



**FINAL
HOUSING AND
COMMUNITY DEVELOPMENT
STRATEGIC PLAN
FY 2010 – FY 2014**

CITY OF SAN LEANDRO

**ALAMEDA COUNTY
HOME CONSORTIUM**

April 19, 2010

Executive Summary

FY 2010-2014 Five-Year Strategic Plan

Background - Consolidated Plan Process

The City of San Leandro annually receives two (2) federal Department of Housing and Urban Development (HUD) grants. For FY 2010-11, the allocation for the Community Development Block Grant (CDBG) is \$785,872 while allocation for the Housing Investment Partnership Program (HOME) is \$329,247.

Funds from the CDBG grant must be used to meet one of three national objectives: 1) benefit low- and moderate-income persons, 2) aid in the prevention of slum and blight, or 3) meet an urgent need. HOME funds, on the other hand, must be used specifically for housing opportunities for low- and moderate-income persons. HOME funds can be used to acquire, rehabilitate, finance, and construct affordable rental or ownership housing, provide tenant-based rental assistance, or provide operating expenses of community housing development organizations.

The grant planning application process is known as the Consolidated Plan, and it includes a Five-Year Strategic Plan and an annual update called the Action Plan. The Consolidated Plan process requires grantees to provide a single submission document for several grant fund proposals, including CDBG and HOME funds. The City is a CDBG entitlement community and, therefore, receives CDBG funds directly from HUD. In contrast, the City participates in the Alameda County HOME Consortium, which is made up of cities in Alameda County, excluding Berkeley and Oakland, to apply for HOME funds. The County serves as the lead agency for the Consortium and is responsible for submittal of the Consolidated Plan documents to HUD on behalf of the entire Consortium. Accordingly, the City serves as the lead agency for CDBG funds while the County serves as the lead agency for HOME funds.

Citizen Participation

Federal regulations provide guidelines for the City to develop a citizen participation plan that governs the process for receiving public input during the Consolidated Plan process. The goal of the City's Citizen Participation Plan, which was amended in July 2004, is to encourage all citizens to participate in the planning and implementation of all CDBG- and HOME-funded programs.

Public participation in determining needs and priorities was incorporated into the Consolidated Plan process in a variety of ways. To assess housing and community development needs, staff met with the Human Services Commission, whose members are City residents, on December 15, 2009. Furthermore, the City conducted two (2) community meetings in geographically dispersed locations to enable more citizens to attend the meetings. They were held on January 20th and 28th of 2010 (see Exhibit A for a summary of the priority needs and general comments from the community meetings) and were advertised through many outlets including the City website, City facilities like the City Hall, public libraries, and community center, and a local ad and consecutive weekly press releases in the City's local newspaper *San Leandro Times*. In addition, public service providers and other organizations on the CDBG mailing list, the City's homeowners associations, and other interested parties and individuals were notified of the community meetings via both email notices and mailings.

Notice of the availability of the Draft Consolidated Plan for a 30-day public comment period was published in the *The Daily Review* newspaper on February 27, 2010. The City Council held a public hearing on March 15, 2010 to receive initial public input on the draft Consolidated Plan and draft Annual Action Plan and to begin the 30-day comment period from March 20th through April 19th, 2010. Both drafts are available for public review and comment at the City Hall, the Main Library, and on the City website during the 30-day period. The public notice for the April 19th public hearing was published in a locally circulated newspaper *Daily Review* on April 5, 2010. City staff, in addition, met with the Business & Housing Development Committee to discuss the priorities and objectives of the Draft FY 2010-2014 Five-Year Consolidated Plan and the proposed projects of the FY 2010-2011 Annual Action Plan. The Council held a public hearing on the final versions of both Plans on April 19th, 2010 City Council Meeting. Public comments received during the 30-day period are outlined on page 31. Under Alameda County HOME Consortium requirements, the City's Annual Action Plan will be published along with the County's and other Consortium member cities' plans as one document and submitted to HUD by the County.

Five-Year Strategic Plan Priorities

The Strategic Plan is divided into four (4) Priority Needs: Affordable Housing, Homelessness, Supportive Housing and Community Development Needs, which include Economic Development, Public Services, and Public Facilities/Improvements. The following section provides a brief overview of these needs and activities proposed in the Five-Year Strategic Plan.

Affordable Housing Needs

Affordable rental and ownership housing are in short supply in Alameda County. HUD has defined "affordable" housing as housing which requires no more than thirty percent (30%) of a household's gross monthly income, including the cost of rent or mortgage payments, homeowner's fees, and utilities. Beyond thirty percent (30%), HUD considers a household to be "cost burdened". The 2000 Census indicates that approximately 26% of San Leandro homeowners and 36% of San Leandro renters were cost burdened by paying more than thirty percent (30%) of their income on housing. Therefore, renters were more heavily impacted than homeowners with their housing costs. However the 2006-2008 American Community Survey 3-Year Estimates reveals that more than 54% of San Leandro homeowners paid more than 30 percent of their income on housing, while an estimated 49% of San Leandro renters paid were also considered cost burdened. In contrast to the 2000 U.S. Census data, housing costs now appear to more heavily impact more homeowners than renters. In the current economic downturn, the continued loss of household income due to rising unemployment coupled with increasing living costs presumably have resulted in the increased rate of overpayment for both renters and homeowners.

In the Five-Year Plan, the City proposes to take several actions to address the need for affordable housing in the City. The City will continue allocating CDBG funds primarily to fund fair housing services. Additionally, HOME funds will be applied to potential affordable rental or ownership housing projects, including new construction or acquisition and rehabilitation. HOME funds may also be used to provide tenant-based rental assistance for low- and moderate-income households. Redevelopment Housing Set-Aside funds, moreover, will be the primary funding source for affordable housing during the next five (5) years and will be used to 1) preserve affordable housing, primarily through the City's Single-Family Housing Rehabilitation Program, 2) create new

affordable housing (e.g. financing of future affordable rental or ownership housing projects), and 3) assist low- and moderate-income first-time homebuyers through the City's First Time Homebuyer Program. The City's Inclusionary Zoning Ordinance that was approved in December 2004 will also assist in the production of new affordable rental and ownership opportunities primarily through private developers.

