Urban County Area should be for lower income households.

¹ Subsequent to the adoption of the ABAG plan, the California Legislature extended by one year the time period covered by that plan. For the purpose of the Consolidated Plan analysis, the original timeframe of 1999 – 2006 is used.

Table J
Regional Housing Needs Determination,
Santa Clara Urban County Area

Jurisdiction	RHND Allocation	Adjusted Allocation*	Units for Lower Income Households
Campbell	777	565	242
Los Altos	261	261	58
Los Altos Hills	83	83	15
Los Gatos	402	135	107
Monte Sereno	76	76	15
Morgan Hill	2,484	2,484	683
Saratoga	539	539	111
Unincorporated County	1,446	685	483
Total	6,068	4,828	1,714

* Allocation adjusted for housing units either constructed or approved for construction 1999-2001, where information is available.

Sources: ABAG, 2001; local jurisdiction housing elements.

Homeownership Needs

Santa Clara County wishes to pursue increased affordable homeownership opportunities for first-time homebuyers in Santa Clara County. The median household income of \$105,500 is only enough to purchase a home costing just over \$400,000 and the Median Price of a Home in Santa Clara County hovers around \$600,000, a difference of \$200,000. This means that the average household of four can only purchase 66.7% of a median priced home. The County wishes to bridge this affordability gap by encouraging the development of affordable homeownership units and by leveraging County funds with other state and local funds to make homeownership more affordable to County citizens.

EXAMPLE:

Purchase Price	\$600,000
Down payment (10%)	\$60,000
Amount Financed	\$540,000
Monthly Principal and Interest (7.0%)	\$3,592
Monthly Taxes and Insurance (1.2%)	\$600
Total Housing Payment	\$4,192
Income Needed to be Affordable at 30% GMI	\$167,680
Income Needed to be Affordable at 33% GMI	\$152,436

Note: GMI means Gross Monthly Income

The County Median Income is \$105,500 for a household of four. A household would have to earn another \$62,180 annually (or 159% of the current household income) in order to be able to purchase a median priced home in the County. Clearly, wages are not keeping pace with the dramatic rises in the cost of housing and this affordability gap constitutes a housing crisis in Santa Clara County.

By increasing opportunities for people to be able to live where they work, the County can help attract and

maintain a highly skilled, educated and talented workforce and help curb the flow of lower income households to lower-cost areas in the state. Affordable ownership housing allows the local workforce to be able to live in the communities they serve and brings pride and economic stability to the entire region. According to the California Association of Realtors, only 22% of households in Santa Clara County can afford to purchase a median priced home compared to 55% nationwide. (Source, CAR, January 2005)

HOMELESSNESS

Homelessness

All the entitlement jurisdictions in Santa Clara County have long recognized that homelessness is a regional issue. The best available data on the homeless is only available for the entire County. Data presented in this section is thus based on statistics for the entire County, as presented in the County's 2004 Continuum of Care (CoC) application to HUD. HUD requires that each entitlement jurisdiction identify needs and gaps in services within its boundaries. To meet those HUD requirements, the countywide characteristics and demographics of the homeless, and the needs and gaps in facilities and services identified in that application were allocated to each entitlement jurisdiction based on the "2004 Santa Clara County Homeless Census and Survey". Additional information was provided by the Homeless Management Information—Santa Clara (HMIS) as of November 30, 2004. At that time, the HMIS did not include client data from all agencies serving the County's homeless. The entitlement jurisdictions in the County have determined that HMIS provided data as to where persons last resided before becoming homeless. For that reason, that HMIS data was used as the basis for allocating the countywide data from the CoC to each entitlement jurisdiction.

The following section summarizes the housing and supportive service needs of the homeless in the Santa Clara Urban County Area, as well as persons and families at risk of becoming homeless. This section also includes an inventory of services and facilities available to serve the Urban County Area's homeless population and those who are at risk of becoming homeless. Service and facility gaps in the Continuum of Care are also identified.

Current Estimates of Homelessness:

Homeless Population

Since homelessness is a regional issue, data presented in this section is based on statistics for the entire County. Characterization by jurisdiction of the homeless population, the availability of facilities and services, and gaps in service are based on the countywide data and data generated from the "2004 Santa Clara County Homeless Census and Survey" along with information derived from the County's Homeless Management Information System (HMIS), a federally-required collaborative database that tracks homeless clients by last reported permanent place of residence.

Tables K and L are the most recent detailed estimates of the homeless population in the Santa Clara Urban County Area and Santa Clara County (based on the County's 2004 Continuum of Care application to HUD). It is estimated that there are **7,646** persons who are homeless **according to the "2004 Santa Clara County Homeless Census and Survey,"** of which 37.7 percent have shelter. In the Urban County Area, 157 homeless persons (38.9 percent) have shelter.

In December of 2004, the cities of Santa Clara County and the County jointly sponsored a two-day homeless count (conducted by a consultant who specializes in these counts) to assess the homeless population in the County's 351 census tracts. Based on the preliminary results, Based on the results, there were **7,646** unduplicated cases of homelessness, of which **6,432** were individual cases and **1,214** were persons in family groups.

Table K (HUD Table 1A)
Homeless and Special Needs Populations (Urban County only)

Continuum of Care: Housing Gap Analysis Chart

		Current Inventory	Under Development	Unmet Need/ Gap
Individuals				
Beds	Emergency Shelter	52	0	96
	Transitional Housing	31	0	134
	Permanent Supportive Housing	15	3	82
	Total	98	3	312
Persons in Families with Children				
Beds	Emergency Shelter	24	0	6
	Transitional Housing	64	0	14
	Permanent Supportive Housing	26	0	20
	Total	114	0	40

Source: Santa Clara County 2004 Continuum of Care application to HUD.

Note: Local share of homeless is based on countywide homeless estimate from Santa Clara County's 2004 Continuum of Care application to HUD.

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population		Sheltered		Unsheltered	Total
		Emergency	Transitional		
1. Homeless Individuals		51	30	209	290
2. Homeless Families with Children		6	15	10	31
2a. Persons in Homeless Families with Children		22	54	26	102
Total (lines 1 + 2a)		73	84	235	392
Part 2: Homeless Subpopulations		Sheltered		Unsheltered	Total
1. Chronically Homeless		10		43	53
2. Seriously Mentally Ill		55			
3. Chronic Substance Abuse		47			
4. Veterans		16			
5. Persons with HIV/AIDS		27			
6. Victims of Domestic Violence		26			
7. Youth		8			

Source: Santa Clara County 2004 Continuum of Care application to HUD.

Note: Local share of homeless is based on countywide homeless estimate from Santa Clara County's 2004 Continuum of Care application to HUD.

Table L Homeless and Special Needs Populations (Santa Clara County)

Continuum of Care: Housing Gap Analysis Chart

		Current Inventory	Under Development	Unmet Need/ Gap
Individuals				
Beds	Emergency Shelter	906	0	1,653
	Transitional Housing	576	0	2,319
	Permanent Supportive Housing	260	50	1,416
	Total	1,742	50	5,388
Persons in Families with Children				
Beds	Emergency Shelter	415	0	99
	Transitional Housing	1,097	0	240
	Permanent Supportive Housing	448	0	345
	Total	1,899	0	684

Source: Santa Clara County 2004 Continuum of Care application to HUD.

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
1. Homeless Individuals	887	518	3,605	5,010
2. Homeless Families with Children	106	258	179	543
2a. Persons in Homeless Families with Children	383	932	448	1,763
Total (lines 1 + 2a)	1,270	1,450	4,053	6,773
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total
1. Chronically Homeless	186		745	931
2. Seriously Mentally Ill	952			
3. Chronic Substance Abuse	816			
4. Veterans	285			
5. Persons with HIV/AIDS	136			
6. Victims of Domestic Violence	462			
7. Youth	136			

Source: Santa Clara County 2004 Continuum of Care application to HUD.

Homeless Individuals

As indicated in *Table K*, homeless individuals comprise approximately 74 percent of the homeless population in the Urban County Area, compared with 69.4 percent of the homeless population in the County. Unsheltered homeless individuals account for 53.3 percent of the total homeless population in the Urban County Area. According to information in the Santa Clara Countywide Five-Year Continuum of Care Plan (Countywide Five-Year Plan), approximately 74 percent of the urban homeless are single-adults. The overwhelming majority of single homeless adults are male (about 75 percent).

Homeless Families

Members of homeless families make up slightly over one-quarter of the homeless population in the Urban County Area. By comparison, almost one-quarter of the urban homeless population in the County are members of homeless families. Single mothers head the majority of homeless families – 66 percent according to the Countywide Five-Year Plan. The Countywide Five-Year Plan also stated that 227 dependent children accompanied 284 homeless people surveyed, or approximately 44.4 percent of the total sample. This was an increase from a 1995 study of the homeless in the County, which indicated that children in homeless families comprised 23 percent of the total sample.

Homeless Subpopulations

Table K also provides a breakdown of the homeless population by subpopulations. A description of each subpopulation and their estimated number in the Santa Clara Urban County Area follows. As with the homeless population in general, characterization of the homeless subpopulations are based on the County's HMIS data, the allocation of which have been assigned according to the proportion of clients in the HMIS database that reported any jurisdiction in the Urban County Area as his or her last place of permanent residence. It should be noted that figures from HMIS are an undercount based on the fact that not all agencies have fully implemented the system.

Chronically Homeless

The Interagency Council on Homelessness has defined someone who is "chronically homeless" as "being disabled and either being continuously homeless for a year or more or having had at least four homeless episodes during the last three years."² There are an estimated total of 10 chronically homeless persons in the Urban County Area. Countywide, there were 931 chronically homeless persons, of who only one-fifth were in shelters.

Special Needs Persons with Severe Mental Illness

Severe mental illness includes the diagnoses of psychoses (e.g. schizophrenia) and the major affective disorders (e.g. bipolar, major depression). To qualify as chronic, the illness must have existed for at least one year. According to national estimates, approximately one percent of the adult population meets a definition of severe mental illness based on diagnosis, duration, and disability.

In the Urban County Area, there are an estimated 55 homeless persons who are seriously mentally ill. In the County, there are 952 such homeless persons. According to the Countywide Five-Year Plan, 90 percent of the homeless identified as mentally ill were single. The major barrier to stable, decent housing for the seriously mentally ill is the availability of affordable housing. A substantial majority of persons in this population depend solely on Social Security Insurance (SSI) payments. These payments, which averaged \$550³ in 2004, permit very few persons in this population to afford rental

² U.S. Department of Housing and Urban Development, *Strategies for Reducing Chronic Street Homelessness*, January 2004.

³ U.S. Social Security Administration at www.socialsecurity.gov/policy/docs/quickfacts/state_stats/ca.html. Average SSI payment for all of California, including federal SSI payment and state supplement.

housing on the open market.

Persons with Substance Abuse Problems

An estimated 47 homeless persons in the Urban County Area had chronic substance abuse problems, either with alcohol or with other drugs, or sometimes with a combination of substances. Santa Clara County had 816 homeless persons with substance abuse problems. In past surveys, substance abuse appeared to be a major factor in the cause of homelessness. A substantial number of homeless surveyed in 1997 (25.9 percent) stated that substance abuse had precipitated continual job loss and a subsequent inability to pay rent, resulting in eviction from their homes.

Records have also been kept for homeless persons categorized as "dually diagnosed." This refers to persons diagnosed with both a mental illness and a substance abuse problem. In Santa Clara County, there are 476 homeless persons that are dually diagnosed. In the Urban County Area, the estimated number of such homeless persons is 28.

Veterans

There are an estimated 16 homeless persons in the Urban County Area who are veterans. In the County, there were 345 homeless veterans. According to the "2004 Santa Clara County Homeless Census and Survey" 19.3% reported as homeless veterans of those surveyed. This was a slight decrease from 20% found in 1999.

Persons Infected with HIV/AIDS

The National Commission on AIDS states that up to half of all Americans with AIDS are either homeless or in imminent danger of becoming homeless due to their illness, lack of income or other resources, and weak support networks. The Commission further estimates that 15 percent of all homeless people are infected with HIV. Within Santa Clara County, 136 homeless persons reported having HIV/AIDS, which is less than two percent of the total homeless population. In the Urban County Area, it is estimated there are 27 homeless persons with HIV/AIDS.

In 2000, the Santa Clara County Board of Supervisors provided funding to the Billy DeFrank Lesbian and Gay Community Center to complete a social services and health services needs assessment, which included a survey of gay, lesbian, bisexual, and transgender people. Of those surveyed, 12 percent lived in non-permanent or unstable housing. Two percent reported living on the streets.

Persons Suffering Domestic Violence

Many single women and women with children become homeless as the result of domestic violence. According to a study by the U.S. Conference of Mayors, 34 percent of the cities surveyed identified domestic violence as a primary cause of homelessness. Nationally, approximately half of all women and children experiencing homelessness are fleeing domestic violence.⁴ Homeless women often require additional counseling to work through psychological impairment from physical abuse to transition into the mainstream.

In Santa Clara County, there were 462 homeless persons who were victims of domestic violence, or approximately 6.4 percent of the total homeless population. The estimated number of such persons in the Urban County Area is 26. According to the Countywide Five-Year Plan, female respondents to a survey identified fleeing from domestic violence as one of the three primary reasons for their homelessness.

Youth

⁴ National Coalition for the Homeless, *NCH Fact Sheet #1: Why Are People Homeless?* September 2002.

The Countywide Five-Year Plan states that the fastest growing segment of the homeless population is children. Approximately 25 percent of newly homeless persons in the County were children under 18. Of the estimated homeless population in the Urban County Area, eight were youth. In the County, there were 136 homeless youth who were not part of a homeless family. These homeless youth are difficult to track because of their highly transient nature, their distrust of adults, and their distrust of services, usually born out of fear of being incarcerated or institutionalized.

Needs of Persons Threatened with Homelessness

The "at-risk" population is comprised of lower income families and individuals who, upon experiencing a major life crisis that creates severe financial distress (job loss, medical emergency, etc.), might lose their housing and end up becoming homeless. Extremely low income households (those earning 30 percent or less of median family income) are considered to be at greatest risk of becoming homeless. The overwhelming majority of these families typically experience a housing cost burden, paying more than 30 percent of their incomes for housing. In more severe cases, such families pay more than 50 percent of their incomes for housing.

The at-risk population also includes individuals who are in imminent danger of residing in shelters or living on the streets. This is primarily due to the lack of access to permanent housing and the absence of an adequate support network, such as immediate family members or relatives in whose homes they could temporarily reside. These individuals, especially those being released from penal, mental or substance abuse facilities, require social services that help them make the transition back into society and remain off the streets. Based on the criteria discussed above and available data, there are probably between 20,000 and 30,000 Santa Clara County households who are at risk of becoming homeless.⁵ Using the share of homeless as determined by the County's HMIS, it is estimated that there are 1,160 to 1,740 at-risk households in the Urban County Area.

