

County of Santa Clara

Office of the County Executive

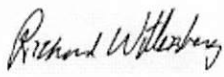


CE08 062502

Prepared by: Jane Decker
Deputy County Executive

DATE: June 25, 2002

TO: Board of Supervisors

FROM: 
Richard Wittenberg
County Executive

SUBJECT: Housing Task Force Recommendations Implementation Plan

RECOMMENDED ACTION

Consider recommendations relating to Housing Task Force Recommendations Implementation Plan.

Possible action:

- a. Approve Implementation Plan for the Housing Task Force Recommendations.
- b. Approve the current priorities of the Office of Affordable Housing, including a focus on special needs housing, pending results of the Technical Assistance report.
- c.

Establish the Board of Supervisors' intent to pursue the creation of a County Housing Commission and begin discussions with the cities.

- d. Establish affordable housing as a regional and legislative policy priority for the Board of Supervisors.

FISCAL IMPLICATIONS

There are no general fund costs associated with this report. The contract for the Acting Director of Housing, who is currently the Housing Bond Coordinator, will be increased modestly from Housing Bond revenues as compensation for additional activities in his interim role.

REASONS FOR RECOMMENDATION

At the April 9 Board of Supervisors meeting, the Board accepted an Administration recommendation to establish an Office of Affordable Housing and deferred to budget the consideration of using some Redevelopment Settlement Agreement delegated revenues for housing purposes. At the same meeting, the Housing Task Force presented their recommendations to the Board who referred them to the Administration to develop an implementation plan. A matrix of the Task Force recommendations is attached.

There are six primary clusters of recommendations in the Task Force Report. They are:

1. Create an Office of Affordable Housing (OAH).
2. Establish special needs housing as a County priority.
3. Create a County Housing Commission.
4. County assume leadership in regional, state and federal housing policy advocacy.
5. County take leadership to identify new local source of revenue for housing.
6. County work with public jurisdictions to establish policies on use of surplus public land for housing.

Below is a report outlining Administration efforts to date to develop an implementation plan for the Task Force recommendations.

Office of Affordable Housing

The intent is to establish the Office of Affordable Housing (OAH) effective July 1 and comprised of HCD, the Housing Bond/MCC Program, and the Homeless Services Program. There are some administrative details to work out, but the units will be consolidated under the leadership of the Acting Housing Director, Naphtali Knox. Meetings with the three units and the Deputy County Executive began soon after the Board approval of the consolidation in early April. An evaluation is continuing of current functions, including overlapping functions, as well as an assessment of the ability of the new office to take on additional responsibilities after consolidating. The Deputy County Executive is working with GSA property management in an effort to co-locate the units at the North First Street offices so the functions can become better integrated.

In May, the San Francisco HUD office approved a County request for technical assistance to create a plan for the new Office of Affordable Housing. The consultant selected for the project is the Enterprise Foundation (EF), using staff from their San Francisco and Los Angeles offices. The EF has extensive experience working with local government on housing issues. They will work with the County to design the OAH organizational structure, develop an implementation schedule, identify funding, and research best practices. Our initial meeting was June 14 and we concluded that their work plan would include an assessment of what the County is currently doing in housing; what we could be doing; and how to develop linkages with partners in the community. After a work plan is approved, which will be imminent, the project will be completed within 90 days. It will include interviews with staff working in County housing programs as well as with people and agencies in the community.

In the meantime, beginning July 1, the Acting Housing Director will begin to coordinate and administer the activities of the OAH. The office will identify and coordinate resources for the purpose of providing housing for County special needs clients, will continue to strategically target below market mortgage funds, CDBG and other federal grants, loans and subsidies to programs and projects of the OAH, and begin developing relationships with cities on joint affordable housing projects and programs beyond what is already provided through existing programs. In addition, the Acting Housing Director will engage in discussions with other personnel in the County Executive's Office to ensure that affordable housing is considered as part of the ongoing development of County property. Staff will also closely monitor the \$2.1 billion housing bond on the November ballot. Passage of this measure will provide for an as yet undetermined level of revenue for local purposes in a range of housing categories.

As new resources are dedicated to County housing programs, staff will develop plans for the use of the funds. The Board action to set aside \$18 million in delegated redevelopment settlement revenue, until after assessment in October, included a request for staff to develop a plan for the expenditure of those funds. Staff will bring a report back to the Board with recommendations for the use of the revenue. Until new revenues are available, staff will balance new priorities of the office with the demanding functions of the existing programs.

Special Needs Housing

One of the highest priorities of the new office, specifically targeted by County Administration as well as by the Housing Task Force, will be the coordination of departmental efforts in support of securing housing for special needs clients. The OAH will immediately convene regular meetings of County staff engaged in housing and related services. The purpose of these meetings will be to better coordinate housing information and resources and offer assistance toward existing efforts to develop a countywide affordable housing data base and information service to which County departments will have access. The hope is that through a coordinated effort, existing resources can be leveraged to achieve County goals of securing a range of affordable housing for clients served by County departments. Ultimately, as resources are added

to the program, the County can invest in the creation of new housing units available to County clients and other special needs individuals.

We are anticipating that the consultants will be able to research best practices and ways of better serving the housing needs of our special needs clients.

County Housing Commission

The Task Force recommended that a County Housing Commission be established which could foster a regional dialogue among elected officials on housing issues. Alternative membership structures were proposed and it was suggested that creation of a commission could occur in partnership with the Cities Association. The alternative that would serve the greatest purpose would be a body that has representation from the County and each of the cities. To begin the discussion of this kind of entity, staff arranged for a presentation of the Task Force recommendations to the Cities Association in early May. Two members of the Task Force presented all of the recommendations as the context, but the focus of the discussion was the concept of a Housing Commission. Initial concerns expressed by the city representatives related to cities' land use authority and the potential ability of a commission to override that authority. Other responses included looking at a more regional approach to housing by bringing cities' land and resources together in partnerships. Finally, the membership indicated they would like to have a presentation of the Task Force recommendations made to their city councils and it was agreed that a letter would be sent to each of the Cities from the Task Force offering to make a presentation.

In early June, the City managers were given a presentation on the Task Force recommendations and how the County is responding. Again, there was interest and support for forming partnerships with the County to accomplish more in housing.

Ultimately, the idea of a commission will have to be resolved by interaction among elected officials building upon existing relationships. Therefore, we believe it is premature for the Board of Supervisors to adopt an ordinance creating a Housing Commission. If the Board decides to move forward with the Task Force recommendation, a dialogue with city elected officials is an important next step. When agreement is reached on creating a commission, the membership structure and financial support would need to be identified. With additional resources, County staff or staff appointed by the Commission could provide administrative support.

Policy Advocacy

The Task Force recommended that the County demonstrate leadership on regional, State and Federal advocacy in the area of housing. The County currently takes positions on and advocates for legislation and other policies that could affect housing. Generally, those efforts have not been in conjunction with other jurisdictions except, for example, the trip with the cities and the Manufacturing Group every spring and better coordination could occur. A more comprehensive approach to housing could be developed through the County's Legislative Priorities process that is conducted in the fall; however coordination is needed with other jurisdictions in order to effectively address their needs and concerns. Existing forums through the HCD program, Housing Bond program and Homeless services program that we hope will become integrated, could be utilized to assist in developing policy, along with coordination with the Housing Action Coalition and Housing Leadership Council who have played leadership roles in Housing issues. Staff will look for opportunities to participate in existing housing forums and create new opportunities for cross communication among a number of housing advocacy forums that exist. A Housing Commission, if established, would be a logical vehicle to develop and advocate on regional housing policy issues.

Public Source of Local Financing

The Task Force recommended that the County spearhead a countywide effort to identify and secure a source of local public revenue to assist in developing affordable housing. As a result of the December, 2001 Housing Solutions Summit, which was sponsored by the Board of Supervisors, City of San Jose, Manufacturing Group and Working Partnerships, a commitment was made to begin the process of identifying sources of revenue. The first step is to ensure the passage of the \$2.1 billion Statewide bond measure in November. Supervisor Beall is a member of the State Steering Committee developing the strategy to achieve that end. While there is no estimate at this time of the specific amount of revenue that would flow to Santa Clara County from the measure, it could be a significant amount. This is a first step toward securing a new source of revenue for housing and the local effort on this measure will form the basis of further efforts to generate local housing revenue.

Included in this recommendation was a suggestion for the County to create a countywide sales tax sharing pool to be used for housing. Existing law allows for this but since cities rely on their sales tax revenue to support their municipal functions, sharing existing revenues may not be palatable to them. Cities that have redevelopment agencies are required to direct 20% of their redevelopment revenue to affordable housing and some cities have committed to spending up to 30%. Whether cities are supportive of using additional existing revenues for housing will be a future discussion item.

Another recommendation is to update a revenue nexus study that had been prepared for the Housing Trust of Santa Clara County. This study was basically a review of the potential and feasibility of a number of sources of public financing deemed appropriate and accessible for affordable housing. In 1997, the Hausrath Economics Group surveyed existing housing trust funds to identify commonly used revenue sources. To generate enough revenue to substantially increase the amount of affordable housing, sales tax and property tax were determined to have the most potential. Updating this study would require a commitment of around \$50,000– \$100,000. Logically, this would be an activity associated with a future countywide effort to develop a local source of revenue for housing and the cost could be shared by the partners in that effort.

The Task force recommendations also included supporting State legislation to create Housing Opportunity Zones within municipalities where increases in property taxes are directed to affordable housing. There is currently a measure by Assemblyman Lowenthal, AB 1284, which would allow local governments to create what are essentially redevelopment areas. Increases in property taxes resulting from these areas would be diverted to local government as an incentive to provide for more housing.