Homelessness Needs

Homelessness remains one of the most difficult problems facing in Alameda County. Homelessness typically occurs due to the lack of affordable housing and/or due to insufficient income as the result of loss of employment or family illness. Mental disabilities, domestic violence, and alcohol or drug addiction are also contributing factors.

San Leandro has traditionally used the CDBG Program to support a number of homeless-serving activities, and the Strategic Plan proposes continued support for these activities over the next five years. Proposed activities include operational funding for programs specifically the San Leandro Shelter, which is an emergency shelter operated by Building Futures with Women & Children that provide support services for homeless women and children, and the Davis Street Family Resource Center, which is a community social service agency. Also, the City proposes to use CDBG funds for landlord/tenant counseling services and local funds for the City's Rental Assistance Program to assist those who are at risk of losing their residence. Finally, the City proposes to continue funding its pro rata share of EveryOne Home administration costs to implement the EveryOne Home Plan, a comprehensive blueprint to end homelessness in the County.

Supportive Housing Needs

In addition to the homeless, there are a variety of other sub-populations in Alameda County, such as persons with physical or mental disabilities and seniors who need affordable housing integrated with available support services. The City intends to primarily use available HOME and Redevelopment Housing Set-Aside funds for any future transitional or permanent supportive housing projects that will serve San Leandro residents with special needs.

Community Development Needs – Economic Development

Because the City funds its economic development activities mainly with tax increment revenue from its three (3) Redevelopment areas, the City has been limiting its use of CDBG funds for economic development. If funding is available, the City may potentially still seek to allocate its CDBG funds to provide loans to eligible small businesses for property upgrades in the next five (5) years. CDBG funds may also be a resource in the future if the need arises to develop and implement a neighborhood strategy or plan that includes commercial revitalization.

Community Development Needs – Public Service Support

The City supports a wide variety of non-profit agencies which provide needed social services in the community. In the Five-Year Plan, the City proposes to continue providing program operational grants to non-profit social services providers serving San Leandro residents. During the next five (5) years, the types of services considered priorities for CDBG funds are likely to include social and health services for low-income women, children, and families in crisis, seniors, persons with

disabilities, shelter programs, fair housing, and tenant/landlord counseling.

Community Development Needs – Public Facilities and Improvements

The City has historically utilized CDBG funds for capital improvement projects initiated by the City. CDBG funds have been used for building and infrastructure improvements in eligible areas, accessibility upgrade to parks and sidewalk ramps, and facility improvements for non-profit agencies serving the community. The City plans to continue using available CDBG funds to fund accessibility improvements to public facilities, installing wheelchair curb ramps throughout the City, and assisting non-profit social service agencies serving San Leandrans with necessary facility improvements.

Summary

Table 1 below summarizes the priorities, proposed activities, and objectives established in the FY 2010-2014 Housing and Community Development Strategic Plan. The housing related priorities have been developed jointly by the Alameda County HOME Consortium, while the community development priorities are established by each jurisdiction and specifically address San Leandro's needs.

TABLE 1
PROPOSED PRIORITIES, OBJECTIVES, & OUTCOMES FOR HUD CONSOLIDATED PLAN FY 2010-2014

AFFORDABLE HOUSING NEEDS:	FY 2010-2014 Proposed Activities (Targeted Outcomes)
Increase the availability of affordable rental housing for extremely low- (30%), very low- (50%), low-income (80%) households	<ul style="list-style-type: none"> • New Construction of Affordable Housing (75 units) • Inclusionary Zoning Ordinance (25 units) • Acquisition and Rehabilitation of Affordable Housing (10 units)
Preserve existing affordable rental and ownership housing for households at or below (80%) Area Median Income (AMI)	<ul style="list-style-type: none"> • Single-Family Housing Rehabilitation Loan Program (25 units) • Single-Family Minor Home Repair Grant Program (75 units) • Mobile Home Grant Program (25 units) • Apartment Rehabilitation Program (10 units) • Support Maintenance of Section 8 Vouchers (1,331 vouchers)
Assist low- and moderate- income first-time homebuyers	<ul style="list-style-type: none"> • First-Time Homebuyer Workshops (10 seminars and 150 attendees) • First-Time Homebuyer Program (15 new homeowners) • Inclusionary Zoning Ordinance (15 ownership units) • Mortgage Credit Certificate Program (25 certificates)
Reduce housing discrimination	<ul style="list-style-type: none"> • Fair Housing Services (125 investigations benefiting 250 persons)
HOMELESSNESS NEEDS:	
Maintain, improve and expand (as needed) the capacity of housing, shelter, and services for homeless individuals and families including integrated healthcare, employment services, and other services	<ul style="list-style-type: none"> • Building Futures with Women and Children (1,250 persons) • Davis Street Family Resource Center (40,000 persons)
Maintain and expand activities designed to prevent those currently housed from becoming homeless	<ul style="list-style-type: none"> • Tenant/Landlord Counseling (1,000 persons) • Rental Assistance Program (35 households)
Build on inter-jurisdictional cooperation to achieve housing and homeless needs	<ul style="list-style-type: none"> • Support EveryOne Home Program (provide partial funding for EveryOne Home administration)
SUPPORTIVE HOUSING NEEDS:	
Increase the availability of service-enriched housing for persons with special needs	<ul style="list-style-type: none"> • Transitional or Permanent Supportive Housing Production (10 units)
COMMUNITY DEVELOPMENT NEEDS:	
Economic Development	<ul style="list-style-type: none"> • Provide Small Business Loans (5 loans) • Adoption of Neighborhood Strategy/Plan (adopt 1 Strategy/Plan)
Public Services	<ul style="list-style-type: none"> • Services for Low-Income Families, Children, Women in Crises, Seniors and Persons with Disabilities (45,000 persons) <p><i>Note: Fair housing services, Davis Street Resource Center, San Leandro Shelter for Women and Children/Building Futures with Women and Children and tenant/landlord counseling described under “Affordable Housing Needs” and “Homelessness Needs” above are funded under the “Public Services” category.</i></p>
Public Facilities and Improvements	<ul style="list-style-type: none"> • Wheel Chair Ramps/Curb Cuts Accessibility (100 ramps) • Public Facility improvements (2 facilities) • Nonprofit facility improvements (2 facilities) • Nonprofit facility acquisition (1 facility)

PART I. PRIORITY AFFORDABLE HOUSING NEEDS

Priority: Increase the availability of affordable rental housing for extremely low- (30%), very low- (50%), low-income (80%) households

Priority Analysis and Obstacles to Meeting Underserved Needs

The City of San Leandro is a participating jurisdiction in the Alameda County HOME Consortium. The following analysis of the availability of affordable rental housing for extremely low-, very low- and low-income households and obstacles to meeting this need was prepared in part by the Consortium. As a Consortium member, the City of San Leandro subscribes to this priority and has proposed activities that meet the objective of providing affordable rental housing for extremely low, very low-, low-income households.