Keeping people from becoming homeless requires emergency funds to pay for housing, food, deep rental subsidies, and medical care. Homeless prevention also requires adequate planning for medical discharges, eviction prevention and relocation assistance, and coordination with code enforcement officials to minimize displacement of lower income households. Access and contact points for those who become homeless include the Shelter Bed Hotline, on-line and telephone intake and referral services, an Emergency Assistance Network (EAN) agency, Legal Services, the San Jose and County Homeless Coordinators, and any number of homeless service and mainstream human services agencies. These agencies will assess the needs of the homeless individual or household, and find appropriate assistance whenever possible.

Inventory of Facilities and Services for the Homeless and Persons Threatened with Homelessness

Santa Clara County and its incorporated cities provide a variety of programs to assist homeless persons and persons and families threatened with homelessness. Many of these programs target specific groups, such as the mentally ill and persons with HIV/AIDS. Some of the programs operate on a countywide basis, while others are limited to a specific geographical area.

As previously stated in this section, homelessness is a regional issue, and is not restricted to a specific jurisdiction. Homeless individuals and families are found throughout Santa Clara County. In acknowledgement of this, and in order to more efficiently deliver services to the homeless, the County has been working with local jurisdictions and various homeless service and housing providers to develop an extensive countywide Continuum of Care. For this reason, a description of homeless facilities and services available in Santa Clara County is provided below. While not all these facilities and services are available to City residents, some are available to homeless City residents at large,

⁵As an example of the potential homeless risk among extremely low income households, HUD reported that, in 2000, nearly 36,000 such households paid more than 50 percent of their incomes for housing expenses.

while others are available to specific subpopulations such as domestic violence victims.

This section presents the homeless facilities and services available in Santa Clara County under three broad categories: 1) Housing Information and Assistance Programs, 2) Outreach Programs, and 3) Supportive Services. Within each category are subcategories describing facilities and services that are similar in character. In the interest of providing a thorough and comprehensive description of homeless facilities and services, some of these programs may be described in several subcategories. Information for County homeless facilities and services came from the County's 2004 Continuum of Care application to HUD. The complete inventory of Facilities and Services for the Homeless and Persons Threatened with Homelessness can be found as *Appendix F*.

Continuum of Care System

As indicated above, the County has an extensive array of services that assist persons and families that are homeless or are threatened with homelessness. The following three tables list all programs in the Continuum of Care, along with the clientele served by the programs and the number of people served or the bed capacity. *Table X* lists the emergency shelters in the County. *Table Y* shows the County's transitional housing facilities, and *Table Z* shows the permanent supportive housing facilities.

Continuum of Care Gap

Although the County and its incorporated cities provide a variety of programs to serve the homeless, it is known that not all eligible individuals and families are being served. One reason is that the programs in the Continuum of Care have inadequate capacity to serve all their potential clients.

Table K provides an estimate of the gap between the capacity of the Urban County Area's Continuum of Care system and the actual demand for services. As indicated by the table, there are an estimated 312 homeless individuals and 40 persons in homeless families with children in the Urban County Area whose needs are currently not being met by the programs in the Continuum of Care. The comparable figures for Santa Clara County are 5,388 homeless individuals and 684 persons in homeless families. Detailed gap analysis by type of facility is not yet available. It should be noted that, due to the methodology used in preparing the gap analysis, which is a requirement of HUD, the estimated unmet needs of homeless individuals and families may not match the unsheltered homeless figures in *Table K*.

Ten Year Plan to End Chronic Homelessness

In October 2004, the Board of Supervisors established a Homeless Task Force to create a plan to end chronic homelessness in the County of Santa Clara. On May 3, 2005 the Task Force presented its plan "*Keys to Housing: A 10-Year Plan to End Chronic Homelessness in Santa Clara County*" to the Board of Supervisors. The Board unanimously accepted the Plan and directed the Task Force to return on a quarterly basis with a report concerning the progress of implementation of the Plan. Key to the Plan is a commitment to use the Housing First model as a way to quickly re-house homeless people in permanent, supportive housing. (See *Appendix J* for entire Plan.)

HUD 2005 Income Limits

Table M
FY 2005 HUD PROGRAM INCOME LIMITS
Santa Clara County Jurisdictions

Effective Date: 01/28/04 Median Family Income: \$105,500

1 PERSON HOUSEHOLD
30% OF MEDIAN \$22,300
VERY LOW INCOME 37,150
LOW INCOME 59,400

2 PERSON HOUSEHOLD
30% OF MEDIAN \$25,450
VERY LOW INCOME 42,450
LOW INCOME 67,900

3 PERSON HOUSEHOLD
30% OF MEDIAN \$28,650
VERY LOW INCOME 47,750
LOW INCOME 76,400

4 PERSON HOUSEHOLD
30% OF MEDIAN \$31,850
VERY LOW INCOME 53,050
LOW INCOME 84,900

5 PERSON HOUSEHOLD
30% OF MEDIAN \$34,400
VERY LOW INCOME 57,300
LOW INCOME 91,650

6 PERSON HOUSEHOLD
30% OF MEDIAN \$36,900
VERY LOW INCOME 61,550
LOW INCOME 98,450

7 PERSON HOUSEHOLD
30% OF MEDIAN \$39,450
VERY LOW INCOME 65,800
LOW INCOME 105,250

8 PERSON HOUSEHOLD
30% OF MEDIAN \$42,000
VERY LOW INCOME 70,050
LOW INCOME 112,050

Lead-Based Paint Hazard Reduction

Lead poisoning is the number one environmental hazard to children in America today. Approximately 434,000 children across the U.S. aged one to five years have lead blood levels greater than the Center for Disease Control (CDC) recommendations. Lead poisoning causes IQ reductions, reading and learning disabilities, decreased attention span and hyperactivity and aggressive behavior. Several factors contribute to higher incidences of lead poisoning:

- Children under two are especially vulnerable
- Low Income children are at eight times higher risk for lead poisoning than wealthy children
- Black children have five times higher risk than White children
- Hispanic children are twice as likely as White children to have lead poisoning
- Children in older housing are at higher risk
- Up to 50 percent of children in distressed neighborhoods have some level of lead poisoning

Lead-based paint (LBP) is a major source of lead poisoning. Starting in 1978, the use of all lead-based paint on residential property was prohibited. National studies estimated that 75 percent of all residential structures built prior to 1978 contain LBP and that older structures have the highest percentage of LBP. The age of the housing stock is the key variable for estimating the number of housing units with lead-based paint. In assessing the potential LBP hazard of these older structures, several factors must be considered. First, not all units with lead-based paint have lead-based paint hazards. Only testing for lead in dust, soil, deteriorated paint, chewable paint surfaces, friction paint surfaces, or impact paint surfaces provides information about hazards. Properties more at risk than others include:

- Deteriorated units, particularly those with leaky roofs and plumbing
- Rehabilitated units where there was not a thorough cleanup with high-phosphate wash after the improvements were completed

CHAS data provide the number of housing units constructed before 1970 that were occupied by lower income households. This data can be used to approximate the extent of LBP hazards among lower income households. While information on units constructed before 1978 is not available from CHAS, estimates based on the pre-1970 stock provide a conservative estimate of the extent of LBP hazards. It is estimated that 7,119 units in the Urban County Area occupied by lower income households (0-80 percent MFI) may contain LBP (*Table N*).

There have been three main thrusts to Santa Clara County's response to LBP issues. First is the ongoing screening and treatment of children who may have been exposed to lead in their environment. Second, the County and local jurisdictions are testing for the presence of LBP through their rehabilitation programs, and requiring abatement as necessary. Third, the County initiated a class-action lawsuit against eight paint manufacturers and a trade group for selling LBP that they knew was hazardous to children. The suit sought to force the paint manufacturers to pay for the removal of LBP from buildings where it is identified, to pay for the treatment of children identified with lead poisoning, and to fund Countywide educational programs regarding the risks associated with LBP. However, in 2003, the lawsuit was dismissed in Santa Clara County Superior Court.

Table N
Number of Housing Units with Lead-Based Paint
Occupied by Lower Income Households

Jurisdiction	No. of Units Built Before 1970 Occupied by Lower Income Households			Estimated No. of Units with LBP and Occupied by Lower Income Households ¹		
	Extremely Low (0-30% MFI) ²	Very Low (31-50% MFI)	Low (51-80% MFI)	Extremely Low (0- 30% MFI)	Very Low (0-50% MFI)	Low (51-80% MFI)
Campbell	194	835	1,465	146	626	1,099
Los Altos	58	175	30	44	131	23
Los Altos Hills	25	20	20	19	15	15
Los Gatos	155	278	807	116	209	605
Monte Sereno	0	0	4	0	0	3
Morgan Hill	129	258	254	97	194	191
Saratoga	138	132	65	104	99	49
Unincorporated County	950	1,433	2,061	713	1,075	1,546
Total	1,649	3,131	4,706	1,239	2,349	3,531

¹ 75 percent of lower income households, based upon national studies.

² Owner-occupied units for extremely low income group not available. Figure includes only rental units.

Source: HUD CHAS Data, 2003.

5. HOUSING MARKET ANALYSIS (91.210)

Summary

This section of the Consolidated Plan discusses the general characteristics of the Urban County, including housing supply and housing trends. Also described are public and assisted housing, special needs housing, and barriers to affordable housing.

General Characteristics

General Market Conditions

The Urban County communities in Santa Clara County are diverse, ranging from affluent, established communities consisting of primarily single family detached dwellings to traditional suburban bedroom communities with a mix of single family housing and multi-family rentals, to relatively "new" suburbs rapidly emerging from historically rural settings. Although there is a great deal of diversity among and within the Urban County communities, many of the prevailing market conditions and housing trends are common to all of them, and to the County as a whole.

Santa Clara County has been experiencing rapid employment and population growth over more than four decades. As the population has grown, housing demand and the price of housing have increased accordingly. The sustained high demand in the county for a well educated, well paid labor force, combined with an inadequate level of housing production, have escalated area housing prices to the highest in the nation.

Housing Market Conditions

General

This section addresses characteristics of the housing supply in the Santa Clara Urban County Area, including type, age, condition, costs, and availability. The implications of these housing characteristics with respect to housing programs are also examined.

Housing Growth

The 2000 Census reported 97,340 housing units in the Santa Clara Urban County Area, representing an increase of 2.2 percent since 1990 (*Table O*). This level of growth was significantly less than that experienced by Santa Clara County as a whole. This is explained by the decrease in housing units in the unincorporated County, primarily as a result of annexations into incorporated communities. The change in the number of housing units varied considerably by jurisdiction within the Urban County Area, from a decrease of 12.3 percent in the unincorporated County to an increase of 42.1 percent in the City of Morgan Hill. Based on ABAG estimates, the Santa Clara Urban County Area is projected to experience a 5.9-percent increase in housing units between 2000 and 2010. This level of increase is less than the growth in housing units estimated for the County.

Table O
Housing Growth

Jurisdiction	Number of Homes				Percent Change	
	1990	2000	2004	2010	1990-2000	2000-2010
Campbell	15,359	16,348	16,444	16,470	6.4%	0.7%
Los Altos	10,168	10,730	10,748	10,640	5.5%	-0.8%
Los Altos Hills	2,573	2,835	3,016	2,860	0.2%	0.9%
Los Gatos	11,596	12,404	12,544	12,470	7.0%	0.5%
Monte Sereno	1,121	1,237	1,254	1,330	10.3%	7.5%
Morgan Hill	7,819	11,110	11,839	13,160	42.1%	18.5%
Saratoga	10,022	10,667	10,871	10,960	6.4%	2.7%
Unincorporated County	36,593	32,099	31,932	35,170	-12.3%	9.6%
Total Urban County	95,251	97,340	98,648	103,060	2.2%	5.9%
Santa Clara County	540,240	579,329	600,707	629,360	13.0%	8.6%

Sources: 1990 and 2000 Census, 2004 California Dept. of Finance E-5a Report, ABAG projections 2003

Housing Type

Single-family homes are the predominant housing type in the Santa Clara Urban County area. According to California Department of Finance estimates, single-family housing accounted for 78.7 percent of the housing stock in the Urban County Area (*Table P*). Multiple-family housing represented 19.2 percent of the housing stock. The Urban County Area includes smaller cities that tend to have lower density residential neighborhoods, hillsides and other environmental constraints, and other factors that limit the amount of land available and suitable for multiple-family housing.

Table P
Housing Type

Jurisdiction	Total Households	Housing Type		
		Single Family	Multiple Family	Mobile home
Campbell	16,444	8,990	7,197	257
Los Altos	10,748	9,548	1,184	16
Los Altos Hills	3,016	2,984	26	6
Los Gatos	12,544	8,932	3,489	123
Monte Sereno	1,254	1,163	91	0
Morgan Hill	11,839	9,030	1,897	912
Saratoga	10,871	10,200	664	7
Unincorporated County	31,932	26,826	4,423	683
Total	98,648	77,673	18,971	2,004
Santa Clara County	600,707	384,187	196,876	19,644

Source: 2004 California Dept. of Finance E-5a Report

Housing Tenure and Vacancy Tenure

The tenure of a community's housing stock (owner versus renter) influences several aspects of the local housing market. Tenure preferences are primarily related to household income, composition, and age of the householder. The stability of single-family residential neighborhoods is influenced by tenure, with ownership housing evidencing a much lower turnover rate than rental housing. Housing overpayment (cost burden), while faced by many households regardless of tenure, is more prevalent among renters, because renters tend to have significantly lower incomes than homeowners in relation to their housing costs.

Table Q shows the breakdown by tenure of each community in the Santa Clara Urban County Area. In general, the Urban County Area has owner-occupied households, reflecting the predominance of single-family housing. The exception is Campbell, where slightly over half of the housing units are renter-occupied. This is partially explained by the relatively greater availability of multiple-family units in Campbell – 43.7 percent of the housing units in Campbell were multiple-family.

Table Q
Housing Tenure

Jurisdiction	2000		
	Owner %	Renter %	%Vacant
Campbell	48.2%	51.8%	2.24%
Los Altos	85.6%	14.4%	2.47%
Los Altos Hills	93.9%	6.1%	2.65%
Los Gatos	65.3%	34.7%	3.05%
Monte Sereno	94.2%	5.8%	2.07%
Morgan Hill	72.5%	27.5%	2.21%
Saratoga	90.0%	10.0%	1.87%
Unincorporated County	69.0%	31.0%	3.96%
Santa Clara County	59.8%	40.2%	2.31%

Sources: 2000 Census; 2004 California Dept. of Finance E-5a Report

Vacancy

The availability of housing to those looking for a home primarily depends on the number of unoccupied units for sale or rent at any one time. The percentage of such homes is the effective vacancy rate. The effective vacancy rate varies from month to month and typically follows economic trends. In general, a vacancy of at least five percent assures that consumers have adequate choices when looking for housing. At that rate, vacant units are available to facilitate mobility and property owners should be able to increase rents moderately without placing undue burden on tenants. When vacancy rates drop below five percent, the increased demand and reduced supply allow rental rates and housing prices to rise disproportionately to household income.