Implementation of this kind of legislation would mean the County and other taxing jurisdictions would be foregoing increases in property taxes in certain "housing opportunity districts". The Board of Supervisors opposed AB 1284 because of the potential County loss of property tax, therefore, would need to be a careful review of the benefits to legislation of this sort before a recommendation could be made to the Board to support it.

The final recommendation in this area was for the Board of Supervisors to allocate 30 percent of the Redevelopment Agreement revenues to affordable housing. This issue was considered by the Board on June 10 and as indicated earlier in this report, staff will develop ideas for the expenditure of the funds.

Publicly owned Surplus Land

The Task Force recommended that the County use surplus land for housing where appropriate and work with other jurisdictions to develop an inventory of vacant or surplus land for housing. The Deputy County Executive has scheduled

a meeting with GSA, the Roads department and the Parks department to discuss developing a policy that could be recommended to the Board regarding the use of County surplus land for housing. There are requirements in State law related to the disposal of surplus property and the Board also has a policy regarding achieving fair market value for property sales or leases. These issues will be examined to determine what options the Board could be presented for policy revision in this area. Following discussion of a Board policy, other jurisdictions could be encouraged to adopt policies regarding the use of surplus property.

Currently there is no consistent tracking by cities of surplus or vacant land. However, the County Executive's office is working with a consultant, formerly with the County's Center for Urban Analysis, to develop an inventory, using the Assessor's data, of all public vacant land. This effort is to address the Task Force recommendation to work with local, state and federal jurisdictions in the county to compile an inventory of public vacant or surplus land that could be used for housing. Our product will be a gross inventory of public vacant land without regard to its appropriateness for housing, therefore, after it is completed, we will attempt to identify parcels that are appropriate in size and location for primarily multi-family housing.

Related to this, the Task Force recommended that the County sponsor legislation requiring local jurisdictions to include in their Housing Elements a section identifying vacant and surplus land owned by the jurisdiction and intentions for future use. Staff has had preliminary discussions with the Planning Director and will examine this proposal but there would probably be resistance to adding more requirements to the Housing Element through legislation.

Another Task Force recommendation related to the creation of an Affordable Housing Land Bank. Land for affordable housing development would be contributed by private or public sources or purchased by the Land Bank. The Land Bank could be administered as a public or private entity.

Several models of land banking have been identified by staff and merit further study. In all cases, the primary functions of the land bank are to acquire land (by donation or purchase), to hold title to the land in perpetuity, and to lease the land at reduced rates in exchange for the development of affordable housing. Over time, payments from the land leases will provide for a growing pool of funds for future land acquisition.

The OAH may be able to further study models for land banking to determine whether this should be pursued by the County or in partnership with the private sector.

In conclusion, the new Office of Affordable Housing will address as many of the Board of Supervisors' housing priorities as possible. However, the constraints of limited resources and staff may initially limit the County's ability to provide the regional leadership in all areas envisioned in the Housing Task Force report.

ATTACHMENTS

- (Transmittal submitted on Jun 19, 2002 11:02:40 AM – PDF Version)
- Housing Task Force Recommendations (Miscellaneous)

COUNTY OF SANTA CLARA
SUPPORTIVE HOUSING INITIATIVE

Prepared by the Office of the County Executive

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SUPPORTIVE HOUSING INITIATIVE

EXECUTIVE SUMMARY

The appropriateness and feasibility of County government taking an aggressive role providing housing opportunities for county residents has become a topic of debate in the face of the housing crisis that currently grips Santa Clara County. The County has responded by supporting a number of countywide solutions to address the crisis including: establishing the Housing Trust of Santa Clara County, effectively utilizing the Housing Bond Trust program, expanding the MCC program and co-sponsoring the Housing Summit with the Silicon Valley Manufacturing Group in November 1999, among others.

To follow up on ideas emanating from the Housing Summit, the Board of Supervisors committed to hiring a housing consultant (Housing Coordinator) to determine how the County could expand or improve on its current efforts. The consultant was hired in July 2000, given the title Housing Coordinator, and has worked under the direction of the County Executive's Office. This report marks an interim point in the work conducted by the Housing Coordinator.

Santa Clara County is in the midst of a severe, protracted housing crisis of unprecedented proportions. Nearly all of us are affected by the housing shortage and consequent high cost of housing, but those particularly vulnerable are the low and extremely low income special needs populations, many of whom are served by County agencies. The crisis in special needs housing stems from the fact there has never been enough because it is politically difficult to site and too costly to build without significant subsidy, and state and federal assistance has been drastically scaled back. The booming economy has exacerbated the crisis by driving rents beyond the means of those on fixed incomes and has made it lucrative for owners to convert units to market rents or sell them. As a result, the countywide inventory of low cost housing affordable to those on limited or fixed incomes is diminishing rapidly.

It is the central premise of this report that housing and housing related services are a vital component, ***if not the most vital component***, in the matrix of social services provided by the County to those with special needs. Traditionally the County's ability to effectively deliver social services in a cost efficient way has been directly tied to the availability of low cost housing. Today, that availability is in serious jeopardy and has given rise to the dilemma of escalating impoverishment and homelessness of special needs persons and rising costs of providing necessary social services.

Given its current structure and policies, the County is unable to mitigate the housing crisis of special needs persons in a significant way. Worse still, the housing crisis is growing as the inventory of low cost units dwindles and the numbers of those to serve grows. Without immediate and long-term aggressive intervention, what is now a crisis in special needs housing will quickly become a catastrophe.

This report recommends the County create a **"Housing Services"** unit, a nexus of responsibilities and functions within County government designed to coordinate, support and enhance the numerous housing and housing related services* currently provided by the County for its special needs clients. The unit could also be responsible for implementation of a Board adopted Housing Action Plan to be developed over the next several months.

This report urges the County to become a collaborator with local jurisdictions, developers and service providers by providing resources and political leverage to create housing opportunities for extremely low income, special needs populations. This report is a call for the County to take a visible, proactive role in the community, supporting and advocating for the development of all low-income housing.

We call this program, **"The Supportive Housing Initiative."** The number of units built and the numbers of individuals and families housed will be the determiner of its success. Major recommendations are listed below with specific strategies enumerated in the Recommendations portion of this report.

Recommendation #1 – Create a County Housing Unit in the County Executive's Office

The County should create within County government a Housing to coordinate and support existing housing service efforts, acquire new resources, gather and manage housing data and insure that all departments are working together and using resources efficiently.

Recommendation #2 - Increase Low Income Housing Production

The County must become a collaborator with local jurisdictions, nonprofit developers and service providers to set goals, plan for and help facilitate the development of very low and extremely low income housing with supportive services. The Housing Unit will work with GSA and other departments to make County surplus property available for the development of special needs housing.

Recommendation #3 – Increase Investment in Low Income Housing

The County must work with local partners and aggressively pursue new state and federal funding. In addition, the County must find new and dedicate additional existing revenue sources to the development of very low and extremely low-income housing including housing with supportive services.

Recommendation #4 – Encourage Best Practices in Special Needs Housing Management

To insure County agencies and clients are getting the best housing services possible, the County should explore different community based special needs housing models to find innovative designs that would be effective in Santa Clara County. For example, are there ways or incentives to make the common, single-family home board and care model more financially feasible? Are there other models that are more desirable for certain special needs clients?

Recommendation #5 – Become a Visible Proactive Advocate for Special Needs Housing

The County is the largest service provider for special needs persons and must take a leadership role on their behalf. The Housing unit will be instrumental in supporting and advocating for the development of very low and extremely low-income housing

* Appendix D

opportunities in all cities in the county, as well as advocating for additional state and federal funds.

Recommendation #6 –Establish a Regional Forum to Address the Countywide Affordable Housing Crisis including Special Needs Housing Issues

The County can facilitate the creation of a countywide dialogue and informational data on the affordable housing crisis. It can do this through existing forums or developing and managing a countywide housing consortium of city officials and housing leaders, designed to come up with countywide consensus on housing issues.

CONCLUSION

Our conclusion is simple. There are more individuals and families with special needs than there is available housing that is reasonably affordable to them. Despite a slowing economy, there is little evidence to suggest that the housing crisis for special needs populations is lessening, or will lessen in the foreseeable future. Indeed, all indications are that it will continue to worsen, threatening more households now living on the edge of the housing crisis. As the problems grow, so will the impact on the County. Therefore, it is in the County's best interest, as well as the special needs persons it serves and the broader community as a whole, for the County to take aggressive action now.

This report provides the Board of Supervisors with the foundation to take steps necessary to meet the challenges of the housing crisis for persons with special needs. While the level of resources and policy change required to solve the affordable housing crisis is daunting, this report offers attainable short-term goals and lays the groundwork for a coordinated local and regional effort for long-term solutions. We believe the most effective way to engage local, regional and national partners over the long term is for the County to demonstrate its commitment to solving the housing crisis by making substantial and immediate investments in the financing, production and preservation of affordable housing for special needs persons in Santa Clara County.

INTRODUCTION

ORIGIN AND CHARGE OF THE HOUSING COORDINATOR

In November 1999, the Santa Clara County Board of Supervisors co-sponsored the Silicon Valley Housing Summit with the Silicon Valley Manufacturing Group. More than 500 housing leaders from around the county worked to identify critical housing issues and brainstormed possible solutions. A report organizing the input and outlining recommendations from participants was forwarded to the administration for review.