The Consortium's economy has grown and declined in the last five (5) years. However, the ultimate consequences have been the increased loss of jobs, increased number of home foreclosures, and declining home prices while the costs of living in the area continued to increase. Thus, affordable housing continues to be in short supply throughout Alameda County HOME Consortium. The increasing need and demand already far exceeds the existing supply of affordable housing, and high cost of housing for moderate and lower income households further reduce the number of affordable housing units.

The 2000 Census information indicates that there are over 132,000 low-income renters [households earning less than 80% area median income (AMI)] in Alameda County of which 6,363 (or 5%) are in San Leandro. The need for affordable housing is especially acute among extremely low-income renters (households earning less than 30% of area median income) in San Leandro as about seventy-seven percent (77%) of them are considered cost burdened. In particular, seventy-eight percent (78%) of extremely low-income renters in the City with large families face cost burdens. Renters are more burdened as their incomes have generally not kept pace with the area's high rents that are continually increasing. As of June 2009, according to RealFacts, the average rent in Alameda County is \$1,432 which is a \$3.5% increase since June 2007.

The Alameda County Subsidized Housing Inventory (2007) includes 23,655 rental housing units with long-term affordability and income level restrictions. Between 2001 and 2007, there was a net gain (30%) of 5,674 affordable, restricted rental units in Alameda County for very low-income individuals and families. San Leandro added 270 subsidized rental units. Despite this inventory, though, there are over 83,573 low-income renter households in the County and over 4,000 renters in the City who pay more than 30% of their income for rent, according to Census 2000. In addition, the majority of the available supply of units in both the County and City are smaller units, more suitable for singles, elderly and smaller households than for larger families. Of the 23,655 total designated subsidized rental units in the County, 1,603 are Single-Room Occupancy (SRO) units; 9,141 units are designated for senior housing; and only 9,050 units are designated for family housing. 1,879 units are identified as accessible to people with disabilities (these units often overlap with other types of housing), and classifications are unknown for 1,982 units. Furthermore, with a sizeable portion of these subsidized units in the County facing conversion to market-rate rents in the near future, very low-income families have an increasing risk of becoming homeless, are doubling up in overcrowded conditions, and/or are paying high percentages of their incomes for housing. The

lengthy waiting lists for the subsidized rental housing properties in the County and in the City also exacerbate the lack of affordable housing.

As of February 2010, the Alameda County Housing Authority (HACA) reports that there are a total of 7,135 Section 8 certificates and vouchers currently in use in the County of which 1,331 (or 18%) are in the City of San Leandro. Currently, there are over a thousand applicants on HACA's Section 8 and Public Housing Waiting Lists, both of which are currently closed and were last opened in December 2001. HACA notes that such excessive waiting periods are not unusual.

Objectives

Increase the number of affordable rental units for extremely low-, very low-, and low-income households through the construction of new housing units, the acquisition and rehabilitation of multifamily properties, and the City's Inclusionary Zoning Ordinance. To meet this objective, the City will leverage funding from HOME, CDBG, Redevelopment Housing Set-Aside, federal and state Low Income Housing Tax Credits, tax-exempt bonds, and any other available public or private resources.

Accomplishments

New Construction of Affordable Housing on Opportunity Sites

- Continue to work with private and non-profit developers to create affordable rental housing on opportunity sites. HOME, CDBG, Redevelopment Housing Set-Aside, Low Income Housing Tax Credits, and other federal and state and private funding will be used. The City proposes to build seventy-five (75) new affordable rental units in the next five (5) years.

Inclusionary Zoning Ordinance

- Requires that developers of new rental and ownership housing City-wide must make at least fifteen percent (15%) of the units affordable to very low-, low-, and moderate-income households. Prior to the adoption of the Inclusionary Zoning (IZ) Ordinance, the City required developers to set-aside fifteen percent (15%) of their new housing units as affordable in the three (3) Redevelopment Project Areas only. Furthermore, the City's Density Bonus Ordinance allows developers an increase in overall unit density if they choose to exceed the 15% minimum affordable housing set-aside requirements. Over the next five (5) years, the City anticipates creating twenty-five (25) affordable rental units through inclusionary zoning.

Acquisition and Rehabilitation Program

- Continue to work with private and non-profit developers to create affordable rental housing on existing building sites that are not currently used as affordable housing. HOME, CDBG, Redevelopment Housing Set-Aside, CDBG, Low Income Housing Tax Credits, and other federal and state and private funding will be used. An estimated ten (10) acquired and rehabilitated affordable rental units will be produced over the next five (5) years.

Geographic Distribution

All programs listed above are available to eligible households throughout the City of San Leandro.

Priority: Preserve existing affordable rental and ownership housing for households at or below 80% of Area Median Income (AMI)

Priority Analysis and Obstacles to Meeting Underserved Needs

The following analysis of the availability of affordable rental and ownership housing for low-income households and obstacles to meeting this need was prepared in part by the Consortium. As a Consortium member, the City of San Leandro subscribes to this priority and has proposed activities that meet the objective of providing affordable rental and ownership housing for low-income households.

The Alameda County HOME Consortium Housing Market Analysis describes the condition of the Consortium's housing stock, including the existence of substandard rental and ownership housing. According to the Census 2000, a sizeable percentage of the rental housing stock (36% in the County and 34% in San Leandro) and a small percentage of ownership housing (1% in the County and 2% in San Leandro) were defined as housing with substandard housing problems.