Vacancy rates in the Santa Clara Urban County Area are similar to vacancy rates throughout the County. That is, they are in the approximate range of 2-3 percent. This is indicative of a tight market, particularly for rental units. In part, this is due to the relative lack of multiple-family units in the Urban County Area. As suggested previously, another explanation is the competition between potential renters for available rental units. Although vacancy rates are less than ideal for adequate consumer choice, they are higher than at the height of the economic boom in Santa Clara County in the late 1990s.

Housing Costs and Affordability

Ownership Housing Cost

According to the California Association of Realtors, the median price for a home in Santa Clara County rose 14.6 percent between 2003 and 2004 (**Table R**). The median home price increased from \$479,000 in 2003 to \$549,000 in 2004. Among the cities in the Santa Clara Urban County Area, median housing prices vary from \$550,000 in Campbell to \$1,264,250 in Los Altos. The increase in median price also varied, from 5.6 percent in Campbell to 26 percent in Los Gatos. Overall, median housing prices in the Urban County Area are greater than those in the County in general.

Every year, the National Association of Home Builders (NAHB) tracks the ability of households to afford a home in almost 2000 metropolitan areas across the country. NAHB develops an Housing Opportunity Index (HOI) for a given area that is defined as the share of homes sold in that area that would have been affordable to a family earning the median income. The San Jose metropolitan area was among the least affordable areas in the nation. In 2002, only 20.1 percent of the homes sold in the San Jose metropolitan area were affordable to families with the median income. As affordability drops, lower income families are most acutely affected. The current prices may be attributable to a housing shortage caused by a continuing decline in housing production during the 1990s, consistent strong demand fueled by the boom in the high technology sector, and reasonable mortgage rates. While the high technology sector boom has passed, housing prices have continued to increase in Santa Clara County.

The information provided in *Table R*, Median Home Prices was prepared in late 2004. Updated information through January, 2005 was only available in summary form and is presented next.

During the calendar year ending 2004, there were 30,765 home sales in the County with an average sales price of \$735,554 for new homes and \$636,715 for existing homes (includes condos, townhouses, and single-family detached homes). The median sales price for new homes was \$684,421 and \$550,000 for existing. In the month of January, 2005, the median sales price for new and existing homes combined was \$600,000. Compared to March 2004 when the median sales price was \$512,000, the current median represents an increase in sales prices of 17.19% for that 9 month period.

Table R
Median Home Prices, 2003-2004

Location	Median Home Prices		Percent Change
	September 2004	September 2003	
Santa Clara County	\$549,000.00	\$479,000.00	14.60%
Campbell	\$550,000.00	\$521,000.00	5.60%
Cupertino	\$739,000.00	\$620,000.00	19.20%
Gilroy	\$550,000.00	\$462,000.00	19.00%
Los Altos	\$1,264,250.00	\$1,120,000.00	12.90%
Los Gatos	\$902,500.00	\$716,000.00	26.00%
Milpitas	\$515,000.00	\$438,000.00	17.60%
Morgan Hill	\$620,000.00	\$550,000.00	12.70%
Mountain View	\$600,000.00	\$500,000.00	20.00%
Palo Alto	\$750,000.00	\$830,000.00	-9.60%
San Jose	\$515,000.00	\$456,000.00	12.90%
Santa Clara	\$569,000.00	\$462,500.00	23.00%
Saratoga	\$1,259,000.00	\$1,091,250.00	15.40%
Sunnyvale	\$550,000.00	\$526,500.00	4.50%

Note: Los Altos Hills included as part of Los Altos. Monte Sereno included as part of Saratoga.

Source: California Association of Realtors, 2003.

Rental Housing Cost

As previously stated, housing units in the Santa Clara Urban County Area are predominantly owner-occupied. However, recent trends in home prices have led to an increasing number of people being priced out of the homeownership market. One consequence has been a shift in tenure trends, with increasing number of people remaining in the rental market, exacerbating the competition for scarce affordable housing units.

The Housing Authority of Santa Clara conducts a survey of average gross rental rates in cities and communities in Santa Clara County. **Table S** shows the average rent by selected jurisdictions, along with the median gross rent according to the 2000 Census. Rents in the Urban County Area tend to be higher on average than those in the HUD-designated "entitlement cities" in the County (Cupertino, Gilroy, Milpitas, Mountain View, Palo Alto, San Jose, Santa Clara, Sunnyvale). As indicated in **Table S**, rents in the Urban County Area have exceeded the Fair Market Rent (FMR) established by HUD for the San Jose Metropolitan area (**Table T**), except in the City of Campbell. This indicates difficulty in finding affordable rental housing for lower-income residents in most of the Urban County Area.

Most jurisdictions in the Urban County Area have rental assistance programs, such as Section 8 rental assistance. Some jurisdictions also have "home sharing" programs that assist seniors in locating roommates to share existing housing in the community. Funding for these programs include CDBG and HOME funds and redevelopment agency set-aside funds.

Table S
Rental Rates in Santa Clara Urban County Area
Jurisdictions

Jurisdiction	# of Rooms	2004 Average Rents	2000 Median Rent (all units)
Campbell	Studio	N/A	\$1,154
	1 BR	\$1,054	
	2 BR	\$1,267	
	3 BR	\$1,708	
Los Altos	Studio	N/A	\$1,727
	1 BR	\$2,400	
	2 BR	\$1,511	
	3 BR	N/A	
Los Gatos	Studio	\$1,181	\$1,331
	1 BR	\$1,148	
	2 BR	\$1,621	
	3 BR	\$2,089	
Morgan Hill	Studio	N/A	\$1,112
	1 BR	\$1,099	
	2 BR	\$1,552	
	3 BR	\$1,793	
Saratoga	Studio	N/A	\$1,689
	1 BR	\$1,292	
	2 BR	N/A	
	3 BR	\$2,158	

N/A – not available

Note: Due to limited rental units, data for Los Altos Hills and Monte Sereno are not available.

Source: 2000 Census, Housing Authority of the County of Santa Clara (2003).

Table T
Fair Market Rents in Santa Clara County

	# of Rooms	FY 2001 FMR	FY 2005 FMR	Percent Change
HUD Fair Market Rent (FMR) for Santa Clara Co.	Studio	\$886	\$942	+6.3%
	1 BR	\$998	\$1,107	+10.9%
	2 BR	\$1,221	\$1,313	+7.5%
	3 BR	\$1,673	\$1,889	+6.3%

Source: Housing Authority of the County of Santa Clara revised 2/28/05

Housing Affordability

Housing affordability is dependent upon income and housing costs. Using updated income guidelines, current housing affordability in terms of home ownership can be estimated for the various income groups. According to the HUD income guidelines for 2005, the Median Family Income (MFI) in the San Jose metropolitan area for a family of four persons is \$105,500. Based upon this MFI, the maximum income level for an Extremely Low Income household (0-30 percent MFI) is \$31,850. For a Very Low Income household (31-50 percent MFI), the maximum level is \$53,050, while for a Low Income household (51-80 Percent MFI) it is \$84,900. It should be noted that HUD income limits are adjusted according to family size. Therefore, income levels would be different for a family of three or a family of six.

Table U
Affordable Housing Costs by Income

Income Group	Median Income	Monthly Affordable Payment	Property Taxes, Insurance	Maximum Affordable Home Price
Extremely Low (0-30% MFI)	\$31,850	\$650	\$189	\$97,560
Very Low (31-50% MFI)	\$53,050	\$1,082	\$316	\$162,630
Low (51-80% MFI)	\$84,900	\$1,732	\$504	\$260,190

Note: Calculation of affordable mortgage and home price based on a 7% interest rate, 10% down payment, and Area Median Family Income of \$105,500 for 2005.

Sources: HUD Income Levels, 2005; www.ntmortgage101.com

Assuming that the potential homebuyer within each income group has sufficient credit, sufficient down payment (10 percent), and maintains affordable housing expenses (i.e. spends no greater than 30 percent of their income on the mortgage, taxes and insurance), the maximum affordable prices for homes within the Urban County Area are presented in **Table U**. Maximum affordable home prices can be determined for a household at the top of that income category and for a household size of four. Given the median home prices shown in **Table R**, home ownership is beyond the reach of most extremely low- and very low-income households, and most low-income households may only be able to afford condominium units or small-size single-family homes. Similarly, extremely low-income households cannot afford the median rents in most of the Urban County Area, and very low-income households are confined to studio and one- bedroom apartments.

Housing Condition

Age of Housing Stock

The age of housing is commonly used by state and federal housing programs as a factor to estimate rehabilitation needs in communities. Typically, most homes begin to require major repairs or have significant rehabilitation needs at 30 or 40 years of age. Approximately 57.9 percent of the housing stock in the Urban County Area is over 30 years old, indicating the potential need for rehabilitation and continued maintenance for a significant portion of that stock (*Table V*). However, the extent which older single-family homes need rehabilitation is largely due to the income of the owner-occupants and their ability to pay for home maintenance and repairs. Given the relatively high incomes of residents in the Urban County Area, the small percentage of lower-income households, and the small percentage of deficient housing units (see below), it is likely that the housing rehabilitation need is low, at least among owner-occupied homes.

Table V
Age of Housing Stock 2000

Year Built	Number of Units							
	Campbell	Los Altos	Los Altos Hills	Los Gatos	Monte Sereno	Morgan Hill	Saratoga	Uninc. County
1939 or earlier	466	656	166	1,313	154	256	314	3,431
1940-1949	1,123	1,063	89	816	81	185	482	4,571
1950-1959	3,089	4,261	578	1,761	237	332	2,914	8,676
1960-1969	4,115	2,326	703	3,599	264	787	3,179	4,430
1970-1979	3,996	1,264	599	3,018	285	3,676	2,230	5,193
1980-1989	2,570	598	438	1,089	100	2,583	903	3,141
1990-2000	989	562	262	808	116	3,291	645	2,566
Total	16,348	10,730	2,835	12,404	1,237	11,110	10,667	32,008

Source: 2000 Census

Many jurisdictions in the Urban County Area have a Code Enforcement program, which is used to maintain and improve the condition of housing stock. Identification of potential code violations occurs primarily through complaints received from residents. Funding for code enforcement programs comes from local general funds and CDBG funds. Also, some jurisdictions provide housing rehabilitation assistance to lower-income homeowners through their CDBG and HOME programs.

Housing Deficiencies

Available Census data also offers two indicators of housing stock deficiencies: the number of units lacking complete plumbing and kitchen facilities. As indicated in *Table W*, 581 housing units in the Urban County Area lacked complete plumbing, and 809 units were without kitchen facilities. It is not known if any units had both deficiencies. With a few exceptions, the rate of substandard units was lower for jurisdictions within the Urban County Area than for Santa Clara County overall.

Table W
Housing Stock Deficiencies: 2000

Jurisdiction	Units lacking Complete Plumbing		Units lacking Complete Kitchen Facilities	
	Number of Units	% of Total Units	Number of Units	% of Total Units
Campbell	77	0.47%	90	0.55%
Los Altos	20	0.18%	92	0.85%
Los Altos Hills	7	0.24%	15	0.52%
Los Gatos	6	0.04%	157	1.26%
Monte Sereno	0	0.00%	0	0.00%
Morgan Hill	76	0.68%	56	0.50%
Saratoga	19	0.17%	43	0.40%
Unincorporated County	376	0.76%	356	0.71%
Santa Clara County	2,867	0.50%	3,289	0.58%

Source: 2000 Census.

General housing stock deficiencies, and programs to deal with them, vary by jurisdiction. A summary of housing deficiency conditions and programs by jurisdictions within the Urban County Area follows:

Campbell. Comprising the southwestern quadrant of the City, the San Tomas Area is one of the older neighborhoods in Campbell and has the greatest rehabilitation needs. When code enforcement violations are identified/cited, City staff encourages property owners to seek assistance through the Homeowner Rehabilitation Program. Under this CDBG-funded program, the City provides financial assistance to lower-income homeowners to assist them in the improvement of their homes. The City also works with the County of Santa Clara to provide the Rental Rehabilitation Program to facilitate the rehabilitation of units occupied by lower-income renters. In the past, the Campbell Redevelopment Agency has also worked successfully with non-profit housing developers to rehabilitate the Sharmon Palms and San Tomas Gardens projects.

Los Altos. The recently adopted Housing Element contains a program stating that the City will continue to assist in the provision of housing assistance in Los Altos for low-income households with other public agencies and private non-profit organizations that offer rental assistance, home repairs, and first-time homebuyer assistance. To minimize overlap or duplication of services, the City will provide program information to interested individuals through handouts available at City Hall, the Los Altos Senior Center, the Los Altos Library, and the Woodland Branch Library. The City will also contact previous rehabilitation applicants when new funding becomes available and post a legal notice in the newspaper when housing rehabilitation funds become available. However, housing rehabilitation has not been identified as a high-priority need in the City.

Los Altos Hills. Deficient and substandard housing has not been identified as a problem in Los Altos Hills.

Los Gatos. The current Housing Element has an implementation program that proposes to continue to provide Housing Conservation Program assistance to property owners to improve their housing units. To increase program productivity, the Town proposes to conduct a housing condition survey in neighborhoods with older housing stock, to redesign program goals and objectives to respond to the results of the housing condition survey if needed, and to redesign marketing materials and aggressively market program to potential applicants.

Saratoga. There are few homes in Saratoga in substandard condition. The City estimates that less than one percent of the housing stock in Saratoga is in need of repair, and that there are no dwelling units that have deteriorated to the point of needing replacement. The City has used federal funds to implement the Saratoga Housing Assistance and Rehabilitation Program (SHARP). The program consists primarily of a home improvement loan subsidy program for low- and moderate-income homeowners to repair and bring their homes up to code standards. In 1996, the Safety Grant Program was established to aid the rehabilitation of aging homes. Made possible by CDBG funds, this program grants up to \$10,000 to qualified residents who need to make repairs to their homes, but do not want to take out a loan through SHARP. Funds are granted to correct health and safety problems within homes, such as covering exposed wires, installing stair and porch railings, and improving disabled access to homes.

Santa Clara County (unincorporated). The CDBG program of the County has as one of its objectives the rehabilitation and maintenance of existing housing. Over the last 3 –10 years, \$3,157,871 was expended rehabilitating 130 units and assisting 199 units of housing with minor home repairs. The County intends to continue development and/or rehabilitation of housing units and housing services for low-income families and individuals in the Urban County. The County also utilized the HOME program to finance construction and rehabilitation of housing for low and very low-income residents.