In April 2000, staff analysis concluded that the County could have several opportunities to make a significant and lasting impact on mitigating the housing crisis, particularly addressing the housing needs of the special needs populations. Administration concluded that a housing consultant should be hired to conduct a study of the major recommendations.

In June 2000 the Board approved hiring a housing consultant on a pilot project basis to review the areas suggested by staff and recommend ways for the County to more aggressively marshal its resources and better coordinate its current housing efforts. The housing consultant was given the title "Housing Coordinator" and works under the supervision of Housing Bond Coordinator Naphtali Knox and Deputy County Executive Jane Decker.

On July 3, 2000, Housing Consultant Ray Villarreal was hired as the County Housing Coordinator to implement the County's work plan. The one-year pilot project was to focus on a number of areas as follows:

- Examine the County's current housing efforts and look for ways to be more effective;
- Identify possible County investment opportunities related to housing;
- Seek out opportunities for regional public/private/interjurisdictional coordination;
- Explore the feasibility of a public education campaign on affordable housing with other jurisdictions and the private sector;
- Prepare a Housing Action Plan document for County programs to recommend increases to existing programs or to add to the current array of County housing programs.

The County Housing Coordinator began by reviewing relevant housing materials and interviewing Board staff, key department staff and individuals familiar with the Summit Report. Next, key personnel within County departments who deal with housing issues on a daily basis were interviewed. More than 40 individuals were interviewed with a questionnaire designed to solicit open-ended responses of their opinion of the effectiveness and problems of current County programs, as well as recommendations for improvement. Interviews were then extended to service providers, shelter operators and nonprofit developers, soliciting input on ways the County could be more effective. Upon completion of this phase of the project, a report of the County Housing Coordinator findings was submitted to the Deputy County Executive.

FINDINGS OF THE HOUSING COORDINATOR

Since the early 1990's, Santa Clara County has experienced an uninterrupted economic boom that has fueled a staggering demand for all types of housing. The commensurate shortage of housing supply has pushed purchase and rental prices to unprecedented levels, making housing costs in Santa Clara County among the highest in the United States.

THE CONTINUUM OF CARE IS AT RISK

The impact the housing crisis is having on all low-income residents is devastating, as rents have jumped 60% in the past five years in Santa Clara County¹. Those most vulnerable to such dramatic increases are the special needs persons in the county, living primarily on fixed incomes. They are losing access to low and very low-income housing because it is being priced beyond their means or it is being converted from rental housing to ownership housing. Fierce competition rages over what little affordable housing is available between the working poor and special needs individuals and families on limited and fixed incomes.

County agencies are bearing a significant and increasing burden because there are never enough beds or units to meet the need. Front line managers and case workers are spending more of their days trying to find housing for clients. Housing that is available is more costly both to the County and the clients, meaning more service dollars and client dollars are being used for housing rather than on services. The Continuum of Care strategy of the County for serving special needs populations is in danger of collapsing as more dollars are spent on fewer units and consequently less service.

FEWER UNITS FOR PERSONS WITH SPECIAL NEEDS

Through partial or total rental payments, the County has traditionally relied on private property owners to house many of its special needs clients in single-family homes and apartments while they are being cared for, rehabilitated or trained. However, the dramatic rise in home sale prices has caused many property owners to sell their property or rentals on the open market, or raise their rents, thus pricing County reimbursements or Section 8 subsidies almost out of the market entirely. County service agencies report that their sources of vital low cost housing are rapidly diminishing.

Transitional housing facilities and shelters are squeezed from both sides. As the number of units decrease, more people seek help. Those already in low cost transitional environments are unable to move to a permanent environment once their treatment, rehabilitation or training is complete because the cost of market rate housing is so much greater. Social workers are loath to put these individuals and families back on the streets because they are likely to return to their previous environments and end up back at the County's front door in 6 months. As a result, low-income individuals and their families are staying longer in transitional homes (again, diminishing their availability).

County housing staff reported that for special needs person in need of court ordered or intensive supportive care, the lack of housing is keeping them and their families further upstream in the Continuum of Care. For example, it was reported that:

- Over 200 clients with less than serious mental health disabilities are remaining "housed" in medical institutions at approximately \$800 per day - until suitable, less costly (@\$50 per day) supportive housing becomes available in the county;
- Individuals who have been court ordered to undergo rehabilitation are remaining "housed" in jail for 90 to 120 days until less costly, supportive housing becomes available;
- Children, whose parents have completed their rehabilitation or treatment, are spending longer in foster care separated from their families until housing is found by their parent(s);
- Clients in the CalWorks program have been unable to find housing that will accept their Section 8 vouchers and as a result hundreds of vouchers remain unused.

These are just a few of the examples reported by housing staff from every department interviewed. From the foregoing, we can conclude that County housing costs for special needs

¹ Silicon Valley Projections 2000, p. 8

clients are increasing dramatically and will continue as the supply of low-income housing throughout the county decreases.

THE COUNTY MUST DO MORE

In response to the growing housing crisis for their clients and contract agencies, County agencies have essentially added "housing placement services" to the list of services provided adding housing staff to help their clients find suitable housing and to pursue additional resources. The Mental Health Department has its own Housing Coordinator, as does the Drug & Alcohol Department. Some specific programs run by the Social Services Agency have housing search teams and the agency is proposing to create a central housing unit within the agency. All County housing staff interviewed for this report said they work independently of each other with little coordination or sharing of information and resources between departments. They also report they are increasingly overwhelmed by the enormous need for more housing.

All staff interviewed want the County "to do something" to address the housing crisis. As one said, "it has been politically correct to focus only on the "grass tops" of the housing problem (Silicon Valley high tech workers) but not at all on the "grass roots" (low income individuals). Some said that all they can do at this point is fight to maintain existing units. However, they admit the County offers little in the way of incentives for property owners to stay in the system. One staff person remarked, "at this rate, County subsidized housing (board and care, foster care, etc.) will be nonexistent in five years."

It is clear that existing efforts are inadequate. If the County is to maintain its "Continuum of Care" strategy for serving its special needs population, then housing strategies must be devised for developing and maintaining access to very low income housing. This strategy should be coordinated through county housing agencies and assist nonprofit housing developers and providers by creating a hub of activities, resources and specialization that they can utilize to pursue housing opportunities.

ESTABLISHING THE SPECIAL NEEDS HOUSING WORKING GROUP

Towards developing a housing action plan, the administration decided to convene an "Internal Working Group" made up of key, front line housing staff from County agencies. Its purpose would be to further develop the above proposed project and establish a clear set of action oriented recommendations designed to produce more housing opportunities for special needs persons and to make current County housing efforts more efficient. It was called the Special Needs Housing Advisory Working Group. (Please refer to the Acknowledgements for those individuals who participated.)

On October 17, 2000, Susan Silveira, an organizational consultant with an extensive background in affordable and special needs housing, was brought on board to facilitate these sessions with the Working Group. The group met 6 times between November 9, 2000 and January 17, 2001.

FINDINGS OF THE WORKING GROUP

DEFINING SPECIAL NEEDS POPULATIONS

The first task of the Working Group was to clearly define the special needs populations in need of housing assistance and how large a population they are in the County. It was agreed that while the affordable housing crisis severely impacts all low-income households, the group's primary focus was on addressing the housing needs of the very low and extremely low-income special needs populations in need of County assistance.

The Working Group developed a list of the categories of persons with special needs that County agencies and departments currently serve. Included on the list were those with physical and mental disabilities, abuse victims, substance abusers, at-risk youth, veterans and more (see Appendix 1 for list). Generally, special needs individuals and families are defined as households where a person(s) has a physical, mental or emotional disability, or special circumstance (i.e., age, abuse victim, etc.) that causes such a severe economic hardship of uncertain duration that it compromises their ability to live independently.

It was the consensus of the Working Group that special needs clients readily meet the federal definition of low-income household with the vast majority of their clients meeting the definition of very low or extremely low-income household. It was also agreed that those special needs persons living solely on Social Security Income (SSI) are by definition extremely low-income households living at or below the federal poverty level (See Glossary of Terms for complete definition)*. Currently, the maximum allowable SSI benefit is set at \$692 per month, or \$8304 per year and for most, especially those with severe disabilities, it is their sole source of income².

According to 1999 estimates there are approximately 149,915 adults and 220,754 children living below the federal poverty level in Santa Clara County³. While it is almost impossible to extract precisely how many of those individuals are persons with special needs as defined above, we can infer from other data sources that a good many of them are. For example, according to the most recent data on SSI recipients in Santa Clara County, there were 40,863 persons receiving SSI in 1996.⁴ Table 1 below illustrates the housing difficulties low-income households have by depicting the median incomes earned by typical household sizes in Santa Clara County in 2000.

AREA MEDIAN INCOME –SANTA CLARA COUNTY 2000 ⁵						
TABLE 1						
Income Category as % of Median Income	Number of Persons in Family					
	1	2	3	4	5	6
Extremely Low (30%)	\$18,250	\$20,900	\$23,500	\$26,100	\$28,200	\$30,300
Very Low (50%)	\$30,450	\$34,800	\$39,150	\$43,500	\$47,000	\$50,450
Low (80%)	\$48,700	\$55,700	\$62,650	\$69,600	\$75,150	\$80,750
Median (100%)	\$60,900	\$69,600	\$78,300	\$87,000	\$93,950	\$100,900
Moderate 120%)	\$73,100	\$83,500	\$93,950	\$104,400	\$112,750	\$121,100

HOUSING PROBLEMS OF SPECIAL NEEDS POPULATIONS

Given the above, it is clear why households earning below 50% of the median income in Santa Clara County have a difficult time finding *any housing* they can afford in Santa Clara County. The 2000 Fair Market Rent (FMR) in Santa Clara County for a two bedroom apartment is \$1221 a month, a level that is only affordable to households earning at least \$23,480 an hour, or \$48,840 per year⁶.