The incidence of lead paint hazards, which pose dangers for young children living in these dwellings, is another housing problem that is prevalent in the County's older housing stock. As documented in the Consortium's Housing Needs Assessment, the 2000 Census data reflects that of the 234,998 housing units in the HOME Consortium, sixty-eight (68%) of the housing units were built before 1980. Specifically for San Leandro, which has the oldest housing stock among the other Consortium jurisdictions, 26,636 (or 84%) of its 31,831 housing units are pre-1980 housing units. This older inventory may have lead-based paint which may have subsequently been covered by latex or oil-based paint.

Much of the HOME Consortium's older housing units are in need of rehabilitation due to their age. The median age of the Consortium jurisdictions' housing stock varies across entitlement jurisdictions from 1957 for San Leandro (oldest) to 1981 for the City of Pleasanton (newest). However, many low-income homeowners cannot afford the substantial costs involved in rehabilitating their homes. In Alameda County's Owner Rehabilitation Program, the average cost of major rehabilitation projects is \$35,000 - \$45,000 per unit as the cost of building materials and labor continue to steadily increase each year. In particular, low-income elderly owners are unable to afford to rehabilitate their homes. Per the 2000 Census, out of the 62,172 elderly homeowner households in the HOME Consortium area, approximately fifty percent (50%) are low-income and thirty-two percent (32%) are considered very low to extremely low income. In San Leandro approximately fifty-seven percent (57%) are low-income and thirty-eight percent (38%) are considered very low to extremely low income out of the 5,721 elderly homeowner households.

The Housing Needs Assessment also shows that low-income households in the HOME Consortium are not only highly likely to pay more for housing than they can afford ("cost burdened", as previously discussed), but they also encounter other housing-related problems. These housing-related problems include overcrowding of units, substandard plumbing and electrical, and inadequate

kitchen, baths, and/or electricity. The low number of affordable housing units and high housing rents are even more problematic. The affordability problems facing low-income renters in the Consortium were summarized under the previous Priority and more fully discussed in the Housing Needs Assessment Section.

Additionally, the expiration of affordability restrictions on affordable housing properties has diminished the number of affordable housing units in the Alameda County HOME Consortium. For instance, according to the California Housing Partnership Corporation (CHPC), as of January 2010, 410 project-based Section 8 units in five (5) properties located within the Consortium jurisdictions may face conversion to market-rate rents in the next five (5) years. Since 2000 the City of San Leandro has lost fifty-two (52) affordable rental housing units due to expired affordability restrictions in five (5) properties. The private owners of these Below Market Rate (BMR) properties chose not to extend the affordability period on their properties.

While the City does not have affordable housing properties that are “at-risk” of conversion in the next five (5) years, the City recognizes the importance of preserving the affordability of potential “opt-out” units so that they do not convert to market-rate housing; thus preserving the current supply of below market rental housing. As affordability restrictions expire, an increasing number of lower-income tenants are burdened with steep rent increases or are even displaced outright which result in the increased risk of homelessness or overcrowding conditions. Therefore, the City will continue to be proactive in preserving the affordability of these below market rate units.

Objectives

Maintain programs to preserve and improve existing affordable rental and ownership housing for low- and moderate-income households. Leverage available funding from HOME, CDBG, Redevelopment Housing Set-Aside, Low Income Housing Tax Credits, and any other available public or private funding sources to meet this objective.

Accomplishments

Single Family Housing Rehabilitation Program

- This program provides low interest (3%) loans up to a maximum of \$35,000 to rehabilitate low-income owner-occupied units (includes 1 to 4 unit owner-occupied buildings), correct deficiencies, and preserve the ownership housing stock. The program is funded with Redevelopment Housing Set-Aside funds. Approximately twenty-five (25) low income housing units will be assisted over the next five (5) years.

Minor Home Repair Program

- The City’s Minor Home Repair Program provides grants ranging from \$1,000 to \$5,000 for minor home repairs including exterior paint, exterior yard clean-up, accessibility improvements, seismic retrofit, and security locks. Grants through Redevelopment Housing Set-Aside funds are available to very low- and low-income homeowners. Approximately seventy-five (75) low income housing units will be assisted over the next five (5) years.

Mobile Home Grant Program

- The Mobile Home Grant Program provides grants from Redevelopment Housing Set-Aside funding for rehabilitation or seismic retrofitting of owner-occupied mobile home units. The maximum grant is \$5,000. The program will assist approximately twenty-five (25) mobile home units occupied by very low income owners over the next five (5) years.

Apartment Rehabilitation Program

- The Apartment Rehabilitation Program preserves affordable rental units using Redevelopment Housing Set-Aside funds. The Redevelopment Agency of San Leandro may provide on a case-by-case basis low-interest loans to property owners to rehabilitate their rental properties, and in return the owners maintain a percentage of their rental units as affordable units for fifty-five (55) years. It is estimated that approximately ten (10) rental units will be created over the next five (5) years.

Support Maintenance of Existing Section 8 Assistance Certificates and Vouchers

- Continue to support the Housing Authority of Alameda County (HACA) maintain its existing level of Section 8 housing vouchers in San Leandro (1,331 as of February 10). The program provides assistance to very low-income tenants through rent subsidies which are paid directly to the landlords.

Geographic Distribution

All programs listed are available to eligible households throughout the City of San Leandro.

Priority: Assist low- and moderate-income first time homebuyers

Priority Analysis and Obstacles to Meeting Underserved Needs

The Alameda County HOME Consortium prepared in part the following analysis of first time homebuyer needs and obstacles. As a Consortium member, the City of San Leandro subscribes to this priority and has proposed activities that meet the objective of assisting low- and moderate-income first time homebuyers.

The Alameda County HOME Consortium Housing Needs Analysis documents that thirty-eight percent (38%) of all owner households in the Consortium spend over 30% of their incomes on housing costs, according to the 2000 Census. While the median home prices within the Consortium area has decreased nineteen percent (19%) from \$505,038 in 2004 to \$410,146 in 2009, the gap between median incomes and median home prices still remain sizable because Bay Area household incomes still have not kept pace with housing costs despite the eight percent (8%) increase in the median household income from \$82,200 in 2004 to \$89,300 in 2009. Consequently, with households currently needing an income of at least \$82,590 to afford the median-priced home only sixteen percent (16%) of low income Alameda County residents can afford to become homeowners, according to the California Association of Realtors

Even moderate-income households may have difficulties becoming homeowners because of the high cost of ownership housing in the County. Initial down payment and closing costs, as well as high on-going mortgage and other costs, are significant barriers to homeownership. Homebuyers with no equity windfall from the sale of a previous home, meanwhile, are not able to accumulate enough money for a down payment on a house. Furthermore, tighter underwriting standards and lack of available financing have become increasingly problematic for potential homebuyers in today's housing market.