Homeless Facilities and Services

Table X
Emergency Shelters, Santa Clara County

Provider Name	Facility Name	HMIS	Geo Code	Target Population 2004 Year-Round Units/Bed					2004 All Beds		
				A	B	Family Units	Family Beds	Individ. Beds	Year-Round	Seasonal	
Current Inventory											
Asian Amer. for Comm. Involvement	Emergency Shelter	N	063258	FC*	DV	14	14	0	14	0	
Bill Wilson Center	Bill Wilson Center	C	063354	YMF		0	0	16	16	0	
City Team Ministries	City Team Rescue Mission	P 4/05	063258	SM		0	0	52	52	0	
Clara Mateo Alliance	Clara Mateo Shelter	P 9/04	069081	SMF		0	0	63	63	0	
Clara Mateo Alliance	Family Wing	P 9/04	069081	FC		6	18	0	18	0	
Community Services	Alpha Omega	C	062382	SMF		0	0	12	12	0	
Community Solutions	La Isla Pacifica	P 9/05	061452	FC*	DV	4	15	0	15	0	
Cupertino Community Svcs	Rotating Shelter	C	060930	SM		0	0	15	15	0	
EHC LifeBuilders	Armory	C	063660	SMF		0	0	125	0	125	
EHC LifeBuilders	Armory	C	061452	SMF		0	0	125	0	125	
EHC LifeBuilders	Our House	C	063258	YMF		0	0	10	10	0	
EHC LifeBuilders	Reception Center	C	063258	FC		10	40	0	40	0	
EHC LifeBuilders	Reception Center	C	063258	SMF		0	0	175	0	175	
EHC LifeBuilders	Reception Center	C	063258	SMF		0	0	125	0	125	
EHC LifeBuilders	San Martin	C	069085	FC		8	36	0	0	36	
EHC LifeBuilders	Sobrato Family Living Ctr	C	063354	FC		18	72	0	72	0	
Family Supportive Hsng	San Jose Family Shelter	C	063258	FC		35	143	0	143	0	
InnVision	Commercial Street Inn	C	063258	SF		0	0	15	15	0	
InnVision	Commercial Street Inn	C	063258	FC*		12	40	0	40	0	
InnVision	Community Inns	C	063258	SM		0	0	15	15	0	
InnVision	Julian Street Inn	C	063258	SMF		0	0	62	62	0	
InnVision	Montgomery Street Inns	C	063258	SM		0	0	46	46	0	
Jeremiah's Promise	Shelter	N	063258	SF		0	0	3	3	0	
Next Door	Next Door	P 10/04	063258	FC*	DV	5	19	0	19	0	
Salvation Army	Hospitality House	P 4/05	063258	SM		0	0	24	24	0	
Social Advocates for Youth	Casa SAY	N	062382	YMF		0	0	8	8	0	
Support Network for Battered Women	Emergency Shelter	P 10/04	062382	FC*	DV	5	18	0	18	0	
Urban Ministries	Hotel de Zinc	C		SMF		0	0	15	15	0	
Subtotal						117	415	906	735	586	

*Women with Children.

Source: Santa Clara County Office of Affordable Housing, Form HUD 40076 CoC-G

Table Y
Transitional Housing, Santa Clara County

Provider Name	Facility Name	HMIS	Geo Code	Target Population 2004 Year-Round Units/Bed					2004 All Beds		
				A	B	Family Units	Famil y Beds	Individ . Beds	Total Beds	Seasonal	
Current Inventory											
Bill Wilson Center	Youth Parents with Children	C	063354	FC		22	32	0	32		
Bill Wilson Center	Transitional Housing	C	063354	YMF		0	0	19	19		
Catholic Charities	Shared Housing	P 12/04	069085	FC*		6	22	0	22		
Catholic Charities	Shared Housing	P 12/04	069085	SMF		0	0	42	42		
Catholic Charities	Shared Housing	P 12/04	063258	FC		2	6	0	6		
Charities Housing	Transitional Housing	N	063258	FC	DV	7	24	0	24		
City Team Ministries	House of Grace	P 4/05	063258	SF		0	0	22	22		
City Team Ministries	City Team Rehab	P 4/05	063258	SM		0	0	74	74		
City Team Ministries	Heritage House	P 4/05	063258	SF		0	0	25	25		
Clara Mateo Alliance	Clara Mateo	P 9/04	069081	FC		6	18	0	18		
Clara Mateo Alliance	Clara Mateo	P 9/04	069081	SMF		0	0	34	34		
Community Services Agency	Graduate House	C	062382	SM		0	0	6	6		
Community Solutions	Transitional Housing	P 9/05	061452	FC		3	6	0	0		
Cupertino Comm. Svcs	Transitional	C	060930	SM		0	0	10	10		
Cupertino Comm. Svcs	Transitional	C	060930	FC*		6	12	0	12		
EHC LifeBuilders	5 th Street	C	063258	SMF		0	0	40	40		
EHC LifeBuilders	Gifford Street	C	063258	FC*		8	25	0	25		
EHC LifeBuilders	Reception Center	C	063258	SMF		0	0	50	50		
EHC LifeBuilders	San Martin Family (Migrant)	C	069085	FC		8	36	0	36	*seasonal	
EHC LifeBuilders	Reception Center	C	063258	FC		10	30	0	30		
EHC LifeBuilders	San Martin Family Living Ctr.	C	069085	FC		18	81	0	81		
EHC LifeBuilders	Sobrato Family Living Center	C	063354	FC		10	40	0	40		
EHC LifeBuilders	Youth Transitional	C	063258	YMF		0	0	8	8		
Family Supportive Hsng	Transitional Housing	C	063258	FC		9	38	0	38		
Health Connections	Transitional Housing	N	063258	FC*	DV	24	86	0	86		
Housing Authority	Ochoa Family Shelter	P 9/05	061452	FC		75	360	0	360	*seasonal	
InnVision	InnVision Villa	C	063258	SF		0	0	9	9		
InnVision	InnVision Villa	C	063258	FC*		14	46	0	46		

Table Y
Transitional Housing, Santa Clara County

Provider Name	Facility Name	HMIS	Geo Code	Target Population 2004 Year-Round Units/Bed					2004 All Beds		
				A	B	Family Units	Family Beds	Individual Beds	Total Beds	Seasonal	
InnVision	Montgomery Street Inn	C	063258	SM	VE TS	0	0	40	40		
InnVision	Transitional Homes	C	063258	SF		0	0	35	35		
InnVision	Jullian Street Inn	C	063258	SM		0	0	10	10		
InnVision/Catholic Charities	HomeSafe Santa Clara	C	063354	FC*	DV	24	75	0	75		
InnVision and partners	HomeSafe San Jose	C	063258	FC*	DV	24	75	0	75		
Mid-Peninsula Housing	Support Network	N	062382	SM		0	0	8	8		
Next Door	Women with Children	P 10/04	062274	FC*	DV	19	60	0	60		
Salvation Army	Hospitality House	P 4/05	063258	SM		0	0	46	46		
SCC Homeless Team	Transitional Housing	P 9/05	063258	SM		0	0	16	16		
St. Joseph Cathedral	St. Joseph Worker Housing	C	063258	WC		7	25	0	25		
St. Joseph Cathedral	St. Joseph Worker Housing	C	063258	SM		0	0	20	20		
Unity Care	Youth Transitional	P 9/05	063258	YMF		0	0	12	12		
				Subtotal		302	1097	526	1623		

¹ Correction from erroneous 1617 total in Table 3 in original County application to HUD. Source: Santa Clara County Office of Affordable Housing, Form HUD 40076 CoC-G

Table Z
Permanent Supportive Housing, Santa Clara County

Provider Name	Facility Name	HMIS	Geo Code	Target Population 2004 Year-Round Units/Bed					2004 All Beds		
				A	B	Family Units	Family Beds	Individ. Beds	Total Beds	Seasonal	
Current Inventory											
Clara Mateo Alliance	Sunset Square	P 9/04	069085	FC		15	61	0	0		
EHC LifeBuilders	Assisted Permanent Housing	C	063660	SMF		0	0	24	24		
EHC LifeBuilders	Monterey Glenn Inn	C	063258	SMF		0	0	95	95		
EHC LifeBuilders	Markham Plaza	C	063258	SMF		0	0	50	50		
EHC LifeBuilders	Sobrato Family Living Center	C	063354	FC		22	88	0	88		
Hsg. for Independent People	Sunset Square (Donna Lane)	N	063258	FC		4	8	0	8		
Housing Authority	Shelter Plus Care	C	069085	SMF		0	0	87	87		
Housing Authority	Shelter Plus Care	C	069085	FC		70	291	0	291		
Subtotal						111	448	256	643		
Under Development											
Clara Mateo Alliance	El Paseo	P 9/04	063258	SMF		0	0	20	20		
InnVision	Julian Inn – Safe Haven	C	063258	SM		0	0	10	10		
Charities Housing	PSH	9/05	063258	SMF		0	0	20	20		
Subtotal						0	0	50	50		

Source: Santa Clara County Office of Affordable Housing, Form HUD 40076 CoC-G

Special Needs Facilities and Services

Special Needs Housing

Certain segments of the population may have more difficulty in finding decent, affordable housing due to their special needs. In the Santa Clara Urban County Area, these "special needs" groups include the elderly, disabled persons, female-headed households, farm workers, persons with AIDS, and persons with alcohol and other drug addictions. An overview of licensed community care facilities in Santa Clara Urban County area that serve some of the special needs groups is provided in *Table AA*, followed by a detailed discussion of each of the special needs groups. As shown in *Table AA*, 687 licensed community care facilities are located in the Urban County Area, with a capacity of 22,441 beds.

Table AA
Licensed Community Care Facilities
In Urban County Area

Type of Facility	Number of Facilities	Capacity (number of beds or persons)	Capacity by Type of Disability	
			Mental	Developmental
Small Family Home	4	20	0	0
Group Home	63	579	0	0
Adult Residential	257	1,968	281	0
Elderly Residential	330	6,001	0	0
Social Rehabilitation	5	73	0	0
Adult Day care	28	13,800	0	0
Total	687	22,441	281	0
Notes:				
1. The specialized care columns are not mutually exclusive. For example, a facility may have a total capacity of 10 beds, with 8 beds for developmentally disabled children and 4 of the 10 beds are designed to accommodate non-ambulatory children.				
2. Group homes provide specialized treatment for persons under age 18.				
3. Small family homes provide care to children in licensees' own homes. Small family residents are usually children on probation, developmentally disabled children, children with other special needs, and some foster children.				
4. Adult residential facilities provide care for persons age 18 to 59 years including both developmentally disabled adults and persons suffering from mental illness or psychiatric disorders.				
5. Elderly residential facilities provide care for persons age 60 and above.				

Source: State of California Department of Social Services Community Care Licensing Division, 2003.

Seniors

The 2000 Census reported that there were 32,468 residents in the Santa Clara Urban County Area age 65 and over, which represented approximately 11 percent of the population of the Urban County Area. This age group increased by approximately 28.5 percent from 1990 to 2000, and also increased slightly as a portion of the population. The senior age group will likely continue to increase in the future as the "baby boomer" population ages and medical advances allow individuals to live longer.

According to special tabulations from the 2000 Census provided by HUD, just over 6,000 elderly households needed housing assistance in the Urban County area, which represented. Many senior housing developments have been constructed recently to meet housing needs. However, these developments typically target seniors earning above 40-60 percent of the median income, and do not meet the needs of many lower-income seniors. There is also a need for shared and assisted senior housing opportunities. Senior citizens who own their homes may also have difficulty when non-housing expenses increase and their fixed income does not. When senior homeowners find themselves in economic trouble, home maintenance needs are often deferred. According to County Housing Department staff, a significant portion of the participants in the County's Rehabilitation Loan Programs have been seniors.

Frail Elderly. A significant segment of the senior population has one or more conditions that affect major life functions, their ability to live independently, and their ability to care for themselves. These individuals are sometimes referred to as "frail elderly." The 2000 Census indicated that 30.5 percent of the elderly population in the Urban County Area had a disability. The Census counted 20,275 disabilities among residents in the Urban County Area who are 65 years of age or older. Of these disabilities, 2,190 were self-care disabilities, and 4,820 were go-outside-home disabilities. It should be noted that seniors may have more than one type of disability; therefore, the number of disabilities do not correspond to the number of seniors with disabilities.

Persons with Disabilities

According to the 2000 Census, there were 33,223 persons in the Urban County Area age 16 to 64 that had a disability (Table 2). The same census recorded 13,474 employment disabilities among persons in that same age group residing in the Urban County Area. Also, there were 2,552 sensory disabilities, 5,655 physical disabilities, 3,538 mental disabilities, 1,373 self-care disabilities, and 6,631 go-outside-home disabilities. Some persons may have more than one type of disability; therefore, the total number of disabilities does not necessarily equal the number of persons with disabilities.

Map 8 depicts the locations of residential care facilities in Santa Clara County, including facilities specifically for persons with disabilities. One problem many disabled individuals face regarding housing is lack of income. Many disabled individuals rely on Supplemental Security Income (SSI) from the Social Security Administration as their primary income. According to information provided by the Economic and Social Opportunities, Inc. (ESO) agency, the most common problem encountered by physically disabled persons in Santa Clara County is the lack of accessible housing. Many physically disabled persons live in housing units that have inaccessible entrance/exits, bathroom facilities, etc. This lack of accessibility prevents the physically disabled person from living an independent and active life.

According to the Santa Clara County Mental Health Department, mental health needs in the area continue to exceed available support services. The Department estimates that 24,000 people in the County need case management services (social worker assistance to obtain basic needs), yet only about 5,000 places currently exist in the inventory of services, resulting in an unmet need of 19,000 case management places. Similarly, 29,000 people in the County need mental health care, while only 19,000 people are able to be served. This leaves a gap of about 10,000 people needing services county-wide. Data specific to the Urban County Area is not available. The total population in the Urban County Area in 2000 is 16 percent of the County's. Based on this, it is estimated that there are approximately 1,600 people with mental illnesses in the Urban County Area who need special services.

Map 8
Location of Residential Care Facilities (including Persons with Disabilities).