* Defined as household income below the official national poverty cutoff for a household size. Generally, the cutoff for a family of four approximates 33 percent of the HUD adjusted area median family income.

² Santa Clara County Consolidated Plan, May 2000, p.2-36

³ US Census Bureau, Santa Clara County Planning Department - "QuickFacts"

⁴ SSI Recipients by State and County, The Office of Policy, Social Security Administration, December 1999

⁵ HUD Median Income Table provided by Naphtali Knox, SCC Housing Bond Coordinator

⁶ Locked Out! California's Affordable Housing Crisis, May 2000, Published by the California Budget Project, p.14

Those (extremely low and very low-income) households that are able to find housing are paying a disproportionate share of their income on housing. According to the National Low-Income Housing Coalition only 44% of all renters in Santa Clara County were able to afford the 1999 Fair Market Rent without incurring housing costs over 30%. According to the American Housing Survey 41% (or 90,600 individuals) of all renters in San Jose are paying over 30% of their income on housing costs and over 20% (43,800 individuals) are paying over 50% of their income on housing costs⁷. However, it is far worse for SSI recipients in this County.

Members of the Working Group continually pointed out that these were the special needs clients they were the most familiar with and for whom finding affordable, or supportive housing was nearly impossible. Their comments and anecdotal information are supported by a recent study published in March 1999, titled **Priced Out in 1998**,⁸ by the Consortium for Citizens with Disabilities Housing Task Force, a national advocacy organization for persons with disabilities.

The major findings of **Priced Out in 1998** document that persons with disabilities receiving SSI not only live in extreme poverty and receive an income far below the minimum wage, they are also unable to afford decent, safe housing in any of the 50 states. For example in California:

- Comparing like households - SSI income is roughly 21% of the state's median income;
- The value of average SSI monthly income expressed as an hourly rate is \$3.09 an hour;
- Persons on SSI must pay approximately 85% of their income on the cost for the average efficiency apartment in California;
- Persons on SSI must pay approximately 101% of their income on the cost for the average one bedroom apartment in California.

Priced Out in 1998 concludes that people on SSI have difficult choices to make when looking for rental housing. At best they must either take on a severe rent burden, or accept overcrowded and substandard housing. Without significant housing assistance, persons with disabilities and living on SSI have little hope of finding decent, affordable housing in the community. There are other major barriers like stigma and housing discrimination, which exacerbate the problem. However, even the elimination of these barriers would not address the fact that the majority of persons with special needs living in Santa Clara County simply do not have enough income to afford decent, safe housing.

LIMITED INFORMATION ON HOUSING NEEDS OF SPECIAL NEEDS PERSONS

Towards developing meaningful recommendations, the Working Group attempted to quantify the need for low-income housing in the county for special needs persons. While evidence that the county is facing a housing crisis is abundant, the task of estimating the precise housing need for different types of special needs persons within the County proved to be difficult. The absence of comprehensive countywide information on the housing crisis frustrated our efforts.

One of the findings of this report is that there is a critical need for definitive reports and data sources that fully analyze and describe the countywide housing needs of persons with special needs. The Census provides limited data on persons with special needs but does not provide information on their housing problems. The Santa Clara County Consolidated Plan provides information on the housing needs of special needs populations but focuses mostly on those who reside in the Urban County (See Glossary of Terms). The remaining cities, those not in the "urban county," prepare their own consolidated plans, which includes information on special needs housing, but only for their own city. The Santa Clara County Housing Collaborative

⁷ American Housing Survey, A Joint publication of the Census Bureau, US Department of Commerce and HUD

⁸ **Priced Out in 1998**, published by the Technical Assistance Collaborative Inc., Consortium for Citizens with Disabilities Housing Task Force, March 1999.

produces an annual report relative to the homeless housing needs throughout the county that is comprehensive and useful, but does not specifically address special needs housing issues.

Despite the lack of special needs housing reports or studies specific to Santa Clara County as a whole, the Working Group was able to develop information from a variety of local organizations (who work directly with special needs persons). They also collected data and conducted interviews within their own respective agencies. From this study the group was able to make a number of reasonable estimates of current need and projections of future need.

Admittedly however, this information is incomplete, as there is no organized or centralized means of gathering this type of information. There is certain to be some errors because some clients are served by more than one agency and there are likely undercounts as well. A detailed and comprehensive needs assessment of the whole **Continuum of Care** for special needs populations in Santa Clara County is needed, but it is beyond the scope of this report. Nevertheless, it is recognized by the Working Group to be vital information that must be developed for future planning efforts.

SPECIAL NEEDS PERSONS RECEIVING SERVICES FROM THE COUNTY

The Working Group collected data from their respective agencies on the number and type of special needs persons and families currently being served by the County. The table below represents their best estimates of the numbers of clients the County currently serves.

Special Needs Persons Receiving Services from the County

Table 2

SOCIAL SERVICES AGENCY		FAMILY & CHILDREN'S SERVICES (cont.)	
Public Assistance		Foster Care	2764
CalWorks/TANF/Receiving Aid	10,800	Aged Out Youth (18-25)	119
Clients Receiving MediCal	53,000	Domestic Violence	
Clients Receiving Food Stamps	3,800	Women	18
DEPT. OF AGING & ADULT SERVICES		Women w/ Children	26
Public Guardian's Office		Substance Abusers	
Elderly (60+)		Women	62
Financial Abuse	160	Recovery Clients	27
Medically Fragile	200	Mental Health	
Abused	100	Children w/ Medical Needs	61
Neglected	50	HOSPITAL & HEALTH SYSTEM	
Head Injured	20	Department of Alcohol and Drugs	
Undocumented	20	Substance Abusers	
Conservatorship		Adult Managed Care	7379
Mentally Ill	800	Bay Area Services Network	570
Elderly	600	Children, Adolescents & Families	320
Adult Protective Services		Deferred Entry of Judgment	4500
Elderly (65+) - up to per month	675	Mental Health	
Dependent Adults - up to per month	225	Persons with Mental Disabilities	
FAMILY & CHILDREN'S SERVICES		Adults (18-59)	8873
Persons w/ Developmental Disabilities	54	Older Adults (59+)	1165
Children w/HIV	5	Intensive Psychiatric Jail Services	5334
Lower Income Households		Families & Children	5761
Family Self Sufficiency/		Transitional Aged Youth (18-25)	60
Family Unification Program	480	State Hospital	16
Youth		Out of County Locked Facilities	100
Runaways	8		

SPECIAL NEEDS PERSONS RECEIVING HOUSING SERVICES FROM THE COUNTY

Members of the Working Group collected the information below, based on informal polling of their respective agencies to present what is known about housing assistance the County currently provides. Short of surveying every caseworker and analyzing individual cases, Table 3 reflects best estimates, which in some cases are yearly or monthly averages. Working Group members reported that agencies that contract with the County for the provision of housing to County clients' report that all contracted facilities are full to capacity on a daily basis.

It should be noted that the Housing Authority of the County of Santa Clara is not included in the table below because they are not a County government agency. However, the Housing Authority does provide permanent housing assistance for a substantial number of the County's special needs clients. The numbers of individuals and families receiving Housing Authority assistance through Section 8 and other programs appear later in this report.

CLIENTS RECEIVING HOUSING/HOUSING ASSISTANCE FROM COUNTY AGENCIES				
TABLE 3				
	Emergency Shelter	Transitional Housing	Permanent Supportive Housing	Permanent Housing
Mental Health				
Mentally Disabled	160	238	488	41
Alcohol & Drug*				
Men	10	87		
Women	5	51		
Families w/Children		102		
Shelter Plus Care			50	
Family & Children's Services				
Persons w/ Developmental Disabilities	4		50	
Children w/ HIV			5	
Lower Income Households				
<50% of median (Family Unification Program)			187	
Youth				
Aged Out (18-25)		17	102	
Runaways	8			
Foster Care	312	727	1589	36
Domestic Violence				
Women		11		7
Women w/Children		4	5	17
Substance Abusers				
Women		62		
Recovery Clients		10	11	6
Mental Health				
Children w/ Medical Needs	21		40	
Totals	520	1309	2627	107

CURRENT INVENTORY OF LOW-INCOME HOUSING

With the above statistics as a backdrop, the Working Group next turned to what information is available regarding the current inventory of low-income and extremely low-income housing. Again, it must be stated that a true countywide perspective is conspicuously absent.

* Data for Alcohol & Drugs reflects actual daily capacity. Length of stay for men and women is 3 months. Length of stay for women with children is 3 to 9 months.

A recent survey conducted by First Community Housing revealed that there are 223 affordable housing complexes in Santa Clara County providing 22,084 units of affordable housing in Santa Clara County.* These units provide housing for individuals and families with incomes primarily between 50-120% of the County's median income. When compared to the previous reference that showed over 149,000 adults and 220,000 children in Santa Clara County living below the federal poverty level, so-called "affordable housing" is hardly housing the truly poor. It certainly is not housing the 40,000 living on SSI and presumably with special needs. Even most of those on Section 8 are left out because at least 75% of those receiving Section 8 assistance require housing affordable to those earning less than 30% of the county median income.*

It was reported that the Housing Authority of Santa Clara County serves 11,149 clients through its Section 8 assistance program. Of those, approximately 2,010 receive their Section 8 assistance through participation in a County service program. Approximately 3,690 annually receive other public assistance in the form of MediCal, Food Stamps or the CalWorks program from the Social Services Agency of Santa Clara County.