Objectives

Assist low- and moderate-income first-time homebuyers through the City's First Time Homebuyer Program (which includes free homebuyer seminars and a low interest second loan program), the City's Inclusionary Zoning Ordinance, and referrals of eligible homebuyers to the Alameda County's Mortgage Credit Certificate (MCC) Program.

Accomplishments

First Time Homebuyer Information Seminars

- The City sponsors free homebuyer information seminars to interested first time homebuyers. The homebuyer seminars guide new homebuyers through the home buying process making them more informed homebuyers, and thus more successful homeowners. The program is funded with Redevelopment Housing Set-Aside funds. Over the next five (5) years, two (2) seminars will be held annually with an expectation that thirty (30) households will attend annually. This will result in at least ten (10) seminars and 150 households attending for the 2010-2014 Consolidated Plan period.

First Time Home Buyers Program

- The City's First Time Home Buyers Program provides low interest second loans up to \$20,000 to qualified low- and moderate-income homebuyers. This program is funded with Redevelopment Housing Set-Aside funds. The program will assist approximately fifteen (15) low- and moderate-first time homebuyers in the next five (5) years.

Inclusionary Zoning Ordinance

- The Inclusionary Zoning Ordinance, which the City adopted in December 2004, requires that developers of new rental and ownership housing City-wide make at least fifteen percent (15%) of the units affordable to low- and moderate-income households. Projects with less than six (6) ownership units may instead opt to pay an in lieu fee. Over the next five (5) years, the City anticipates creating fifteen (15) affordable ownership units through inclusionary zoning.

Mortgage Credit Certificate (MCC) Program

- The City of San Leandro will annually contribute Redevelopment Housing Set-Aside funds toward the administrative costs of the Mortgage Credit Certificate (MCC) Program. Coordinated by the Alameda County Housing & Community Development Department, the MCC program allows low- and moderate-income homebuyers to deduct 15% of their annual mortgage interest

payments on their federal income tax returns. The deduction effectively lowers the dollar amount of their monthly mortgage payments. Approximately twenty-five (25) certificates are expected to be issued to low- and moderate-income homebuyers in San Leandro during the next five (5) years.

Geographic Distribution

All programs listed are available to eligible households throughout the City of San Leandro.

Priority: Reduce housing discrimination
--

Priority Analysis and Obstacles to Meeting Underserved Needs

The following analysis of housing discrimination and obstacles to meeting this need was prepared in part by the HOME Consortium. As a Consortium member, the City of San Leandro subscribes to this priority and has proposed activities that meet the objective of reducing housing discrimination.

The Alameda County HOME Consortium Housing Market Analysis shows that Alameda County is racially and ethnically diverse. According to the Census 2000, about half of the County's population is a racial/ethnic minority. With such diversity, fair housing is a notable concern in the County.

Fair housing and tenant/landlord services are provided to reduce housing discrimination. These services include housing counseling to tenants and landlords on their legal rights and responsibilities, investigating complaints of housing discrimination, dispute mediation and resolution, and training for realtors and property owners on fair housing laws.

Despite increased knowledge of fair housing law and long-term community efforts, discrimination continues to exist. Discrimination has also become much more subtle. In tight housing markets, investigating complaints is harder due to the rapid speed in which vacancies are filled and the hesitancy of tenants to complain due to fear of losing their housing. It also gives the landlords the ability to pick/choose among prospective tenants, which may lead to increased illegal discrimination.

Objectives

Reduce housing discrimination by continuing to support programs and services that investigate discrimination complaints, counsel tenants and landlords on their legal rights and responsibilities, and educate multi-family housing owners and managers about fair housing. Regularly update the City's Fair Housing Analysis to Impediments through audits, reviews, and activities aimed at the goal of reducing discrimination. Implement the strategies of the City's Fair Housing Action Plan (see Exhibit C) to affirmatively further fair housing.

Accomplishments

Fair Housing/Complaint Investigation Services

- Contract with Eden Council for Hope & Opportunity (ECHO Housing), a qualified and experienced fair housing agency experienced in fair housing law, housing complaint investigation, and other related services, to address housing discrimination in the City. ECHO

Housing services will be funded with CDBG funds and include information and outreach to owners, renters, and buyers on their rights and obligations, and support services available in the community. It is anticipated that the City will respond to approximately 125 inquiries or complaints over the next five (5) year period and benefit 250 low-income persons in San Leandro.

Geographic Distribution

All programs listed are available throughout the City of San Leandro.

PART II. PRIORITY HOMELESS NEEDS

Priority: Maintain, improve and expand (as needed) the capacity of housing, shelter and services for homeless individuals and families including integrated healthcare, employment services and other services

Priority Analysis and Obstacles to Meeting Underserved Needs

The Alameda County HOME Consortium prepared, in part, the following analysis of the housing, shelter, and transitional and permanent supportive housing needs and obstacles. As a Consortium member, the City of San Leandro subscribes to this priority and has proposed activities that meet the objective of maintaining, improving, and expanding the current capacity of the emergency and transitional housing and shelter system while integrating them with needed social services.

In January 2009 the community-based organization EveryOne Home conducted Alameda County's bi-annual, point in time Homeless Count. The Homeless Count 2009 findings estimate that there are currently 4,341 literally homeless people (those staying in shelters, transitional housing, the streets, or other places not meant for human habitation) and 1,026 chronically homeless people (those unaccompanied, disabled adults who have been homeless 12 months or more or four times within the last three years) in the County. While the numbers decreased by 10% and 18% respectively since 2007, the count also reveals a 168% increase (from 1,134 to 3,042) in the hidden homeless (those living temporarily with friends or relatives, or in a motel, or are within 7 days of eviction).