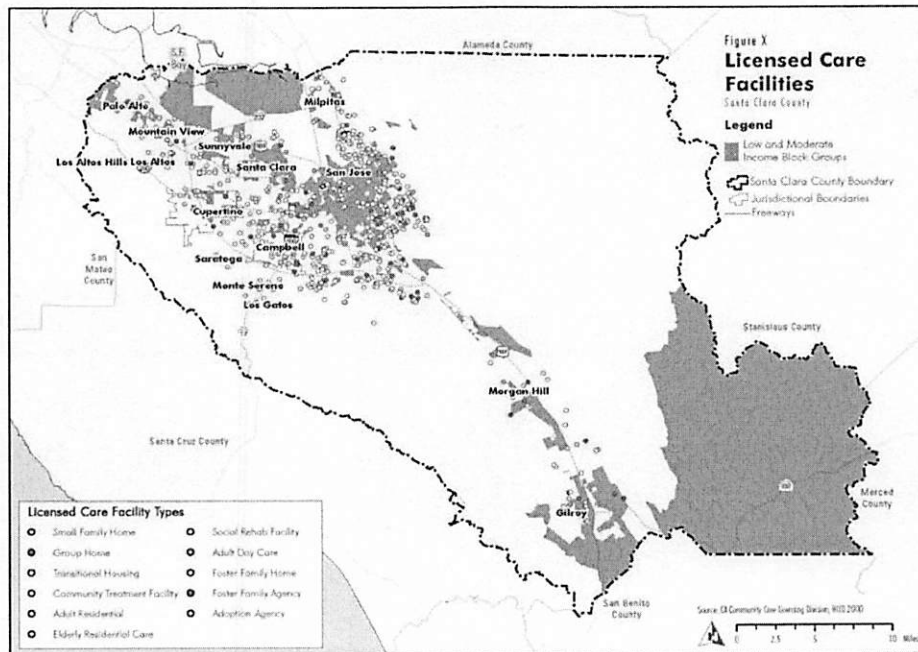


Table BB
Type of Disabilities

	Santa Clara Urban County Area	Campbell city, California	Los Altos city, California	Los Altos Hills town, California	Los Gatos town, California	Monte Serenio city, California	Morgan Hill city, California	Saratoga city, California
Total disabilities tallied:	55,715	8,993	4,933	1,201	5,370	547	7,231	4,276
Disabilities tallied for people 16 to 64 years:	33,223	5,788	2,151	651	2,590	405	4,984	1,941
Sensory disability	2,552	415	233	45	206	30	313	116
Physical disability	5,655	906	370	118	373	38	1,058	338
Mental disability	3,538	564	279	63	308	23	568	155
Self-care disability	1,373	207	96	57	54	0	169	68
Go-outside-home disability	6,631	1,170	404	51	455	141	944	365
Employment disability	13,474	2,526	769	317	1,194	173	1,932	899
Disabilities tallied for people 65 years and over:	20,275	2,807	2,634	503	2,686	125	1,872	2,166
Sensory disability	3,746	508	459	88	462	39	378	412
Physical disability	6,735	985	868	172	875	29	625	813
Mental disability	2,784	352	400	39	320	13	278	275
Self-care disability	2,190	267	267	65	309	9	202	232
Go-outside-home disability	4,820	695	640	139	720	35	389	434

Source: 2000 Census

The Housing Choices Coalition (HCC) – an agency addressing the housing needs of the developmentally disabled – reports that at least 5,600 people of all ages in Santa Clara County currently have mental retardation, cerebral palsy, autism or other developmental disabilities. The San Andreas Center, a non-profit organization serving persons with developmental disabilities, estimates that 3,100 developmentally disabled adults are over the age of 18, and 60 percent of them are living at home with their parents. Therefore, about 1,850 developmentally disabled individuals in the County will likely need some kind of housing. Based on the Urban County Area having 16 percent of the County's total population, it is estimated that there are about 298 Urban County Area residents with developmental disabilities who are likely to need housing. In addition, it is estimated that about 300 people (30 percent) of the 970 people who now live in community residential facilities (i.e., group homes) in the County would also choose more independent living, were it available. Many of the developmentally disabled live on Social Security income with additional income from work, family or other sources. HCC reports that it is not uncommon for a disabled adult to earn less than \$10,000, making it extremely difficult to find affordable housing.

Female-Headed Households

There were 5,471 female-headed households in the Urban County Area in 2000. Because of the increased financial and emotional burden that female-headed households carry, they often have difficulty finding adequate and affordable housing for themselves and their children. In addition, female-headed households often encounter subtle (and not so subtle) forms of discrimination, especially when trying to rent housing.

There are two available programs that address the needs of single parents. The "Shared Housing Program", operated by Catholic Charities, helps match female-headed households for the purpose of sharing housing and thereby reducing individual household housing costs. The second program, Project Sentinel, provides fair-housing counseling and mediation services. The staff of Project Sentinel has reported that child-related discrimination complaints represent the largest number of complaints received in regards to fair housing practices.

Farm workers

Traditionally, Santa Clara County has been home to many agricultural businesses and industries. However, changes in the Silicon Valley have reduced the role of agriculture in the County's economy, although agricultural activity remains in the southern part of the County. ABAG projects a drop in agricultural jobs in the County through 2020. According to the Santa Clara County Housing Element, adopted in 2003, the number of farm workers has remained steady at about 5,000 to 6,000 persons during the peak summer months.

Due to the seasonal nature of the work and relatively low wages, farm worker households often have a difficult time securing safe, habitable, and affordable housing. The most significant residential resources are located in the southern County, where most of the agricultural activity is located. The Ochoa Center in Gilroy contains 100 family units and is operated as a migrant camp by the Santa Clara County Housing Authority for a maximum 6-month period each year. The Center was rehabilitated using funds provided by the State of California, County of Santa Clara and the City of Gilroy. The rehabilitation work has resulted in an upgraded and modern residential facility. Housing at the Ochoa Migrant Center is available on a seasonal basis for a maximum of 100 families whose primary income is derived from agricultural-related work.

Persons with HIV/AIDS

According to September 2004 statistics from the California Department of Health Services, there have been 3,548 residents in Santa Clara County recorded with AIDS. Of these, 1,554 residents are currently alive. In addition, there have been 852 recorded cases of people with HIV in the County. **Table CC** provides a breakdown of HIV/AIDS cases in the County by location, based upon a May 2003 report prepared by the Santa Clara County Public Health Department.

Table CC
Location of AIDS Cases,
Santa Clara County

Region	Percent of Cases
North County	18%
East Valley	13%
Central/Downtown San Jose	20%
West Valley	13%
Narvaez (South San Jose)	11%
South County	2%
Homeless	1%
Non-Resident, Unknown	22%

Source: *HIV Medical Care Survey*, Santa Clara County Public Health Department, May 2003.

As indicated in **Table CC**, approximately 1 percent of HIV/AIDS cases were homeless. According to the *AIDS/HIV Community Services Plan* for Santa Clara County, 10-15 percent of the homeless population is HIV-infected.

Persons with Alcohol/Other Drug Addiction

Alcohol/other drug abuse (AODA) is defined as excessive and impairing use of alcohol or other drugs, including addiction. The National Institute of Alcohol Abuse and Alcoholism estimates the number of men with drinking problems (moderate or severe abuse) at 14 to 16 percent of the adult male population, and the number of women with similar problems at 6 percent. Abusers of alcohol and other drugs have special housing needs during treatment and recovery. Group quarters typically provide appropriate settings for treatment and recovery. Affordable rental units provide housing during the transition to a responsible lifestyle.

In its *Annual Report FY 2003*, the Santa Clara County Department of Alcohol and Drug Services indicated that there were 9,358 adult admissions to the County's substance abuse programs from July 2002 to June 2003. In that same time period, there were 10,236 discharges from these programs. These figures include duplicated admissions and discharges, so the actual number of persons admitted or discharged is less, but the precise number is unknown. The median length of stay for those treated in residential programs was 35 days, while it was 84 days for those treated in outpatient programs. No data are available concerning the residences or housing status of persons admitted or discharged.

Public and Assisted Housing Needs

Public Housing

The Housing Authority of the County of Santa Clara (HACSC) manages 555 public housing units throughout Santa Clara County. Most of these units (494) are exclusively for lower-income seniors, while only 25 units are exclusively for lower-income families. Most of these public housing units are located in communities that are not part of the Santa Clara Urban County Area. The one public housing complex in the Urban County Area is located in Campbell. The Rincon Gardens complex offers 190 one-bedroom units and 10 two-bedroom units to low-income seniors. In addition, there are other units managed by HACSC that are tax credit properties. The only one of these properties located in the Urban County Area is the San Pedro Gardens complex in Morgan Hill. This facility offers 36 units to low-income families. 16 of these units are "sweat equity" units for which the occupants contribute labor for their construction.

Tenant-Based Rental Housing Assistance

The Santa Clara Urban County area offers a variety of rental assistance programs for lower income residents in the Urban County. HACSC administer the rental assistance programs, primarily the Section 8 program. Currently, 834 households in the Santa Clara Urban County Area receive Section 8 vouchers through HACSC. Another 151 households are currently on the waiting list. **Table DD** provides a breakdown of the participants in and waiting list applicants for the voucher program in the Urban County Area, by community and by type.

Table DD
Section 8 Participants and Applicants,
Santa Clara Urban County Area

Type	Community						Total
	Campbell	Los Altos*	Los Gatos	Morgan Hill	San Martin	Saratoga	
<i>Participants</i>							
Disabled	82	0	23	50	1	2	158
Elderly	63	0	17	32	1	1	114
Disabled and Elderly	63	1	10	29	0	1	104
Non-Disabled/Non-Elderly	190	1	28	213	21	5	<u>458</u>
Total	398	2	78	324	23	9	834
<i>Waiting List Applicants</i>							
Disabled	12	0	4	7	0	2	25
Elderly	8	1	4	1	0	3	17
Disabled and Elderly	1	0	0	1	0	0	2
Non-Disabled/Non-Elderly	45	1	10	29	17	5	<u>107</u>
Total	66	2	18	38	17	10	151

* Includes Los Altos Hills.

Source: Housing Authority of the County of Santa Clara

Assisted Housing Units At-Risk of Converting to Market Rate

The State Housing Element law and HUD Consolidated Plan regulation require cities to prepare an inventory including all assisted multi-family rental units which are eligible to convert to non-low-income housing uses due to termination of subsidy contract, mortgage prepayment, or expiring use restrictions. The State Housing Element law requires this inventory cover a ten-year evaluation period following the statutory due date of the Housing Element (July 1, 2004); whereas the HUD regulation requires the inventory to cover only the five-year planning period of the Consolidated Plan. To satisfy both state and federal requirements, this at-risk housing analysis period covers from July 1, 2004 through June 30, 2014. This analysis represents a review of current status and options, rather than a specific statement of County policy.

The at-risk projects identified below are considered at risk due to two aspects: 1) the expiring Section 8 contracts; and 2) the prepayment eligibility of HUD-insured mortgage loans. Affordable housing opportunities for low and moderate income households are available through a variety of federal funding programs. Many projects subsidized in the past with federal funding are at risk of converting to market rate housing.

Campbell. According to a risk assessment by California Housing Partnership Corporation (CHPC), no assisted development in Campbell is at high risk of conversion to market use. Of the 608 assisted units identified, 399 units in five projects are determined to be at low risk of conversion during the 2001-2011 period. These projects include Corinthian House, Rincon Gardens, Wesley Manor, the Hamilton Avenue project, and Fairlands Court. All of these projects are subject to annual renewal under the HUD Section 8 program, with the exception of Fairlands Court which is assisted through CDBG funds and not expected to convert.

Los Gatos. Villa Vasona is a 107-unit elderly and handicapped development owned by PMG Properties. It was originally financed with CDBG funds from the Town of Los Gatos, as well as Section 8 New Construction funds. The Section 8 funding provided a rental subsidy guarantee to all 107 tenants that will expire in November 2004. As part of its agreement with the original owners of Villa Vasona, ownership of the development was to be transferred to the Town 65 years after the completion of development (approximate year 2049) for \$1.00. Furthermore, the agreement specifies that there are no rent limits set in the event that Section 8 rent subsidies expire. The agreement does state that if the subsidy does expire, the development is to continue renting to elderly and handicapped residents of low and moderate income, as defined by HUD regulations. As the year 2004 approaches, the Town will need to review this agreement. Specifically, while the agreement may specify that units have to be rented to low and moderate households, it is unclear whether the rents will have to be affordable to low- and moderate-income households. The affordability of the units is as important as the occupancy of the units and should be preserved as much as possible.

Saratoga. The California Housing Partnership Corporation provides an inventory of federally subsidized rental units at risk of conversion. The 1999 update, which identifies units at risk through the year 2020, identified two HUD-assisted multi-family housing developments with Section 8 contracts in the Saratoga. The Section 8 contract expired for these two developments in 1999, and one development was identified as high risk for conversion according to the 1999 update.

No other communities in the Urban County Area had any developments that were identified as being at risk of converting to market-rate housing.

Barriers to Affordable Housing

Many factors influence the supply, diversity and affordability of housing in the Urban County Area. Chief among them is the regional imbalance between jobs and housing, and the shortage of affordable housing units. More simply put, there is an inadequate supply of housing suitable to meet local needs, and the housing that is available is mostly unaffordable to low- and moderate-income residents. Since these conditions are regional in character, one community cannot correct these conditions by itself. Even all the communities in the Urban County Area together cannot correct these problems. However, community can mitigate the local impact within its borders. Also, by joining together in purpose and by pooling resources, the Urban County communities can increase their individual potentials to address the housing affordability problems of residents.

Potential Governmental Constraints

Below is a summary of governmental actions and regulations that might constrain the production of affordable housing. These constraints are presented in a generalized manner for all Urban County jurisdictions.

Local Government Constraints

- The zoning ordinances of each jurisdiction designate the use, density and other development standards, which may influence housing costs. When objectives for the maintenance of both safe and diversified housing are considered, the zoning ordinances of the Urban County jurisdictions do not appear to unduly constrain residential development, when fairly applied. Several jurisdictions already allow mixed use developments and higher densities in certain areas, and all jurisdictions are required to make provision for secondary dwelling units.
- Building codes and enforcement procedures may affect the cost of housing. The codes are intended to ensure the structural integrity of housing units and the health and safety of residents. The codes are not considered to impose onerous standards or expenses in relation to other communities in the region.
- Jurisdictions impose residential development fees on new development. The fees charged by Urban County communities are comparable to those charged by other local governments in the region. Many of the Urban County jurisdictions have programs that waive part or all of the required fees for affordable housing units. Others contribute assistance from low-income housing funds to cover the fees.
- Installing and maintaining public infrastructure (e.g., roads, sewage treatment facilities) is a significant expense to local government. In the absence of adequate funding for major infrastructure improvements, local governments are faced with either increasing taxes or requiring new development to pay for improvements. Governments choosing the latter alternative include policies waiving part or all of the infrastructure fees for affordable housing projects, or contributing low-income housing funds to cover the fees.
- The development review process for Urban County jurisdictions contains time-consuming steps, typically mandated by State laws. All Urban County communities have reviewed their processes for opportunities to reduce time and expense for project applicants. Many have established "fast track" approval procedures for affordable housing projects.