It was clear from discussions with the Working Group that County agencies and the Housing Authority have forged a strong, effective working partnership serving special needs populations. It was the consensus of the group that the County should strengthen the partnership between the County and the Housing Authority even further. The following table illustrates the numbers of low income and County clients currently served through Section 8 assistance, as well as Public Housing and housing created through the state tax credit program.

HOUSING ASSISTANCE PROVIDED BY THE HOUSING AUTHORITY		
TABLE 4		
Program	Type of Housing/Clients	Served
Section 8 Programs:		
Welfare to Work	Families (100% TANF)	810*
Shelter Plus Care	Homeless/Dually-Diagnosed	120
MainStream	Persons with Disabilities	163
After Care	Persons w/Developmental Disabilities	75
Family Unification Program	Open Child Welfare Cases	136
Others	Low-Income Individuals/Families	9845
Total		11,149
Other Housing Programs		Units
Family Self-Sufficiency	Low-Income Families	450
Public Housing	Low-Income Individuals/Families	560
Low-Income Housing Tax Credit Program	Low-Income Individuals/Families	1,242
Total		2,252
Total Combined		13,401

Another source the Working Group turned to for information on the inventory of special needs housing was The Santa Clara County Collaborative on Affordable Housing and Homeless Issues. Each year the Collaborative prepares a yearly **Continuum of Care Gaps Analysis** as part of the McKinney Homeless Fund application. The analysis is a compilation of the eight

* This number does not include board and care and other types of assisted housing that are not apartment complexes.

* Santa Clara County Housing Authority

* Projected to increase to 1066 by June 2001.

Consolidated Plans of the county, field research, and other sources. It is perhaps the best current inventory of homeless housing available. While its focus is primarily on homelessness services and issues, it was assumed that there is considerable overlap between the issues and needs of the homeless and special needs populations served by the County.

SANTA CLARA COUNTY COLLABORATIVE - GAPS ANALYSIS CURRENT INVENTORY OF THOSE HOUSED			
TABLE 5			
	Individuals	Families	TOTAL
Emergency Shelter	827	492	1319
Transitional Housing	837	1332	2169
Permanent Supportive Housing	442	675	1117
TOTAL	2106	2499	4605

LOSS OF AFFORDABLE HOUSING

Unfortunately, the County also continues to lose affordable housing.

- According to the Santa Clara County Consolidated Plan, over the past five years there has been a loss of 944 mobile home units in the Urban County (where most are located).
- According to one member of the Working Group, the number of County licensed Foster Care facilities has decreased from approximately 800 in 1991 to 378 in 1999.
- Further, over 130 Board & Care units under contract with the Mental Health Department *will be lost within the next year* due to redevelopment plans in downtown San Jose.
- According to the California Housing Partnership Corporation⁹ Santa Clara County has lost 1,794 Section 8 low-income units over the past decade.
- The Consolidated Plan identifies 7,726 units of subsidized low-income housing units as being at risk of being converted to market rate housing.¹⁰ The Consolidated Plan identifies the individuals and families living in these 7,726 units as having special housing needs.

QUANTIFYING THE HOUSING NEEDS FOR PERSON WITH SPECIAL NEEDS

The Collaborative must also report information on the unmet housing need for the homeless in Santa Clara County for their McKinney Homeless funding application. Table 6 below depicts a modest need for additional beds and units for homeless individuals and families

SANTA CLARA COUNTY COLLABORATIVE - GAPS ANALYSIS UNMET HOMELESS HOUSING NEEDS, 2000			
TABLE 6			
	Individuals	Families w/Children	Total
Emergency Shelter	200	181	381
Transitional	275	309	584
Permanent Supportive Housing	300	868	1168
TOTAL	776	1358	2133

Another source that projects low and very low income housing need in Santa Clara County is the Association of Bay Governments (ABAG). ABAG projections are based on a comprehensive formula using income levels and jobs among other things to determine a county's housing need. Their projections show a modest need of low and very low income

⁹ California Housing Partnership Corporation, April 2000

¹⁰ Santa Clara County Consolidated Plan, March 2000, p. 2-50

housing especially when compared to the numbers of those in need in Santa Clara County. They are significant numbers nonetheless, because of the controversy building "low income" housing raises in established neighborhoods and the difficulty of building such housing without substantial subsidy.

ASSOCIATION OF BAY AREA GOVERNMENTS HOUSING NEEDS PROJECTIONS					
TABLE 7					
	Very Low	Low	Moderate	Above Moderate	Total
Santa Clara County	11,424	5,173	15,659	25,735	57,991

The most telling statistic presented regarding the level of need for low cost housing in Santa Clara County is the Section 8 waiting list. As of November 2000, there were 26,331 persons on the Housing Authority's Section 8 waiting list for Santa Clara County. Of these, 3,849 are elderly, 4,741 are disabled and 4,168 identify themselves as homeless. There are 6,000 persons on the public housing waiting list. The combined need represented by both lists exceeds 32,000.

When the combined totals of those already receiving Section 8 assistance and public housing are added to those on the waiting lists, it equals approximately 45,000 – quite close to the number (40,863) of those estimated to be living on SSI in Santa Clara County. While it is beyond the scope of this report to make a direct connection between the two, it does not take a leap of faith to see the considerable overlap between those living on SSI and defined as special needs individuals and those seeking housing assistance from the Housing Authority.

This inference is supported by additional information. Table 8 below shows that low income renters (defined as earning less than \$15,000 a year—presumably SSI recipients) outnumber the current inventory of low income rental units (defined as renting for under \$400 per month - presumably affordable to only SSI recipients) by almost 20,000. Note, however, this data applies only to San Jose. If the analysis were applied countywide, the shortage of low cost units, as defined here, would in all likelihood rise.

LOW INCOME RENTERS[*] OUTNUMBER AFFORDABLE UNITS IN CALIFORNIA¹¹				
TABLE 8				
	Number of Low Income Renters	Number of Low Income Rental Units	Shortage of Low Cost Units	Ratio of Low Income Renters to Low Cost Units
San Jose	34,400	15,100	19,300	2.3 to 1
California	1,287,400	603,400	684,000	2.1 to 1

WORKING GROUP ESTIMATES OF HOUSING NEEDS

To estimate how much very low-income and extremely low-income housing is needed by special needs persons served by Santa Clara County Agencies; Working Group members provided their best "educated guess" estimates. Again, short of polling all their caseworkers and clients, the actual need is not easily accessible information. In some cases numbers are based on waiting lists. In other cases, estimates weren't appropriate. As stated earlier, there is

^{*} Low Income renters are defined as those with household incomes under \$15,000 per year. Low cost rental units are those that rent for under \$400 a month.

¹¹ US Department of Commerce, Census Bureau and US. Department of Housing & Urban Development, American Housing Survey 1999

no organized procedure or system in place to gather and maintain data that evaluates clients housing needs. Estimates and best guesses are all that can be relied upon currently.

One of the recommendations of the report is for the County to develop a system of evaluating and tracking all clients housing needs and matching them (if needed) with available housing opportunities in the county. A major advantage of developing such a system is the development of comprehensive, countywide data on the housing needs of special needs populations being served by the County. Such information would be useful for departmental planning purposes, as well as for nonprofit developers and service providers competing for state and federal funding for low-income housing projects and services

Table 7 below presents the best available information. The Housing Authority's Section 8 waiting list numbers are included because it is assumed that many of these persons are currently receiving services from the County. Moreover, the Section 8 waiting list numbers are broken out into special needs categories as defined by the Working Group and illustrate the housing need of those special needs clients. The Collaborative's **Continuum of Care Gaps Analysis** numbers are not included as it is assumed that those numbers are duplicative. Lastly, it should be kept in mind that these numbers are in a state of flux depending on a host of factors, including the state of the economy, new housing developments and the loss of additional affordable units among others.

HOUSING NEEDS OF SPECIAL NEEDS CLIENTS SERVED BY COUNTY AGENCIES				
TABLE 9				
	Emergency Shelter	Transitional Housing	Permanent Supportive Housing	Permanent Housing (Section 8)
Persons w/ Disabilities			4741	
Head Injured			20	
Elderly (60+)	30*		50 Skilled Care 300 Board & Care	3849
Lower Income Households				13,573
<30 % of median income			85	1366 (CalWorks)
Homeless				4168
Substance Abusers [#]		52	21	
Mental Health			130 Board & Care 40 IMD Beds	
Totals	30	52	5261	22,966

The above numbers represent what at best can be considered as ranges of needs. We cannot be sure how many of those on the Section 8 waiting list who described themselves as disabled or homeless will need supportive care and services provided along with their housing

* It was reported that the typical emergency shelter model is not suitable for the special needs of elderly individuals and that an emergency shelter for elderly only was needed.

[#] These figures are "snapshot" data taken from waiting lists over a 5 working day period.

assistance. Neither are we sure of the precise number of elderly on the Section 8 waiting list who won't need supportive care.

What we are sure of is:

- There are approximately 40,000 individuals living on SSI at or below the federal poverty level in Santa Clara County who are presumed to have special needs due to some disability;
- While 13,000 currently receive housing assistance, approximately 32,000 are on waiting lists and it is assumed the majority are County clients and below the poverty level;
- Of those on the waiting list, approximately 5,200 to as many as 13,000 are identified or presumed to have special needs and in need of some degree of supportive services;
- Of the 13,000 receiving housing assistance, 7,762 are identified as special needs persons and at risk of having their subsidized housing being converted to market rate housing;
- At least another 130 Board & Care units contracted to the Mental Health Department are at immediate risk of being lost.
- All agencies who contract with the County to provide housing for special needs clients report their facilities are full on a daily basis;
- All Working Group members report that all sources of housing utilized by their departments are full to capacity on a daily basis and that the supply available to them is diminishing.