According to the EveryOne Home *Alameda Countywide Homeless Count and Survey*, the 4,341 literally homeless people comprised of 3,347 homeless adults and 994 children who utilize homeless services in Alameda County. The Homeless survey estimates that 55% of the homeless are men, and 45% were women. Of the homeless population, seventy-one percent (71%) were between the ages of 26 and 60, while fifteen percent (15%) were seniors 61 years and older. The number of homeless seniors may be underrepresented as many may not seek assistance due to physical vulnerability or anonymity. Furthermore, sixty-eight percent (68%) of the population reported having a disability, and thirty-eight percent (38%) reported alcohol or drug abuse, and twenty-four percent (24%) reported suffering from severe mental illness. Domestic violence, moreover, is a major cause of homelessness as one (1) in seven (7), or 14%, left their place because of family violence with no income or income from marginal sources. Veterans, lastly, make up approximately fifteen percent (15%) of the homeless populations.

Objectives

Continue to support, enhance, and expand (as needed) emergency and transitional housing facilities, programs, and supportive services (e.g. healthcare, employment assistance) for homeless individuals and families. Activities will be funded using CDBG, HOME, Redevelopment Housing Set-Aside funds, and any other available public financing resources.

Accomplishments

San Leandro Shelter for Women and Children

- Continue to contribute CDBG funds toward the operation of this emergency shelter in San Leandro that also provides food and supportive services for homeless women and children, many of whom are victims of domestic abuse. The shelter, owned and operated by the non-profit Building Futures with Women & Children, will provide assistance to 1,250 low-income women and children over the next five (5) year period.

Davis Street Family Resource Center

- Continue to provide operational funds through CDBG funds to the Davis Street Family Resource Center, which provides childcare, information and referral, emergency food, clothing, medical and dental care, job training activities and job placement assistance, and other services to families and individuals in need. Located in San Leandro, the Davis Street Family Resource Center will assist approximately 40,000 persons over the next five (5) years.

Geographic Distribution

All programs listed are available to residents of the City of San Leandro.

Priority: Maintain and expand activities designed to prevent those currently housed from becoming homeless

Priority Analysis and Obstacles to Meeting Underserved Needs

The following analysis of the homeless prevention needs and obstacles was prepared in part by the Alameda County HOME Consortium. As a Consortium member, the City of San Leandro subscribes to this priority and has proposed activities that meet the objective of increasing activities designed to prevent those currently housed from becoming homeless.

Federal, State, and local housing programs frequently require that low-income households should pay no more than thirty percent (30%) of their gross income towards housing costs. According to “Out of Reach 2009: Persistent Problems, Challenges for Renters”, an April 2009 publication from the National Low Income Housing Coalition (NLHC), to afford the \$1,295 Fair Market Rent (FMR) for a two-bedroom unit in Alameda County requires an hourly wage of \$24.90 at 40 hours per week, 52 weeks per year. While the estimated average hourly wage of \$19.58 for a renter in Alameda County is higher than the California minimum wage of \$8 per hour, it still translates to Alameda County low-income households having less disposable income for other necessities such as food, transportation, health care, and even education. The California Employment Department estimates that seven (7) out of ten (10) occupations have mean wages below the County’s housing wage for two-bedroom housing. Many low-income families live paycheck to paycheck and are only one paycheck away from losing their current housing.

Even when housing is available and a household can afford the rent payment, there are still barriers that make it difficult for the household to obtain and maintain the housing. The move-in costs of

first and last month's rent and security deposit are a large barrier to low-income households who have difficulty making ends meet at the end of the month. The high housing costs diminish the supply of affordable housing. Also, the desirability to live in the Consortium area results in very low vacancy rates for the area. Furthermore, any crisis such as job loss especially in the midst of increasing rate of unemployment due the current economic downturn, health emergency, and alcohol or drug (AOD) problems can cause the household to begin the spiral into homelessness.

Rental assistance programs are part of the County's efforts to keep individuals and families in housing. Most of these rental subsidies are directed specifically at populations with disabilities who tend to be more at risk than other populations of losing their housing. HCD is funded directly by HUD for Project Independence, a Housing Opportunities for Persons with AIDS (HOPWA) Special Project of National Significance which provides shallow rental assistance and accessibility modifications to people living with HIV/AIDS throughout Alameda County.

Prevention activities need to be expanded in programs that provide short-term rental assistance, rental guarantees, move-in costs, and long term rental assistance such as Section 8 to homeless and very low income people. It is usually less expensive and far less disruptive to the family to prevent an individual from becoming homeless than to help them once they are homeless.

Most of the programs providing rental subsidies also provide support services that deal with issues, such as addiction, depression, health problems and unstable employment, which can also lead to the loss of housing.

Objectives

Continue to support public service agencies that assist individuals and households who are at risk of becoming homeless.

Accomplishments

Tenant/Landlord Counseling

- Use CDBG funds to contract with Eden Council for Hope and Opportunity (ECHO Housing), a qualified service provider for tenant/landlord counseling services. ECHO Housing provides outreach to San Leandro tenants and rental property owners and managers on their legal rights and responsibilities, mediation services, and information and referral on housing law issues in order to prevent unlawful evictions or illegal tenant actions. It is estimated that the City will be able to provide counseling for 1,000 persons over the next five (5) years.

Rental Assistance Program (RAP)

- Use City funds, such as CDBG, to contract with Eden Council for Hope and Opportunity (ECHO Housing) for its Rental Assistance Program (RAP). The program assists residents with move-in costs or delinquent rent due to a temporary financial setback. RAP assists by arranging a guaranteed repayment contract between the tenant and the landlord. Approximately thirty-five (35) households will be assisted over the next five (5) years.

Geographic Distribution

All programs listed are available to residents of the City of San Leandro.

Priority: Build on inter-jurisdictional cooperation to achieve housing and homeless needs

Priority Analysis and Obstacles to Meeting Underserved Needs

In its efforts to continue the inter-jurisdictional cooperation and coordination of services to the homeless in Alameda County dating back since 1987, a unique collaboration among community stakeholders, cities, including San Leandro, and Alameda County government agencies developed the Alameda County-wide Continuum of Care Council in 2004. Already representing three (3) separate care systems – homeless services, HIV/AIDS services, and mental health services – that share overlapping client populations, the Council collaborated after recognizing that stable housing is a critical cornerstone to the health and well-being of homeless and at-risk people and the community. The Council transferred its responsibilities to EveryOne Home in 2008 when EveryOne Home became the community-based organization entrusted to spearhead the implementation of the EveryOne Home Plan (formerly known as the Alameda County Homeless and Special Needs Plan). The EveryOne Home Plan is a comprehensive blueprint to end homelessness, including chronic homelessness by the year 2020, and address the housing needs of extremely low income persons living with serious mental illness and/or HIV/AIDS.