- Los Gatos imposes rent and occupancy restrictions associated with new construction and rehabilitation loan programs. These restrictions ensure the continued availability and affordability of housing units to low- and very low-income households.
- Morgan Hill has a voter-approved ordinance that regulates the number of housing units that may be added annually. Unlike many growth control programs, Morgan Hill's ordinance assures that a pre-determined number of affordable units may be permitted annually, commensurate with projected need. This opportunity is reinforced by the City's low-income housing programs.

State Government Constraints

- The State's Housing Element approval process has imposed unanticipated constraints on the ability of local governments to jointly respond to affordable housing opportunities. State law requires evidence that each individual community provides the full array of affordable housing development resources, regardless of how practical or cost-effective that strategy may be from a regional housing needs perspective. Local officials and housing advocates are working to develop effective Countywide and regional strategies to ensure an adequate supply of affordable housing throughout the region. This would include working with State officials to correct counter-productive regulations.
- Most local government agencies have been unable to compensate for the revenue losses created by Proposition 13. By reducing and severely limiting the rate of property tax increases, many local governments have been forced to curtail services and to defer maintenance for facilities and infrastructure. Many communities have turned to user fees to meet demand for services. Since these fees are imposed primarily on new residents, these fees have added to the expense of both new and resale housing.
- Article 34 of the California Constitution presents a number of constitutional barriers to the development of low-income housing. Article 34 requires local voter approval for all low-income housing developments when units are to be publicly owned or privately owned but financed by public agencies, and more than 49 percent of the units would be reserved for low-income occupancy. Projects not affected by the provisions of Article 34 include private developments financed by federal or private money, rehabilitation projects financed by County-issued bonds, and cooperative projects where units are to be owned.
- In the past, State guidelines for agricultural worker housing have restricted the ability of local jurisdictions to use available funding, since State funds for agricultural worker housing are devoted exclusively to the needs of migratory workers, while housing needs for permanent agricultural workers are not addressed. However, the State has established the Joe Serna, Jr. Farm worker Housing Grant Program, which provides funds for the construction of owner-occupied housing.

Federal Government Constraints

- Revised regulations, such as the 1986 Tax Reform Bill, have had an adverse impact on the financing of affordable housing by reducing incentives to invest in housing.
- The active withdrawal of the federal government from housing production and housing assistance has constrained the ability of local governments to respond to affordable housing needs.

- Inconsistent funding for CDBG (five-year plans vs. one-year allocations).
- CDBG restrictions that prohibit the involvement of for-profit housing developers.
- Davis-Bacon prevailing wage requirements that are incompatible with requirements regarding use of community-based contractors.

Intergovernmental Constraints

- Inconsistency between State and federal rehabilitation program standards.
- Inconsistencies between federal (NEPA) and State (CEQA) environmental protection laws and regulations.
- Federal procurement standards conflict with County standards, adding to the cost of units.

Potential Non-Governmental Constraints

Below is a summary of non-governmental actions and conditions within the Urban County Area that might constrain the production of affordable housing. Non-governmental constraints fall into three general categories: economic, environmental, and infrastructure.

Economic Constraints

- The cost of land for housing construction is high. For example, in Los Altos Hills, the typical quoted cost for an acre of undeveloped land that has a reasonable potential for development ranges from \$350,000 to \$800,000. In Saratoga, single-family residential lots range from \$200,000 to \$1 million, and medium-density multifamily land costs from \$175,000 to \$250,000 per dwelling unit.
- Construction costs are high in Santa Clara County. The Los Gatos Housing Element states that, according to the Construction Industry Research Board, the median cost for new residential construction in Santa Clara County in 2000 (including land and overhead costs) was \$246 per square foot. In Los Altos Hills, construction costs increased from \$49.10 per square foot in 1988 to beyond \$100 per square foot in 1998.
- The availability and cost of financing can directly affect housing construction costs and costs of purchasing a home. In general, developers have had no problems securing financing for construction projects. The exception has been for condominium projects, where litigation regarding construction defects has discouraged lending. Interest rates have been at low levels over the past several years, which has encouraged housing purchases in the Urban County Area. However, future increases in interest rates would add to purchasing costs, which may discourage potential homeowners.
- General economic and employment conditions can influence the housing market. The economy of the Silicon Valley has experienced a recession as the high-technology boom of the 1990s came to an end. Unemployment has also increased, although unemployment rates for the majority of jurisdictions in the Urban County Area are at or below the rate for California as a whole. However, as noted previously, housing prices in Santa Clara County have continued to increase, despite these conditions.

Environmental Constraints

- Many communities in the Urban County Area are located in areas of hills, either in whole or in part. Steep and potentially unstable slopes discourage housing construction. Where hillsides can be developed, the additional costs of construction increase the price of residences.
- The Urban County Area is located in an area with an active earthquake history, and which contains several faults. California law discourages construction of residential areas within fault rupture zones. Potential seismic activity discourages construction in areas that could be especially affected by earthquakes, such as hillsides.
- Some areas adjacent to streams could be subject to flooding. Flood potential could increase if development is nearby, as more runoff would remain on the surface instead of percolating into the ground.
- Potential development areas within or adjacent to wildland areas could be exposed to a potential wildland fire hazard. Aside from the threat to residences, this hazard could increase insurance costs to homeowners, as well as lead to additional assessments on new development to support firefighting agencies.

Infrastructure Constraints

- In general, the cities within the Urban County Area have few infrastructure constraints. There is adequate water, sewer and storm drainage service and street circulation in these communities. Additional water and sewer lines, storm drainage facilities and streets can be installed for new residential development where no such facilities currently exist. In some cases, developers would have to install these facilities, which may add to the cost of the houses being constructed.
- In the unincorporated areas of the County, infrastructure constraints are more significant. Many areas do not have the water and sewer systems required to support extensive residential development. Much of the unincorporated area contains hills and mountains, where the installation of such infrastructure would be costly, if it would be feasible at all.

The jurisdictions within the Urban County Area have adopted programs applicable to their circumstances to address the barriers to affordable housing, as part of their General Plan Housing Elements. These programs are incorporated into the strategy section of the Consolidated Plan.

HUD Table 2A
Five Year Housing Needs and Priorities

		Income	Priority Need Level	Unmet Need	Goals
Renter:	Small Related	0-30%AMI	High	1,218	20
		31-50% AMI	High	1,154	175
		51-80% AMI	Med	2,049	200
	Large Related	0-30%AMI	High	469	25
		31-50% AMI	High	581	100
		51-80% AMI	High	1,111	150
	Elderly	0-30%AMI	High	911	50
		31-50% AMI	High	427	115
		51-80% AMI	Med	479	100
	All Other	0-30%AMI	High	1,241	25
		31-50% AMI	High	944	5
		51-80% AMI	Med	4,106	100
Owner:	Small Related	0-30%AMI	High	682	5
		31-50% AMI	High	734	30
		51-80% AMI	High	8,475	140
	Large Related	0-30%AMI	High	222	5
		31-50% AMI	High	448	30
		51-80% AMI	High	3,050	55
	Elderly	0-30%AMI	High	1288	20
		31-50% AMI	High	820	35
		51-80% AMI	High	4,045	60
	All Other	0-30%AMI	Med	398	5
		31-50% AMI	Med	337	10
		51-80% AMI	High	2,522	15
Special Needs Populations		0-80%	High	(1)	
(1) Included in numbers above.				Total Goals	1,475
				Section 215 Rental Goals ³	1,060
				Section 215 Owner Goals ⁴	400

Goals are expressed in Housing Units made affordable through new construction, acquisition of market rate units, rehabilitation of units occupied by lower income households, or rental subsidies.

³An affordable Rental Unit is considered a Section 215 Unit if it is occupied by a household earning no more than 80% of AMI and if the rent is the lesser of the Section 8 Fair Market Rent or 30% of the Annual Income for a household earning 65% of AMI.

⁴An Owner Unit is considered a Section 215 Unit if: (1) it is purchased as the principal residence by a first-time homebuyer earning no more than 80% of AMI and the sales price does not exceed limits set under the National Housing Act or (2) it is owned and occupied by a household 51-80% AMI, the unit is to be rehabilitated, and the value of the unit after rehabilitation does not exceed mortgage limits under the National Affordable Housing Act of 1990.

STRATEGIC PLAN (91.215)

Summary

The following section describes the affordable housing objectives and strategies of the Urban County Program and the process by which they were developed. They are reflective of the combined housing objectives and priorities of the Urban County jurisdictions. The strategies that follow describe the concepts and techniques with which the Urban County seeks to achieve the objectives. Specific programs and resources to be utilized will be described in the Action Plan section.

Countywide Housing Goals

Although the specific priorities may differ, the Entitlement Jurisdictions within Santa Clara County have very similar housing goals. As a result, several housing development projects have been funded by multiple jurisdictions. This is especially true in cases that are considered regional housing issues such as homelessness and housing for victims of domestic violence. Clients for these services may travel from one city to the next in search for safe, secure assistance. The potential for this occurrence resulted in the adoption of regional housing issues to address Countywide Housing Goals. The Urban County's housing objectives and strategies that follow below are consistent with the Countywide Housing Goals.

Process

The Urban County Program is the administrator of Community Development Block Grant (CDBG) funds and represents a consortium of eleven independent jurisdictions. It, therefore, is bound by the policy parameters set by those jurisdictions. With this understanding, the CHAS Technical Advisory Committee (TAC) relied heavily on the adopted Housing Elements of the General Plans of the jurisdictions in developing its own strategies. This decision was thought prudent for several reasons:

- a. The Housing Elements were adopted by the elected officials of the jurisdictions following public hearings before local residents, and, therefore, was likely to reflect the housing priorities of the general public.
- b. The Housing Elements generally provide a clear description of current housing needs, objectives, policies, and implementation programs for each jurisdiction. The elements, although distinctive in format, all contain similar state mandated information. All were required to have been updated within the past five year period.
- c. While it is clear that the adopted Housing Elements presented a ready and reliable resource, they also reflected substantial consensus among Urban County members. Unlike the now obsolete Housing Assistance Plans (HAP), which detail an individual jurisdiction's approach to resolving housing needs, the Consolidated Plan must represent a "collective" approach acceptable to a diverse collection of communities. The following objectives and strategies reflect that reality.

As a result of data and input gathered as part of the 1995-2000 Plan preparation process, five major objectives emerged on which the Urban County wanted to focus their affordable housing programs. For each of these objectives, a number of strategies were developed, aimed at helping the jurisdictions meet their objectives. The Urban County jurisdictions have indicated that the affordable housing objectives set out in the 1995-2000 plan continue to state their priorities, and should be included as objectives for the 2000-2005 plan. A subcommittee of the Citizens

Advisory Committee (CAC) and the Council Committee (CC) met on March 24, 2005 to discuss the objectives and strategies and recommended one additional objective pertaining to first-time homebuyers and some modifications on strategies. The six primary objectives of the Urban County program are:

- Increase the supply of affordable housing to lower income households.
- Increase housing opportunities for special needs households and the unhoused.
- Increase affordable housing opportunities for low to moderate income first time homebuyers.
- Rehabilitate and maintain existing affordable housing.
- Preserve existing affordable housing.
- Ensure equal housing opportunities.

Priorities for Assistance

In 1995, the County of Santa Clara's priorities for the provision of affordable housing were determined by a review of statistical reports and the results of a widely distributed survey to housing agencies. Based on the 1990 Census data, a table of the Priority Needs for the Urban County Jurisdictions has been prepared. As indicated in *Table 3* (located in the Action Plan), the areas of highest priority for assistance were those activities directed to very low-income, small family and large family renters and low-income, large family renters. The priority list also includes housing programs and activities to assist homeless persons and persons with very specialized needs. All available housing data for Santa Clara County clearly and consistently pointed to these groups as being the most in need of housing assistance, and should, therefore, be the focus of available resources.

Of somewhat lower priority were housing activities directed toward assisting very low and low-income elderly renters, and other very low-income renters, such as single persons without dependents. Also within this slightly lower priority grouping were programs for very low-income, first time homebuyers with children and very low-income homeowners. These groups were judged as having critical housing needs, but were not given quite as high a priority as those in the first grouping.

The final and lowest priority category included activities to assist low-income homeowners and first time homebuyers. While the difficulties of first time homebuyers is well documented, and continues to be a major problem in the county, the needs of very low-income renters, homeless individuals, and those with specialized needs continue to be the highest priority for funding.

Affordable Housing Objectives and Strategies

The following sections outline the Urban County's objectives with regard to the HUD priorities identified in *Table 3* and the known needs of the seven jurisdictions that make up the Urban County. Following each objective is a list of strategies intended to help mitigate the identified problem. (Objectives are not ranked in order of importance.)

OBJECTIVE 1: INCREASE THE AVAILABLE SUPPLY OF HOUSING AFFORDABLE TO LOWER INCOME HOUSEHOLDS

Land Use

There are many factors affecting the affordability of housing in the Urban County Jurisdictions. One significant factor is the shortage of affordable housing units relative to demand. This shortage manifests itself in several ways, such as a low affordable housing vacancy rates and home prices and rents that are very high relative to the incomes of lower income households. The lack of developable land and local development standards are other constraints to providing housing at densities that allow affordability.

The objective is to increase the total number of affordable housing units in the Urban County Jurisdictions in order to provide for the current and projected needs of the low and moderate-income families living in those communities. The affordable units should be appropriate in cost and type for a range of households earning at or below 80% of the countywide median. The following three strategies address this objective:

Strategy 1: Each Urban County jurisdiction will seek to encourage construction of an adequate supply of affordable housing by:

- a. Ensuring adequate residential development potential commensurate with need.
- b. Periodically surveying their community's vacant and redevelopable acreage for residential development opportunities.
- c. Encouraging shared-housing programs.
- d. Encouraging jurisdictions with Redevelopment Agencies to utilize the 20% set-aside for affordable housing development.

Strategy 2: Each Urban County jurisdiction will encourage the construction of affordable housing in a range of types and prices by:

- a. Periodically reviewing community development and design guidelines to allow for the possibility of cost-effective construction methods, and by allowing innovative, cost-saving techniques, consistent with safety and aesthetic standards.
- b. Employing land use standards that permit construction of additional housing, with a range of types and prices reflective of the community's current households.
- c. Allowing accessory (second) unit additions, where appropriate.
- d. Encouraging private sector construction of affordable housing by removing impediments in the permit review process.
- e. Permitting compatible multi-family, mixed-use (commercial/residential) projects.

Strategy 3: Each Urban County jurisdiction will ensure the appropriateness and effectiveness of community housing goals and policies by:

- a. Monitoring progress of the jurisdiction toward meeting affordable housing objectives.
- b. Preparing an annual housing status report to the governing body.