It is the unavoidable finding of this report that there is a minimum need today of over 5,200 units of very low and extremely low-income housing with supportive services at this time in Santa Clara County. Moreover, the need could easily climb to well over 10,000 units overnight due to any number of economic factors beyond anyone's control. Across the board, all housing types and housing services are needed to alleviate the growing impoverishment of the special needs populations in Santa Clara County.

There is much work that needs to be done. This report urges the Board of Supervisors to take the necessary steps to preserve, build, acquire or contract for more housing affordable to the very low and extremely low-income special needs populations of the County.

RECOMMENDATIONS

To support the development of housing affordable to special needs populations within Santa Clara County, the Working Group has developed major recommendations and a wide range of working strategies. The recommendations are based on clear principles that create a firm foundation for the development of affordable housing policy and programs within the County. The Working Group believes these recommendations can also serve as a model for other jurisdictions, and perhaps more importantly, *a challenge* — for jurisdictions and agencies to work together to solve the affordable housing crisis as one community. Here are the major recommendations:

Recommendation #1 – Create a County Housing Unit in the County Executive's Office
The County should create within County government a Housing to coordinate and support existing housing service efforts, acquire new resources, gather and manage housing data and insure that all departments are working together and using resources efficiently. Specific strategies the County can pursue:

- a) Assist with the development of a standardized intake system among County agencies to better determine the housing needs of County clients and lead to more effective housing placement;
- b) Serve as internal facilitator for County housing staff dealing with special needs clients, convening regular meetings to gauge progress, identify emerging issues and funds, and coordinate efforts.
- c) Assist in the development and maintenance of the countywide database currently being developed by Community Technology Alliance and Housing for Independent People;
- d) Provide agencies access to listings of affordable units to assist in placement of clients.

Recommendation #2 - Increase Low Income Housing Production

The County must become a collaborator with local jurisdictions, nonprofit developers and service providers to plan for and help facilitate the development of very low and extremely low income housing with supportive services. The Working Group supports Supervisor Beall's recent call for a Housing Action Plan in his state of the County Address. Among the strategies to build more affordable housing, we support the following:

- a) Explore the feasibility of establishing a revolving loan fund that nonprofit developers could utilize to secure land while additional financing is pursued;
- b) Identify county properties that can be developed for low-income housing, including exploration of mixed-use opportunities;
- c) Establish an official liaison with the Housing Authority of the County of Santa Clara and the Housing Trust of Santa Clara County to ensure those County priorities and needs are considered in development/project opportunities.

Recommendation #3 – Increase Investment in Low Income Housing

The County must work with local partners and aggressively pursue new state and federal funding. In addition, the County must find new sources of funding as well as commit additional existing revenue to the development of very low and extremely low-income housing including housing with supportive services. Specific strategies the County can pursue:

- a) Research, evaluate, and pursue potential revenue sources available from state and federal housing programs that could be used for the development of more low-income housing;
- b) Provide resource development and grant writing assistance to County agencies and housing and service providers to facilitate the development of more low-income housing;
- c) Analyze current County expenditures on housing and determine if funds could be more efficiently spent for the creation of low-income housing opportunities;
- d) Work as liaison with County Housing and Community Development (HCD) to ensure Community Development Block Grant funds are allocated to meet County low-income housing objectives;
- e) Commit additional resources to the Housing Trust of Santa Clara County and explore ways to establish a permanent source of funding.

Recommendation #4 – Encourage Best Practices in Special Needs Housing Management

To insure County agencies and clients are getting the best housing services possible, the County should explore different community based special needs housing models to find innovative designs that would be effective in Santa Clara County. For example, are there ways or incentives to make the common, single-family home, board and care model more financially feasible? Are there other models that are more desirable for certain special needs clients?

Recommendation #5 – Become a Visible Proactive Advocate for Special Needs Housing

The County is the largest service provider for special needs persons and must take a leadership role on their behalf. This unit will be instrumental in supporting and advocating for the development of very low and extremely low-income housing opportunities in all cities in the county, as well as advocating for additional state and federal funds. Specific strategies the County can pursue:

- a) Work with countywide affordable housing programs and organizations to advocate for low-income housing development and housing opportunities for special needs clients;
- b) Develop and implement educational outreach to policymakers and the community to create a more positive political response to low-income housing;
- c) Assist the advocacy efforts of County staff for supportive low-income housing legislation on behalf of County agencies at the State and Federal levels of government.

Recommendation #6 –Establish a Regional Forum to Address the Countywide Affordable Housing Crisis including Special Needs Housing Issues

The County must facilitate the creation of a regional dialogue and perspective on the affordable housing crisis. It can do this through existing forums or developing and managing a countywide housing consortium of city officials and housing leaders, designed to come up with countywide consensus on housing issues. Specific strategies the County can pursue:

- a) Develop countywide housing goals for special needs populations based on needs assessments and inventory data, and advocate for regional support to meet those goals;
- b) Work with regional partners to develop a countywide Housing Action Plan to comprehensively address the housing needs of all Santa Clara County residents, and enlist regional support for the implementation of this plan.

ACKNOWLEDGEMENTS

This report is based in part on individual interviews and information provided by the valuable input and participation of the Special Needs Housing Advisory Working Group. Their time and commitment were essential to this important process. They are as follows:

Jamie Buckmaster, Program Manager, - Dept. of Aging & Adult Services, Adult Protective Services
Candy Capogrossi, Deputy Director, Housing Authority of the County of Santa Clara
Charles Chew, Program Manager, County Housing & Community Development Program
Mary Helen Doherty, Director Governmental Relations & Planning, Social Services Agency
Ann Draper, Director, Santa Clara County Planning Office
Jorge Gonzalez, Social Services Program Manager, Santa Clara County Social Services Agency
Margaret Gregg, Homeless Services Coordinator, Office of the County Executive
Corky Gutierrez, Housing Coordinator, Santa Clara County Department of Mental Health
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Dunia Noel, Associate Planner, Santa Clara County Planning Office
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Edith Sona, Quality Improvement Coordinator, County Department of Alcohol & Drug Services

Office of the County Executive

Jane Decker, Deputy County Executive,
Naphtali H. Knox, Housing Bond Coordinator,
Ray Villarreal, Housing Coordinator,
Susan Silveira, Springboard Consulting & Training Services

A special thanks to the following for their valuable input:

Chris Block, Executive Director of the Housing Trust of Santa Clara County
Kristie Scannel, Executive Director of Housing for Independent People
Ray Allen, Executive Director Community Technology Alliance

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APPENDIX A

GLOSSARY OF TERMS*

Affordable Housing - Affordable housing is generally defined as housing where the occupant is paying no more than 30 percent of gross income for gross housing costs, including utility costs.

AIDS and Related Diseases - The disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

Alcohol/Other Drug Addiction - A serious and persistent alcohol or other drug addition that significantly limits a person's ability to live independently.

Community Development Block Grant Program (CDBG) - A federal program in which grants of money are given to cities and/or counties for the sole purpose of Community Development related activities.

Cost Burden > 30% - The extent to which gross housing costs, including utility costs, exceed 30 percent of gross income, based on data published by the U.S. Census Bureau.

Cost Burden > 50% (Severe Cost Burden) - The extent to which gross housing costs, including utility costs, exceed 50 percent of gross income (U.S. Census Bureau).

Department of Housing and Urban Development (HUD) - The agency of the Federal Government that oversees the Community Development Block Grant Program, HOME and the ESG Programs.

Disabled Household - A household composed of one or more persons at least one of whom is an adult (a person of at least 18 years of age) who has a disability. A person shall be considered to have a disability if the person is determined to have a physical, mental or emotional impairment that: (1) is expected to be of long-continued and indefinite duration, (2) substantially impeded his or her ability to live independently, and (3) is of such a nature that the ability could be improved by more suitable housing conditions. A person shall also be considered to have a disability if he or she has a developmental disability, as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6006). The term also includes the surviving member or members of any household described in the first sentence of this paragraph who were living in an assisted unit with the deceased member of the household at the time of her or her death.

Economic Independence and Self-Sufficiency Programs - Programs undertaken by Public Housing Agencies (PHAs) to promote economic independence and self-sufficiency for participating families. Such programs may include Project Self-Sufficiency and Operation Bootstrap programs that originated under earlier Section 8 rental certificate and rental voucher initiatives, as well as the Family Self-Sufficiency program. In addition, PHA's may operate locally developed programs or conduct a variety of special projects designed to promote economic independence and self-sufficiency.

* Glossary modified from the Santa Clara County Consolidated Plan 2000-2005

Elderly Household - For HUD rental programs, a one or two person household in which the head of the household or spouse is at least 62 years of age.

Elderly Person - A person who is at least 62 years of age.

Entitlement Cities - Cities which have their own CDBG Programs. These cities include Gilroy, Milpitas, Mountain View, Palo Alto, San Jose, Santa Clara, and Sunnyvale.

Fair Market Rents- FMRs estimate the cost of rent and utilities other than telephone service. FMRs are currently set at the 40th percentile within an area, meaning the FMR is the cost below which 40% of the housing units in an area would rent for less and 60 percent would rent for a higher amount. Many public programs use FMRs as a measure of housing costs including Section 8. FMRs are published annually by HUD.