As of June 30, 2009, the EveryOne Home Plan has been adopted by Alameda County, the City of San Leandro, and twelve (12) other cities. In addition, fifty-four (54) community-based organizations have also endorsed the Plan and are participating in implementing strategies along with the cities and county government.

With Alameda County's Housing and Community Development Department as the lead agency, EveryOne Home continues the implementation of the Homeless Management Information System (HMIS) county-wide. The HMIS system allows better tracking and shared information on individuals while they are in the housing system by preventing duplication of services to clients and by allowing the client to get the assistance they need depending on where they stand in the continuum. Twenty-four (24) homeless-dedicated housing support services provider agencies are already using the HMIS software. Meanwhile, the Research and Evaluation Committee of EveryOne Home continues to work on aligning data collection on housing status across several County data systems, including HMIS, Behavioral Health Care, and the Office of AIDS Administration, to accurately measure housing placement and housing retention for the Plan's target populations.

The Homeless Prevention & Rapid Re-Housing (HPRP) funds made available through the American Recovery & Reinvestment Act (ARRA) of 2009 will allow EveryOne Home partners to implement a county-wide homelessness prevention and rapid re-housing program for the first time. Eleven (11) jurisdictions have received a total of \$12.2 million dollars that will be used to create a regional Housing Resource Centers where individuals and families with a housing crisis can receive financial assistance that will enable them to keep their housing or rapidly regain housing if they are already

homeless. Centers based in Fremont, San Leandro, Livermore, Oakland, and Berkeley are already open and have been servicing people since October 2009.

Objectives

To build on existing inter-jurisdictional cooperation to achieve housing and provide homeless needs throughout Alameda County.

Accomplishments

EveryOne Home Support

- Provide the City's share of funding (via sources including CDBG) to the Alameda County EveryOne Home administration costs that support the development of funding resources for homeless providers on behalf of San Leandro and other cities in the County participating in the EveryOne Home collaborative.

Geographic Distribution

The EveryOne Home system will provide assistance to all residents of San Leandro and other participating jurisdictions.

PART III . PRIORITY SUPPORTIVE HOUSING NEEDS

Priority: Increase the availability of service-enriched housing for persons with special needs

Priority Analysis and Obstacles to Meeting Underserved Needs

Low income persons and families with special needs, including the elderly, frail elderly, persons with disabilities, persons with HIV/AIDS, persons with alcohol or other drug problems, and victims of domestic violence generally need and benefit from housing with support services. Within the HOME Consortium, there is a critical need to increase the amount of housing with supportive services to meet a variety of special needs. Supportive housing can increase life expectancy and quality of life for persons with special needs. For many, it can be the key to preventing or permanently ending homelessness.

Each special need population requires different levels of service and support. Persons with acute disabilities, such as end-stage AIDS or severe mental illness may require a high level of service available on site. Less vulnerable populations may need fewer services at their residence, but may require access services in the broader community. Services often associated with supportive housing include case management, alcohol and drug counseling, health and mental health care, money management, and childcare.

The California Department of Rehabilitation estimates that 3% of the total populations have disabilities which affect their housing requirements to a significant degree, forcing the disabled to live near medical facilities, live in specially designed homes, or live in congregate housing. Many have difficulty obtaining housing when vacancy rates are low and housing is unaffordable. The scarcity of affordable and adapted housing for individuals with physical disabilities continues to be a challenge. Moreover, education of landlords and disabled tenants regarding reasonable accommodations is sporadic. The landlords' misunderstanding of the needs of the disabled tenants often leads to eviction proceedings rendering the disabled person homeless and with a poor tenant history making future rental opportunities more difficult.

Although services for people with identified special needs are the most critical, more limited service-enriching housing can be beneficial to lower-income populations which do not have special needs. Each of us has a range of service needs, such as childcare, health care, advice about financial matters, and educational opportunities. People with adequate resources are able to purchase these services in the community. Those who lack these resources benefit from affordable housing with services which can help stabilize individuals and families and also serve as a community base through which services can be provided.

Objectives

Continue to support organizations and agencies that provide service-enriched housing for persons with special needs.

Accomplishments

Transitional or Permanent Supportive Housing Production

- Provide funding assistance for transitional or permanent supportive housing that serve San Leandro residents with special needs. CDBG, HOME, Redevelopment Housing Set-Aside, federal and state Low Income Housing Tax Credits, HUD Section 202 or 818 funds, or any other available public or private funding can be used to assist any feasible and viable projects. The City shall support projects based on need and funding availability. The City hopes to assist in the production of ten (10) new affordable units of special needs housing in the next five (5) years.

Geographic Distribution

All programs listed will be available to eligible households throughout the City of San Leandro.

PART IV. PRIORITY COMMUNITY DEVELOPMENT (Non – Housing) NEEDS

Priority: Community Development Need – Economic Development

In recent years the City has been using Redevelopment Set-Aside funds, instead of CDBG funds, for economic development activities that help meet the needs of the businesses and neighborhoods in the City's three (3) Redevelopment Project Area. While the City intends to continue relying mainly on Redevelopment funds for business revitalization over the next five (5) years, it may consider using CDBG funds, depending on availability and need, for related activities such as loans to eligible small businesses and neighborhood commercial development planning.

Obstacles

Potential decreases in future CDBG funding or Redevelopment funds would be an obstacle to the City's ability to fund any eligible economic development projects.

Short and Long Term Objectives

CDBG and Redevelopment funds will be leveraged with private and other public funding sources to enhance economic revitalization opportunities in the City over the next five (5) years.

Accomplishments

The City anticipates funding the following types of projects CDBG funds, based on need and funding availability:

- Provide five (5) small business loans to new or existing firms or companies over the next five (5) years to assist them in providing economic growth or opportunities in the City
- Adopt a Neighborhood Strategy/Plan for an economically distressed or historically underutilized area of the City

Geographic Distribution

Economic development funding through the CDBG Program will be made available to eligible business and for distressed, low income neighborhoods in the City.