Financial Assistance

Even when land is available, land-purchase and development costs in the Urban County jurisdictions generally discourage the private sector from building housing affordable to lower income households. Consequently, ensuring that the supply of housing affordable to these households continues to expand commensurate with demand, will require some amount of subsidy.

Public subsidies can be provided in a variety of cash grants and loans. Land cost write-downs, density bonus program proceeds, donation of surplus public lands, reduced or amortized development fees, and grants for various planning and development costs represent a number of kinds of creative financing currently being offered by Urban County communities.

The following strategies are intended to ensure that there is continuous and reliable financial assistance for the construction of affordable housing in Urban County jurisdictions. This assistance should be made available, under specified conditions, to both private and non-profit builders. Toward this end, Urban County jurisdictions will:

- Strategy 4:** Pursue the creation of local programs that provide financial assistance or incentives for constructing lower income housing.
- Strategy 5:** Review procedures that expedite applications for low and moderate-income housing projects and work toward the goal of reducing development costs and time delays.
- Strategy 6:** Pursue continued and expanded federal and state assistance for the construction or preservation of lower income housing.
- Strategy 7:** Target federal, state, and local housing funds to households earning less than 80% of the County median income.
- Strategy 8:** Develop "clearinghouse" programs that will assist private and non-profit builders of lower income housing, by informing them of all available funding and development options.

OBJECTIVE 2: INCREASE HOUSING OPPORTUNITIES FOR SPECIAL NEEDS HOUSEHOLDS AND THE UNHOUSED

Certain populations in the Urban County communities encounter extraordinary difficulty in finding both affordable and accessible housing. These categories include disabled persons, persons with HIV/AIDS, the elderly, lower income households, agricultural workers, lower income mobile home residents in projects in threat of conversion, homeless, veterans, youth (youth aging out of foster care), Section 8 conversion tenants, and survivors of domestic violence. The strategies listed below are intended to help identify special housing needs within each of the Urban County Jurisdictions and ensure that sufficient resources are available to meet those needs. Toward this end, the Urban County Jurisdictions will:

- Strategy 9:** Encourage the design and construction of conveniently located housing units meeting the needs of identified special-needs households.
- Strategy 10:** Encourage licensed residential care facilities and "life cycle" housing for independent, mobile, senior resident.
- Strategy 11:** Coordinate their efforts to provide permanent housing for homeless families and chronically homeless individuals.
- Strategy 12:** Encourage additional appropriate housing for emancipated youth throughout the County.

OBJECTIVE 3: INCREASE AFFORDABLE HOUSING OPPORTUNITIES FOR LOW TO MODERATE INCOME FIRST TIME HOMEBUYERS

Santa Clara County is one of the top ten regions in the nation for high housing costs. Many potential homebuyers are “closed out” of the housing market and denied the ability to build equity through homeownership. This situation has serious consequences for the entire region and serves as a disincentive for the job force to remain in the area. To address this objective of increasing opportunities to first time homebuyers, the Urban County Jurisdictions will:

- Strategy 13:** Pursue the goal of increased homeownership rates in the County by offering down payment assistance to lower-income first time homebuyers.
- Strategy 14:** Design programs to stand alone or be combined with existing homeownership programs in the County.
- Strategy 15:** Market first time homebuyer programs to the real estate and lending communities.
- Strategy 16:** Encourage all first-time homebuyers to attend pre-purchase homeownership education courses.
- Strategy 17:** Seek additional funding from public and private sources for first-time homebuyer programs.

OBJECTIVE 4: REHABILITATE AND MAINTAIN EXISTING AFFORDABLE HOUSING

The Urban County Jurisdictions, like all communities in the Bay Area, have been experiencing significant, unprecedented increases in housing costs for at least a decade. The continuing price increases have impacted the sales price of older and newly constructed homes.

The older homes in Santa Clara County are typically smaller, more modest units than those more recently constructed. They were built in an era of considerably less costly construction. In the past, these houses, duplexes, and small apartments provided affordable "starter" homes for young families. They also served as affordable rental units for lower-income families, seniors, and those with special needs. The strategies below are aimed at maintaining the number and diversity of the existing affordable housing stock. To this end, the Urban County Jurisdictions will:

- Strategy 18:** Encourage residents to maintain and rehabilitate existing housing through continuous code enforcement efforts and through Urban County Cooperative Housing Rehabilitation programs. Other federal, state, and county funded programs available for rehabilitation activities will be investigated and pursued (i.e., Federal Rental Rehabilitation, State CHRP-O, and County Density Bonus programs). Note: All units more than 50 years old and/or listed on a federal, state, or local historic inventory shall use the Secretary of the Interior’s Standards for Rehabilitation, as listed below.

Secretary of the Interior's Standards for Rehabilitation:

1. A property will be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
2. The historic character of a property will be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property must be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, will not be undertaken.
4. Most properties change over time; those changes that have acquired historical significance in their own right will be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property will be preserved.
6. Deteriorated historic features will be repaired, rather than be replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, texture, color, and other visual qualities and, where possible, materials. Replacement of missing features will be substantiated by documentary, physical, or pictorial evidence.
7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials will not be used. The surface cleaning of structures, if appropriate, will be undertaken using the gentlest means possible.
8. Significant archaeological resources affected by the project must be protected and preserved. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction must not destroy historic materials that characterize the property. The new work must be differentiated from the old, and must be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

Strategy 19: In permitting new housing construction of any type, whether publicly or privately funded, Urban County Jurisdictions will strive to ensure compatibility with the character and scale of the surrounding neighborhood.

OBJECTIVE 5: PRESERVE EXISTING AFFORDABLE HOUSING

In a region that has recently experienced phenomenal increases in housing costs, simply maintaining the affordable units that are currently in the housing stock is a major task. The conversion of apartments to condominiums, the redevelopment of former mobile home parks, the demolition of small homes and apartments, and the "gentrification" of older, small home/small lot neighborhoods represent serious threats to the existing affordable housing supply.

Having been built and financed in an earlier era, these older units are typically less costly to rent or buy than newer housing. This is the type of housing young families, single people, first time homebuyers, and the fixed-income elderly can more easily afford. It fills a very important need for many different types of households.

Unfortunately, the Urban County Jurisdictions were subject to the termination of federal mortgage and/or rent subsidies, and their concern was that the loss of those subsidies not result in the conversion of affordable housing units to market-rate units. The principal objectives of Strategies 11-14 are to prevent the conversion or loss of existing affordable units, and ensuring that those units remain available to low and moderate-income households in Urban County communities. To this end, the Urban County Jurisdictions will:

Strategy 20: Protect existing rental housing from conversion to market-rate, ownership housing according to the needs of each community.

Strategy 21: Work with the private sector to provide replacement housing, lost through demolition or conversion to non-residential use for low and moderate-income households.

Strategy 22: Provide assistance and encouragement that will allow households to maintain and continue to live in their homes.

Strategy 23: Pursue Federal and State legislation to preserve Section 8 housing assistance and enable continued funding of this housing option.

OBJECTIVE 6: ENSURE EQUAL HOUSING OPPORTUNITIES

Housing discrimination experienced by low and moderate-income households exacerbates affordability problems by further restricting the housing options available. Despite years of effort to curtail discrimination, it continues to occur; even though it is illegal. The objective of the strategies below is to eliminate illegal and unwarranted discrimination in the Urban County communities. The strategies, thus, address a broad range of activities that define discriminatory housing practices. To this end, the Urban County Jurisdictions will:

Strategy 24: Promote equal housing opportunities and strive to eliminate discriminatory housing practices that exclude persons based on racial, ethnic, religious, age, marital-status, or any other arbitrary characteristics.

Strategy 25: Augment and enforce Fair Housing laws to protect against arbitrary housing discrimination; fair housing services will be available to residents in all Urban County communities.

Strategy 26: Recognize and protect the right of tenants and landlords and provide opportunities for mediation of disputes.

Strategy 27: Disperse housing for low and moderate-income households throughout Urban County communities and will not concentrate such housing in any locations.

Homelessness

In December of 2004, the cities of Santa Clara County and the County jointly sponsored a two-day homeless count (conducted by a consultant who specializes in these counts) to assess the homeless population in the County's 351 census tracts. Based on the preliminary results, Based on the results, there were **7,646** unduplicated cases of homelessness, of which **6,432** were individual cases and **1,214** were persons in family groups.

In October 2004, the Board of Supervisors established a Homeless Task Force to create a plan to end chronic homelessness in the County of Santa Clara. On May 3, 2005 the Task Force presented its plan *"Keys to Housing: A 10-Year Plan to End Chronic Homelessness in Santa Clara County"* to the Board of Supervisors. The Board unanimously accepted the Plan and directed the Task Force to return on a quarterly basis with a report concerning the progress of implementation of the Plan. Key to the Plan is a commitment to use the Housing First model as a way to quickly re-house homeless people in permanent, supportive housing. (See *Appendix J* for entire Plan.)

HUD Table 1C
Summary of Specific Homeless Objectives

Specific Objective	Unmet Need	Performance Measure	Production Goals
Homeless Housing Objectives			
Emergency Shelter-Individuals	61	Beds	50
Emergency Shelter-Families	11	Beds	0
Transitional Housing-Individuals	60	Units	20
Transitional Housing-Families	11	Units	0
Permanent Housing-Individuals	245	Units	25
Permanent Housing-Families	47	Units	0
Total	435		95
Homeless Special Needs Objectives			
Chronically Homeless	C of C	N/A	C of C
Seriously Mentally Ill	C of C	N/A	C of C
Chronic Substance Abuse	C of C	N/A	C of C
Veterans	C of C	N/A	C of C
HIV/AIDS	C of C	N/A	C of C
Survivors of Domestic Violence	C of C	N/A	C of C
Youth	C of C	N/A	C of C

Other Special Needs

The Special Needs Populations to whom the Urban County has traditionally provided funding are Seniors, Frail Elderly, Persons with Disabilities, Persons with Mental Illness, Female Heads of Household (Domestic Violence) and Youth. The highest needs population is Persons with Disabilities.

HUD Table 1B

Summary of Special Needs Populations (Non-Homeless) Objectives

Special Needs Category	Priority Need	Estimated Need	Estimated Dollar Need	Goals
Seniors	High	6,000	415,710	2,680
Frail Elderly	High	20,275	77,415	4,560
Persons with Disabilities	High	33,223	2,248,830	25,600
Mental Illness	High	1,600	152,790	725
Female Head of Household	High	5471	272,020	1,430
Youth	High	8,500	1,111,050	6,050
Farm workers	Low	100	0	
HIV/AIDS	Medium	136	0	
Alcohol/Other Drug Addiction	Medium	1,497	0	
Public and Assisted Housing Needs	Medium	236	0	
Tenant-Based Rental Housing	Medium	151	0	
Units At-Risk of Conversion	Medium	127	0	
Total Persons		77,316	4,277,815	41,045

Non-Housing Community Development

General

This section of the Consolidated Plan describes the Urban County's non-housing community development needs including:

- Public Facilities and Improvements, services and special needs services
- Public Services Which Primarily Serve Lower Income Clients
- Infrastructure and neighborhood services
- Economic development opportunities for low income persons

Based on data obtained from five of the Urban County cities the existing needs in the Urban County areas are described below.

A. Public Facilities and Improvements: Capital Project Needs

- There is a need to expand, modernize, rehabilitate, make seismic and other safety related improvements and accessibility improvements to existing facilities which serve special need populations (limited clientele as defined by HUD regulations).
- There is a need to complete accessibility improvements in public facilities and in public streets and sidewalks throughout the Urban County to ensure compliance with the Americans with Disabilities Act (ADA).
- There are needs throughout the Urban County for new facilities and capital improvement and rehabilitation of existing facilities occupied by service programs which serve the low income and special needs populations.
- There are needs throughout the Urban County for improved facilities for the provision of homeless services, including showers, laundry, food distribution, drop-in counseling, etc.
- There are needs throughout the Urban County for new park facilities and improvements for existing park and playground facilities.
- There are needs throughout the Urban County for additional childcare facilities for low income families.

B. Public Services Which Primarily Serve Lower Income Clients

-There are needs for supporting the operating expenses of organizations which provide housing related information, counseling and supportive services such as:

- Affordable housing information and referral
- Information and counseling on tenant/landlord issues
- Shared housing counseling and placement
- Counseling, shelter services and general assistance to the very low income or homeless population
- Services which address the needs of the frail elderly or persons with disabilities
- Services which address the needs of low income children and their families

-There are needs for infrastructure improvements in the Urban County. There is a particular need for storm drainage improvements, sewer improvements, street and sidewalk improvements in the Unincorporated Area.