Family - The Bureau of Census defines a family as a householder (head of household) and one or more other persons living in the same household, who are related by birth, marriage or adoption. Jurisdictions are required to use the National Affordable Housing Act definition, found in 24 CFR 812.2, in their ConPlans, although that definition is different than that found in Census Documents. When Census data is used in many of the tables and charts, their definition of family is used.

Family Self-Sufficiency (FSS) Program - A program enacted by Section 554 of the National Affordable Housing Act which directs Public Housing agencies (PHAs) and Indian Housing Authorities (IRAs) to use Section 8 assistance under the rental certificate and rental voucher programs, together with public and private resources, to provide supportive services to enable participating families to achieve economic self-sufficiency.

First-Time Homebuyer - An individual or family who has not owned a home during the three-year period preceding the HLTD-assisted purchase of a home that must be used as the principal residence of the homebuyer, except that any individual who is a displaced homemaker (as defined in 24 CFR 92) or a single parent (as defined in 24 CFR 92) may not be excluded from consideration as a first-time homebuyer on the basis that the individual, while a homemaker or married, owned a home with his or her spouse, or resided in a home owned by the spouse.

Frail Elderly - An elderly person who is unable to perform at least 3 activities of daily living (i.e. eating, dressing, bathing, grooming and household management activities). (See 24 CFR 889.105.)

Group Quarters - Facilities providing living quarters that are not classified as housing units by the U.S. Census definition. Examples include prisons, nursing homes, dormitories, military barracks, and shelters.

HOME - The HOME Investment Partnerships Program that is authorized by Title 11 of the National Affordable Housing Act.

Homeless Family - Family that includes at least one parent or guardian and one child under the age of 18, a homeless pregnant woman, or a homeless person in the processing of securing legal custody of a person under the age of 18.

Homeless Individual - An unaccompanied youth (17 years or younger) or an adult (18 years, or older) without children.

Homeless Youth - Unaccompanied person 17 years of age or younger, who is living in an unsheltered situation.

Household - One or more persons occupying a housing unit (U.S. Census definition).

Housing Problems - Households with housing problems include those that: (1) occupy units meeting the definition of Physical Defects; (2) meet the definition of overcrowded; and (3) meet the definition of cost burden greater than 30%; and (4) do not meet Housing Quality Standards.

Housing Unit - An occupied or vacant house, apartment, or single room (SRO housing) that is intended as separate living quarters. (U.S. Census definition)

HUD –adjusted area median family income (HAMFI) – In 1974, Congress defined “low income and very low income for HUD rental programs as incomes not exceeding 80 and 50 percent of the area median family income, as adjusted by HUD. Statutory adjustments now include upper and lower caps for areas with low or high ratios of housing costs to income and for each nonmetropolitan county average. Estimates of the median family income and the official income cutoffs for each metropolitan area are based on the most recent census and then updated each year by HUD. Each base cutoff is assumed to apply to a household of four, and official cutoffs are further adjusted by household size: one person, 70% of the base; two persons, 80 percent; three persons, 90 percent five persons, 108 percent; six persons, 116 percent ; and so on.

Institutions/Institutional - Group quarters for persons under care or custody.

Low-Income Household - A low-income household is one whose income does not exceed 50 percent of the median family income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Middle-Income Family - Family whose income is between 80% and 95% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 95% of the median for the area, on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Non-Entitlement Cities - Cities participating in the Urban County CDBG Program who do not have a program of their own. The non-entitlement cities include Campbell, Cupertino, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill and Saratoga.

Non-Homeless Persons with Special Needs - Includes frail elderly persons, persons with AIDS, disabled families, and families participating in organized programs to achieve economic self-sufficiency.

Non-Institutional - Group quarters for persons not under care or custody

Occupied Housing Unit - A housing unit in which people are currently living

Other Household - A household of one or more persons that does not meet the definition of a Small Related household, Large Related household, or Elderly household.

Other Low-Income - Households whose incomes are between 51% and 80 % of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

Overcrowded - A housing unit containing more than one person per room.

Poverty Level- Household income below the official national poverty cutoffs for the United States for that household size. The poverty cutoff for a family of four approximates 33 percent of the HAMFI. Forty four percent of very low-income households and 85 percent of extremely low-income households are poor.

Rent Burden > 30% (Cost Burden) - The extent to which gross rents, including utility costs, exceed 30 percent of the tenant's gross income, based on data published by the U. S. Census Bureau.

Rent Burden > 50% (Severe Cost Burden) - The extent to which gross rents, including utility costs exceeding 50 percent of the tenant's income, based on data published by the U.S. Census Bureau.

Rental Assistance - Rental assistance payments provided as either project-based rental assistance or tenant-based assistance.

Renter - A household that rents the housing unit it occupies, including both units rented for cash and units occupied without cash payment of rent. (U.S. Census definition.)

Renter-Occupied Unit - Any occupied housing unit that is not owner occupied, including units rented for cash and those occupied without payment of cash rent.

Service Needs - The particular services identified for special-needs populations, which typically may include transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services to prevent premature institutionalization and to assist individuals to continue living independently.

Severe Mental Illness - A serious and persistent mental or emotional impairment that significantly limits a person's ability to live independently.

Sheltered - Families and persons whose primary nighttime residence is a supervised, publicly or privately operated shelter, including emergency shelters, transitional housing for the homeless, domestic violence shelters, residential shelters for runaway and homeless youth, and any motel or apartment voucher arrangement paid because the person is homeless. This term does not include

persons living doubled-up or in overcrowded or substandard conventional housing. Any facility offering permanent housing is not a shelter, nor are its residents homeless.

Supportive Housing - Housing, including Housing Units and Group Quarters, that have a supportive services environment, and include a planned service component.

Supportive Service Need in FSS Plan - The plan that PHAs administering a Family Self-Sufficiency program are required to develop to identify the services they will provide to participating families and the source of funding for those services. The supportive services may include child care, transportation, remedial education, education for completion of secondary or post secondary schooling, job training, preparation and counseling, substance abuse treatment and counseling, training in homemaking and parenting skills, money management and household management, counseling in homeownership, job development and placement, follow-up assistance after job placement, and other appropriate services.

Supportive Services - Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, childcare, transportation, and job training.

Unsheltered - Families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g. street, parks, and alleys).

Urban County - A term which refers to the jurisdictions which have signed agreements with the County to participate in the County's CDBG program. The jurisdictions are Campbell, Cupertino, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill, Saratoga, and unincorporated San Jose.

Very Low-Income - Households whose incomes do not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, for areas with unusually high or low incomes, or where needed because of prevailing levels of construction costs or fair market rents.

Worst-Case Needs - Unassisted, very low-income renter households who pay more than half of their income for rent, live in seriously substandard housing (which includes homeless people) or have been involuntarily displaced.

CATEGORIES OF SPECIAL NEEDS PERSONS

- ❖ **Persons with physical/developmental disabilities**
 - Living on fixed income (SSI)
- ❖ **Elderly (Persons over 60 years of age)**
 - Physically and/or financially abused, neglected
 - Medically fragile and in need of acute care
 - Temporary placement needs
 - Need assisted housing
 - Living on Fixed incomes (SSI)
- ❖ **Persons with HIV/AIDS**
- ❖ **Homeless**
 - Families with children
 - Individuals
- ❖ **Immigrant/Refugees**
 - Agricultural Workers
 - Legal residents
 - Undocumented
- ❖ **Veterans**
 - Mentally Ill
 - Homeless
 - Substance Abusers
- ❖ **Youth**
 - Aged Out (18-25, service eligible 18-21)
 - Runaways, Abused & neglected
 - Foster care
- ❖ **At-Risk of Losing Housing**
 - Board & care displaced
 - Conversion tenants
- ❖ **Domestic Violence**
 - In need of permanent and transitional housing
- ❖ **Substance Abusers**
 - Sober Living Environment residents in need of care
 - Court ordered treatment
 - Recovery clients in need of permanent and transitional housing
 - Family reunification
- ❖ **Mental Health Clients**
 - With severe medical needs - Dually diagnosed
 - In need of independent living environments
 - In need of shared living environments
- ❖ **Offenders/Parolees**

DESIRED SOLUTIONS/ OUTCOMES

The Working Group on Special Needs Housing identified the outcomes that were most desirable in terms of creating more housing opportunities for their special needs clients.

DEVELOPMENT

1. Developers/builders of low-cost housing developments should be encouraged to set-aside some units for special needs clients.
2. When approving low-income housing developments, local authorities should require/encourage the designation of some units for special needs clients.
3. Permanent Supportive Housing:
 - a) One-bedroom units for elderly mentally disabled and physically disabled.
 - b) 2-6 bedroom units for CalWorks families, Shelter Plus Care clients, and for all other clients desiring group home or board & care housing.
 - c) Intermediate care facilities for elderly and mentally disabled with special medical needs.
 - d) Secure perimeter skilled nursing facilities (could involve converting a single family home) for those with intensive medical and supervisory needs.
 - e) Professionally staffed 40-bed skilled care facility for difficult clients.
4. Temporary Supportive Housing (0-2 yrs.)
 - a) One-bedroom units for frail elderly, mentally disabled, physically disabled.
 - b) 2-6 bedroom units for frail elderly, mentally disabled and physically disabled clients for shared care (board & care.)
5. Permanent Housing
6. Develop all types of rental units affordable to those on extremely low incomes.