-There are needs for economic development programs which create and increase employment opportunities for minorities, low income persons, homeless persons, and persons with disabilities. Although it is clear that a need exists in the Urban County communities, the utilization of insufficient housing dollars to meet that need is not a priority at this time. Therefore, the Urban County does not plan to address those non-housing community needs during the next five years (*HUD Table 2B.*)

HUD Table 2B
Community Development Needs

Category	Priority Need	Estimated Need	Estimated Dollar Need	Goals
PUBLIC FACILITIES				
Public Facilities-Barrier Removal	High	15	800,000	5
Senior Centers	Medium	5	210,000	1
Homeless Facilities	Medium	20	10,000	5
Youth Facilities	High	10	70,000	3
Neighborhood Facilities	Medium	10	25,000	2
Parks/Recreation Facilities	High	50	625,000	15
Street Improvements	High	50	270,000	20
Sidewalks	High	50	300,000	25
PUBLIC SERVICES				
Public Service-General	High	60,000	650,000	40,000
Senior Services	High	55,000	700,000	25,000
Disabled Services	High	500	25,000	50
Legal Services	High	700	15,000	70
Youth Services	High	10,000	150,000	6,000
Battered Women	High	450	250,000	125
Fair Housing	High	500	175,000	200
Tenant Landlord Counseling	High	300	75,000	100

Source: 2004 Santa Clara County Homeless Census and Survey

16.7% Emergency; 16.3% Transitional and 67% Permanent; 15.9% Families and 84% Individuals

HUD Table 2C
Summary of Specific Housing/Community Development Objectives

Objective	Performance Measure	Goal	Section 215 Goals
HOUSING			
Acquisition	Housing Units	50	50
Construction of Housing	Housing Units	237	237
Rehabilitation – Single Unit Res.	Housing Units	100	100
Rehabilitation – Multi Unit Res.	Housing Units	25	25
Energy Efficiency Improvements	Housing Units	200	200
Code Enforcement	Housing Units	500	400
Total Housing Units		1,112	1,012
COMMUNITY DEVELOPMENT			
Public Facilities-Barrier Removal	Facilities	5	N/A
Total Public Facilities		5	N/A
Parks/Recreation Facilities	Persons	50	N/A
Sidewalks	Persons	5000	N/A
Street Improvements	Persons	5000	N/A
Total Persons		10,060	N/A
PUBLIC SERVICES			
Public Service-General	Persons	40,000	N/A
Senior Services	Persons	25,000	N/A
Disabled Services	Persons	50	N/A
Legal Services	Persons	70	N/A
Youth Services	Persons	6,000	N/A
Battered Women	Persons	125	N/A
Fair Housing	Persons	200	N/A
Tenant Landlord Counseling	Persons	100	N/A
Health Services	Persons	2500	N/A
Total Persons		74,045	

Lead-Based Paint Hazards and Reduction

Lead poisoning is the number one environmental health threat that children in the United States face today. It is estimated that over 434,000 children nationwide aged one to five years have blood lead levels above the Center for Disease Control (CDC) levels of concern, that is, 10ug/dL (micrograms per deciliter). Lead poisoning causes IQ reductions, reading and learning disabilities, decreased attention span and hyperactivity and aggressive behavior. Several factors contribute to higher incidences of lead poisoning:

- Children under two are especially vulnerable
- Low Income children are at eight times higher risk for lead poisoning than wealthy children
- Black children have five times higher risk than White children
- Hispanic children are twice as likely as White children to have lead poisoning
- Children in older housing are at higher risk
- Up to 50 percent of children in distressed neighborhoods have some level of lead poisoning

Lead-based paint (LBP) is a major source of lead poisoning. Starting in 1978, the use of all lead-based paint on residential property was prohibited. National studies estimated that 75 percent of all residential structures built prior to 1978 contain LBP and that older structures have the highest percentage of LBP. The age of the housing stock is the key variable for estimating the number of housing units with lead-based paint. In assessing the potential LBP hazard of these older structures, several factors must be considered. First, not all units with lead-based paint have lead-based paint hazards. Only testing for lead in dust, soil, deteriorated paint, chewable paint surfaces, friction paint surfaces, or impact paint surfaces provides information about hazards. Properties more at risk than others include:

- Deteriorated units, particularly those with leaky roofs and plumbing
- Rehabilitated units where there was not a thorough cleanup with high-phosphate wash after the improvements were completed

The Comprehensive Housing Affordability Strategy (CHAS) data provide the number of housing units constructed before 1970 that were occupied by lower income households. This data can be used to approximate the extent of LBP hazards among lower income households. While information on units constructed before 1978 is not available from CHAS, estimates based on the pre-1970 stock provide a conservative estimate of the extent of LBP hazards. It is estimated that 7,119 units in the Urban County Area occupied by lower income households (0-80 percent MFI) may contain LBP (Table 23).

There have been three main thrusts to Santa Clara County's response to LBP issues. First is the ongoing screening and treatment of children who may have been exposed to lead in their environment. Second, the County and local jurisdictions are testing for the presence of LBP through their rehabilitation programs, and requiring abatement as necessary. Third, the County initiated a class-action lawsuit against eight paint manufacturers and a trade group for selling LBP that they knew was hazardous to children. The suit sought to force the paint manufacturers to pay for the removal of LBP from buildings where it is identified, to pay for the treatment of children identified with lead poisoning, and to fund Countywide educational programs regarding the risks associated with LBP. However, in 2003, the lawsuit was dismissed in Santa Clara County Superior Court.

Santa Clara County Lead Programs

The Public Health Department established a Childhood Lead Poisoning Prevention Program composed of a unique three way partnership including: The public Health Department, Environmental Health Services, and Public Health Nursing. The program provides case management, environmental surveillance, education, and outreach.

The Childhood Lead Poisoning Prevention (CLPPP) which is administered by the Santa Clara County Health Department began screening for lead levels in the blood of children in a study conducted between September of 1991 and August of 1992. Of the estimated 434,000 children nationwide aged one to five years to have blood lead levels above the Center for Disease Control (CDC) levels of concern, that is, 10ug/dL (micrograms per deciliter), approximately 3,600 of those children reside in Santa Clara County. The County's Childhood Lead Poisoning Prevention Program (CLPPP) is responsible for increasing public awareness on the dangers of lead poisoning, and providing education and prevention programs.

There were 3,627 children tested during this period and 233 children had levels that exceeded 10 micrograms of lead per deciliter of blood which is 6 1/2% of the children studied. Of that same

group, there were 36 children that had blood levels of lead that exceeded the level of 20. The study found that a high percentage of children were Hispanic. Preliminary findings suggest that the use of “azarcon” as a folkremedy within the Hispanic community may have contributed to the problem. Leaded paint and lead contaminated soil, however, remain a principal concern with regard to childhood lead poisoning. Further, improperly glazed pottery also may have high levels of lead.

Case Management/Prevention

In 2002, The Office of Affordable Housing and the County Board of Supervisors established a Lead-Based Paint Grant Program. The program funds one time grants for the cost of inspection and mitigation of lead-based paint contamination in homes in the urban cities and unincorporated areas of the county, for low-income homeowners who participate in the Housing Rehabilitation Program. Every Housing Rehabilitation applicant has a mandatory Lead Paint inspections and abatement if necessary.

Currently, the State provides funds for case management of individuals found to have high levels of lead in their blood. Santa Clara County’s Public Health Department has been offering a Childhood Lead Poisoning Program. Separate funding is required for programs aimed at environmental lead abatement measures such as leaded paint and contaminated soil removal.

Anti-Poverty Strategy

The Urban County HCD Program primarily deals with issues pertaining to housing. Currently, the program is not involved with economic development activities. Many of the programs have impacts other than just housing. For instance, the Shelter Plus Care program provides rental assistance and supportive services to homeless persons. The program provides individuals with a foundation for re-entering the work force so they can be removed from public assistance.

As noted earlier in this section, other programs that help eliminate poverty in Santa Clara County are the Family Self-Sufficiency Program (FSS) and CalWORKs. According to statistics gathered by the County, there has been a sharp decline (approximately 1/3 fewer) in the number of persons requiring assistance payments over the past two years. Santa Clara County will continue to participate in job training programs such as GAIN, and will comply with the CalWORKs Program.

To serve North County residents, the City of Sunnyvale initiated the North Valley Job Training Consortium (NOVA) program. Formed in 1983 by six northern Santa Clara County cities, NOVA is a federally funded, non profit employment and training agency. NOVA coordinates efforts between private industry, organized labor, government, education and community-based organizations that provide training, and employment programs at no cost to eligible applicants. It offers programs for economically disadvantaged youth and adults, homeless, veterans, individuals with disabilities, at-risk youth, seniors, and dislocated workers. NOVA is funded primarily by grants from the State and federal government and by local industry. NOVA is administered by the City of Sunnyvale. NOVA was created in response to Federal legislation, specifically the Job Training Partnership Act (JTPA). In addition, the NOVA Private Industry Council was established to guide the agency in its mission to provide low cost and efficient job training and employment programs for the six NOVA cities (Sunnyvale, Cupertino, Mountain View, Los Altos, Santa Clara and Palo Alto). The council is a private/public partnership made up of representatives from local government, business and industry, labor, education and training systems, employment services, and community support organizations.

In Fiscal Year 2003-04, there were 17,271 client visits to NOVA's "one-stop center" in Sunnyvale. NOVA enrolled a total of 2,811 clients for program services.

Institutional Structure

The Urban County Program has operated in its existing organizational form since the inception of the CDBG Program in 1975. Since then, the CDBG program funds have been administered by County HCD staff, in conjunction with staff from the participating Urban County jurisdictions. HOME funds have also been overseen by County HCD staff, in addition to housing Rehabilitation Programs for some of the cities in the Urban County. County HCD also provides technical assistance to the cities, as needed. In 2003, the HCD Program was placed within the newly created Office of Affordable Housing.

Distribution of Funds Process

Annually, the Urban County receives an allocation of CDBG funds from HUD that is distributed as follows:

- Approximately 60% of the grant (after administration and rehabilitation services have been set aside) is divided equally between the participating non-entitlement cities (including the County). Each participating city determines how its share of the money will be allocated at the local level.
- Approximately 40% of the grant is placed in a competitive pool for distribution to public and non-profit agencies for housing and housing-related projects.

Request for Proposal

The funding process is initiated at the HCD Advisory Committee each September, at which the Committee members review the previous year's application packet and recommend any changes to the funding priorities or process. Upon approval, staff initiates the Application/Request for Proposal (RFP) process. Notice of the Request for Proposal, indicating how interested parties may obtain an application, is published in the local newspaper, the San Jose Mercury News. Notices of funding availability are also sent directly to previously funded agencies, various housing-advocacy groups, and other interested parties.

Urban County Housing Pool - Non-Profit Organizations

Project proposals of a countywide nature, that are housing or housing-related and not normally focused on serving one non-entitlement city, are submitted directly to the County. Immediately following the submission deadline, an evaluation phase begins. Proposals received prior to the deadline are screened for eligibility by County HCD staff. The applications are then distributed among all Urban County staff members for review and recommendation. A meeting is held approximately one week later where reviewers discuss the projects and present their individual recommendations for funding. The entire group then prioritizes the projects according to pre-established criteria and drafts preliminary recommendations. After hearing public presentations of the proposals and researching any outstanding questions or issues, the Urban County staff meets again to finalize their recommendations.

Staff recommendations are then forwarded to the HCD Advisory Committee for review, evaluation, and recommendations. Both staff and HCD Advisory Committee recommendations are then forwarded to the County Board of Supervisors.

Throughout the funding cycle, committee meetings are open to the public. Applicants have the opportunity to clarify the details of their projects and/or provide additional information; and

members of the public may ask questions or voice opinions. All public hearings on applications for funding are publicized in the San Jose Mercury News at least 10 days prior to the hearing. All public meeting notices and advertisements state the date, time, and location of the hearing and/or meeting, as well as topics to be covered. Efforts are made to ensure effective notification of the meetings through the use of flyers, public service announcements, and mail-outs to local officials and interested citizens.

Local Project Development Phase - Cities

Project proposals for eligible CDBG activities that fall within a city's sphere of influence must be submitted to the city and considered as a part of the city's project development process. Running concurrently with the Urban County review process, is a series of hearings and meetings at the local city and neighborhood level. This series of hearings and meetings, typically held during the winter and spring months, provide information to the residents of Urban County cities and, specifically, residents of target neighborhoods, regarding the process for preparation, submission, and selection of project proposals. During this project development phase, Urban County staff members or technical assistance teams may work with the residents to assess local needs and develop project proposals. Urban County cities typically hold at least one public meeting in targeted neighborhoods where comprehensive or concentrated neighborhood revitalization, or the construction of public facilities or improvements, is either ongoing or proposed.

While the cities may choose to have a number of public meetings with target groups, only one public hearing is required. The purpose of that hearing is to recommend project proposals to be funded by the city, from its share of the grant money. Each city then forwards all project proposals, including those not recommended for funding, to the County for final review and approval by the Board of Supervisors.

Public Housing

Goals for Families to be Assisted with Housing

The Housing Authority of the County of Santa Clara has again been designated as a "High Performer" by HUD for public housing administration and Section 8 program administration. Additionally, the Housing Authority has again received the highest rating from Standard and Poors; only the second Housing Authority in the United States to receive a rating. The rating will be useful in financial transactions particularly affecting the Development Department.

New units under the Section 8 Rental Certificate, Rental Voucher and the Family Unification programs, if available, are obtained through a competitive application process. The Section 8 wait list was opened in January, 1999 and over 27,000 people applied in one week. The current wait list has 2500 names on it. In 1999, the Housing Authority received 100 certificates of funding from HUD for persons with disabilities under the Main Stream funding. They also received 700 vouchers which is equivalent to \$7 million in housing assistance payment subsidies for the County of Santa Clara for residents moving from welfare to work. The application was nationally competitive. All voucher units are leased for Welfare to Work clients. The Housing Authority received 445 Fair Share vouchers for the County of Santa Clara in 2002 and 80 Welfare to Work vouchers in 2003. The annual subsidy is \$740,250. In addition, the Housing Authority is administering tenant-based Shelter Plus Care housing assistance. Tenant-based housing assistance is eligible for use throughout the County, including the Urban County areas. The Family Unification Program received 100 additional certificates in October 1999. The Housing Authority is working in partnership with the Social Services Agency of Santa Clara County to place families in this program and has received funding through Social Services

Agency to fund staff positions to assist with housing counseling and search for welfare to work recipients. This funding ends June 30, 2005. SSA has sponsored a shallow rent subsidy program administered by the Housing Authority for up to 500 clients. This program ended June 30, 2004.

The Housing Authority and Housing Choices, a non-profit for persons with disabilities are partnering on the development of housing at the former Agnews site. Remediation of toxics in the soil has temporarily slowed down the progress but it is expected that progress will pick up in the summer of 1999. John Burns Gardens and River Town Apartments are now leased. The planned improvements for Rincon Gardens, in Campbell, took place in 1999 as planned and were mentioned in last year's plan. In 2000, \$200,000 was expended to complete interior and exterior work, concrete work, upgrade the fire alarm system, replace mailboxes, paint and replace flooring in some units. In addition they will replaced the carpeting in the dining room and the hallways as well as other improvements completed in 2003/2004, including modernization of selected units plus replacement of the steam table for a cost of \$67,000.

In December, 2000, the Housing Authority finished work on a new family development in San Jose on Communication Hill. In April, 2001, work began on a 125 units development for seniors in San Jose called El Parador. The units are fully occupied. The Housing Authority and the County of Santa Clara will be developing affordable housing units at the County Fair Grounds by 2005 if funds are available. Finally, the Housing Authority implemented Section 8 homeownership program. These are currently 5 homeowners who utilize Section 8 housing assistance payments for homeownership.

The Shelter Plus Care (S+C) Program is authorized by the Title IV of the Stewart B. McKinney Homeless Assistance Act. The program is intended to provide rental subsidies, linked with coordinated supportive services, for homeless persons and their families who are either seriously mentally ill, drug or alcohol dependent, or who have AIDS, or are HIV positive, or are dually diagnosed.

S+C grant recipients are chosen nationwide on a competitive basis. Santa Clara County has competed and was awarded five separate S+C grants; one in 1992, 1993, 1995, 1997, and finally 1998. The original grant awarded in 1992 expired in 1998, however, because there were funds remaining, the grant was extended, then renewed. The Housing Authority manages \$2.2 million in Shelter Plus Care rent subsidies for approximately 200 individuals. Supportive services and coordination are also provided for Shelter Plus Care clients as a match contribution from government agencies such as County Public Health, Social Services and Mental Health Departments, as well as non-profit service organizations and shelter providers, such as, Community Care, Emergency Housing Consortium, InnVision and many others.