RESOURCES

1. The following revenue sources should be explored as a means of financing the new development of extremely low-income housing and the acquisition and rehabilitation of extremely low-income housing to serve the County's special needs clients.
 - a) The Housing Trust of Santa Clara County
 - b) The Santa Clara County Housing Bond Trust Fund
 - c) The Tobacco Fund Allocation to the Children & Families First Commission
 - d) CalWorks Incentive Funds
 - e) Density Bonus Funding
 - f) Community Development Block Grant Funds
 - g) County General Fund
 - h) Housing Authority Section 8 Funding (Project-Based)
 - i) Funding that Results from Proposition 36
 - j) Federal Funds for Independent Living Programs

- k) McKinney Homeless Funding
 - l) Redevelopment Agencies Housing - Set asides (20%)
 - m) Community Reinvestment Act
 - n) State Housing and Community Development Funds
 - o) Other State and Federal Grants
 - p) Corporation for Supportive Housing
2. There should be a resource development specialist to act as a clearinghouse for collecting and disseminating funding information, act as grant writer to identify funding sources and coordinate submitting proposals to obtain funding for special needs housing.
 3. Funds currently spent by the County on housing for special needs clients should be analyzed to determine to what extent they could be spent to develop more housing opportunities for the County's special needs clients.
 4. County properties currently used or under-utilized by departments such as general administration, roads & airports, parks & recreation and VTA, should be developed with extremely low-income housing to serve special needs clients where feasible.
 5. Facilitate access to extremely low-income housing opportunities through the development and maintenance of a countywide database of all available low-income housing opportunities, such as the database currently being developed by Community Technology Alliance and Housing for Independent People.)
 6. Provide more housing search teams for those agencies attempting to house their clients.
 7. Provide better property management services, incorporating best practices.
 8. Create opportunities for low-income housing development at Moffett Field.
 9. Develop a standardized intake system to gather and maintain comprehensive data on current client needs.
 10. Specialized training for board & care operators who have special needs clients.

CLIENT ASSISTANCE

1. Provide more comprehensive case management services to ensure a client is rent-ready, these services will include average daily living skills training, money management, etc.
 - a) A pool of funding developed and managed to assist clients with rent deposits.
 - b) Provide more comprehensive case-management services to ensure that a client remains successfully housed.
 - c) Provide resource assistance to client so they do not lose their housing.
 - d) Seek incentives that will make more landlords willing to house special needs clients.
 - e) More landlords will be willing to house special needs clients.
 - f) Provide on-site day care services.
 - g) Low-income housing will be located near public transit.

POLICY

1. Create the political will to build more low-income housing for special needs clients by educational outreach to policymakers and the community.
2. Encourage the San Jose Redevelopment Agency to address the loss of board & care housing due to redevelopment.
3. Review County zoning recommendations and foster changes that would enhance the creation of special needs housing in cities and the county, such as:
 - a) Promote inclusionary zoning, and construction and use of secondary "granny" units.
 - b) Review and revise County and cities' policy on discharge/lease of County property as means of locating potential sites for special needs housing.
4. Develop a coordinated funding strategy for development of special needs housing opportunities.
5. Promote streamlined development processes that encourage the development of extremely low-income housing.

APPENDIX D

CURRENT COUNTY HOUSING ACTIVITIES

The County, local agencies, the Housing Authority, nonprofit organizations, and Silicon Valley companies actively provide financial assistance, build and rehabilitate affordable housing, provide shelter for the homeless, and coordinate special needs housing and resources through the following programs.

FIRST TIME HOMEBUYER PROGRAMS

County Mortgage Credit Certificate Program: Offers qualifying low-to-moderate income first-time homebuyers annual federal income tax credits equal to 15 percent of interest paid on the first mortgage. More than 10,000 Mortgage Credit Certificates (MCCs) have been issued since 1988.

Extra Credit Teacher Home Purchase Program (ECTHPP): New in 2000, this is a State sponsored program under which the County issues MCCs in the unincorporated areas and the cities of San Jose and Gilroy. ECTHPP offers Mortgage Credit Certificates at a 20 percent tax credit rate and silent second loans of \$7,500 to \$40,000 to credentialed teachers, principals, and assistant principals who agree to serve for five years at "low-performing schools" (those rated in the lowest 30 percent on the State's Academic Performance Index).

Community Assisted Shared Appreciation (CASA) Program: Started in 2000, this is a joint initiative of the County, Northbay Ecumenical Homes, Cal Fed Bank, and the City of Sunnyvale to provide silent second loans up to \$80,000 to median-income first time homebuyers in Sunnyvale and the unincorporated county.

Housing Trust of Santa Clara County: The County has contributed \$2,250,000 to the \$17.5 million raised to date toward the initial capitalization goal of \$20 million. After allowing for a 10 percent contingency, the remaining \$18 million is to be divided equally into three categories: first time homebuyer assistance, affordable multifamily development, and transitional and emergency shelter development. The first single-family loan programs will begin this Spring.

SPECIAL NEEDS HOUSING

Community Development Block Grant Program: Annual federal grants support a variety of housing and community development activities. Cities with less than 50,000 population are included in "the Urban County" (coordinated by County HCD); larger cities receive their own entitlement. The Urban County includes Campbell, Cupertino, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill, Saratoga, and the unincorporated areas of the county. CDBG funds for FY 00 were \$2,591,000.

HOME Program: This is a federal grant to provide incentives for the production of affordable housing. It is distributed by the County HCD to non-profit development corporations for revitalization projects and rehabilitation of existing multi-unit structures for low-income households. HOME funds must be matched with state or local revenue. The grant for FY 00 was \$936,000.

Emergency Shelter Grants Program (ESG): Federal funds available for renovation and rehabilitation, maintenance and operations, essential support services, and homeless prevention activities at homeless shelters. County ESG funds in FY 00 totaled \$92,000.

Cold Weather Shelter Program: Allows for the operation and maintenance of the armories in Gilroy and Sunnyvale as emergency shelters, as well as increased winter beds at the Emergency Housing Consortium's Regional Reception Center in San Jose. The County contributed \$340,000 from the General Fund to this program for this fiscal year.

Shelter Plus Care Program: Federal rental assistance for homeless individuals who have long-term disabilities resulting from mental illness, alcohol and drug abuse, or an HIV positive medical condition, and who are receiving other supportive services to help them maintain stability and transition to permanent housing. This is a collaborative effort between the County, the Housing Authority, and community groups serving the homeless. Each grant is valid for five years of rental assistance and is matched by the County in the form of support services. Award amount history: 1992 (renewed in 1998), \$1,545,860 for 25 units; 1993 (renewal applied for), \$1,540,800 for 32 units; 1995, \$1,390,740 for 30 units; 1996, \$1,846,200 for 50 units; 1998, \$1,905,660 for 25 units.

Family Self-sufficiency (FSS): Helps families become self-sufficient by providing Section 8 rental certificates or vouchers that are conditioned on maintaining employment or attending school or job training. The Housing Authority implements this program, working with a volunteer support group of employment and education agencies. A case manager is funded by City of San Jose Community Development Block Grant funds. The County does not contribute to this program.

Family Unification Program (FUP): Helps families in the Child Welfare System to become self-sufficient by providing time-limited rent vouchers. Families must participate in programs and services offered by one of the four Family Resource Centers in Santa Clara County. This rental subsidy program is funded by HUD and administered by the Housing Authority. The County does not contribute funds to this program, but the Social Services Agency provides referral and case management services.

Welfare to Work: This Section 8 voucher program provides housing subsidies to assist families moving from welfare to work. The Housing Authority receives financial support from the County Social Services Agency to fund housing search staff. Of the current allocation of 1,066 vouchers, 885 families have successfully located housing in the past year, and the remaining number will be housed by June 1, 2001. These 1,066 vouchers are permanently set aside to assist this population.

Rental/Mortgage Assistance Program (R/MAP): This is a homelessness prevention program. The Emergency Assistance Network (EAN), a consortium of non-profit and city-sponsored housing assistance organizations, provides funds to low income families or individuals for temporary rental or mortgage payments, rental security deposits, and utility hookups. Funded by foundations, cities, and from the County Housing Bond Trust Fund through the County Homeless Coordinator. Of this year's budget of \$760,000, the Housing Bond Trust Fund contributed \$105,000. Since 1992, the Housing Bond Trust Fund has contributed \$675,000 to R/MAP.

APPENDIX E

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8/28/01

MEMO TO: Santa Clara County Board of Supervisors

FROM: Santa Clara County Housing Task Force

RE: Attached Status Report

DATE: August 21, 2001

Approved Accepted Adopted Denied Presented

BY THE BOARD OF SUPERVISORS
OFFICE

By Makaha O. Layton

Date: AUG 28 2001

Hon. Supervisors:

Attached please find a Status Report from the Santa Clara County Housing Task Force. As you know, the Task Force was appointed by Board Chair James T. Beall earlier this year. The charge of the Task Force was to identify and study problems, challenges and barriers associated with housing production and affordability in Santa Clara County, and then to identify potential solutions. These solutions were to be forwarded to the Board of Supervisors in the form of recommended action items and objectives.

This report covers the work done to date, which is very nearly complete. This report contains eight sections. Each section has its own cover page, and is headed by its own explanation, or executive summary. (The only exception is Section IV, which contains Final Reports from each of its four work groups). Associated back-up documents are then attached to each section.

The Task Force wishes to thank and acknowledge the Board of Supervisors for its vision and encouragement about this project. Many long hours of thought, ideas and discussion went into the development of this report. We look forward to further discussion with you about this most urgent matter.

Respectfully submitted,

The Santa Clara County Housing Task Force

ORIGINAL

AUG 28 2001