Priority: Community Development Need – Public Services

The City of San Leandro supports a wide variety of non-profit agencies which provide essential needed services in the community. The City allocates approximately 15% of its annual CDBG funds to support public services in accordance with CDBG regulations. CDBG funds have historically been combined with General Fund monies from the City's Community Assistance Grant Program (CAP) to provide grants to non-profit public service agencies serving the San Leandro community.

However, because the City is facing a debilitating budget deficit, the City anticipates that it will be unable to allocate local General Funds to the CAP Program, and as a result, the CAP Program is anticipated to be funded solely with CDBG funds.

Applications for the Community Assistance Grant Program (CAP) and CDBG-funded public services are reviewed by the City's Human Resources Commission for need and benefit to the community.

Obstacles

Decreases in CDBG funding and City General Funds would inhibit the City's ability to fund eligible public service projects.

Short and Long Term Objectives

The City anticipates continued support of public services through City funds, such as CDBG, over the next five (5) years.

Accomplishments

The City anticipates providing City funds, such as CDBG, to qualified non-profit agencies, City programs, and other eligible service organizations during the next five (5) years. The types of assistance receiving funding include:

- Services for low income families, children, women in crises, seniors, and persons with disabilities. The City proposes to assist 45,000 persons in the next five (5) years.

Note: The City has also proposed accomplishments for other public services that were previously described under the Affordable Housing and Homelessness Needs: fair housing services, San Leandro Shelter for Women and Children, Davis Street Family Resource Center, tenant/landlord counseling, and the Rental Assistance Program.

Geographic Distribution

The majority of agencies funded are located in San Leandro and services are based on need and/or eligibility. Agencies located in adjacent cities may also receive funding provided that they meet a significant regional need and serve San Leandro residents.

Priority: Community Development Need – Public Facilities and Improvements

The City of San Leandro has utilized CDBG funds for capital improvement projects initiated by the City and by local non-profit agencies. Over the past five (5) years, CDBG funds have been used for the development of a new senior center, for the construction of ADA compliant ramps and sidewalks throughout the City, and facility improvements to non-profit agencies, such as the San Leandro Shelter operated by Building Futures with Women and Children, Family Service Counseling & Community Resource Center, San Leandro Boys & Girls Club, and Bay Area Community Services,

serving the San Leandro community.

The City plans to future CDBG funds for other City and non-profit capital improvement projects. The continued construction of ADA compliant ramps and sidewalks will remain a priority for the City. Decreases in CDBG funding would serve as a major obstacle to the City's ability to fund any of its eligible public facility improvement projects over the next five (5) years.

Obstacles

The Section 108 Loan repayments to HUD substantially reduce the funds that the City can use for capital improvement projects in the near term. Decreases in CDBG funding would further inhibit the City's ability to fund eligible capital improvement projects.

Short and Long Term Objectives

During the following five-year period, the City will use CDBG funds to repay the "pre-award reimbursement" account and Section 108 account. The City will use remaining CDBG funds to assist City and local non-profit public service agency capital improvement projects. Funding for the public service agencies will be determined on a need and case-by-case basis through the annual allocation process.

Accomplishments

During the next five (5) years, the types of activities funded are likely to include the following:

- Install one hundred (100) accessible wheelchair ramps/curb cuts
- Complete ADA improvements to two (2) public facilities
- Assist two (2) non-profit social service agencies with facility improvements
- Assist one (1) non-profit social services agency with facility acquisition

PART V. OTHER ACTIONS

BARRIERS TO AFFORDABLE HOUSING

The provision of affordable housing is impacted by the following factors.

Funding

The City of San Leandro will use its available CDBG funds towards eligible affordable housing and community development programs and projects over the next five (5) year period. Furthermore, the City will also seek to maximize use of its available HOME and Redevelopment Housing Set-Aside funds towards affordable housing activities over the next five (5) years as well.

Land Costs

New construction and acquisition/rehabilitation of housing will be impacted by the high cost of land in the Bay Area. The viability and feasibility of future City assisted affordable housing developments may depend on the reasonableness of the land acquisition costs. The City will conduct financial feasibility analyses on a project by project basis to ensure it is not over-subsidizing affordable housing developers for any land purchase. Also, the City will continue to work with owners of existing rental units to provide financing in exchange for affordability covenants.

In addition, the high cost of buying a home in the Bay Area has made it difficult for first time homebuyers, particularly lower income households, to become homeowners. Through funding for affordable ownership housing developments, the City's First Time Homebuyer Program, and referrals to the variety of existing public down payment or financial assistance programs, the City will seek to help low- and moderate- income new homebuyers.

Construction Costs

In addition to high land costs, the high cost of construction can also negatively affect the development of affordable housing construction and rehabilitation. In addition to undertaking financial feasibility analyses on a project by project basis to ensure that the City is not over-subsidizing development costs for affordable housing developers, the City will continue to work with them as well through design, planning, and financing review and recommendations to reduce increased construction costs.

Local Policies/Regulations

The Inclusionary Zoning Ordinance that the City implemented in December 2004 requires developers to set aside fifteen percent (15%) of their new ownership or rental housing units for low- and moderate-income households. This requirement has successfully produced twenty-two (22) affordable ownership housing units from numerous housing development projects. The City has also assisted in finding income-eligible homebuyers for the existing inclusionary units that were sold; thus ensuring that these housing units perpetually remained affordable. In the next five (5) years, the City is hopefully that its Inclusionary Zoning Ordinance will continue to generate new ownership or rental housing units for low- and moderate-income households.

The City, moreover, will continue to assess its existing development regulations and standards to ensure that they are not barriers to housing developments. Its updated Housing Element covering the period of 2007 through 2014 identifies policies and ordinances, such as zoning regulations, parking standards, permitting procedures, development fees, and environmental constraints, as

housing constraints that increase the cost and/or feasibility of new housing development. Once the Housing Element is adopted, the City will take specific steps in order to strive to eliminate these housing constraints.

Neighborhood Opposition

According to the Alameda County HOME Consortium's *Analysis of Impediments to Fair Housing* (January 2010), Alameda County HOME Consortium jurisdictions encounter neighborhood opposition to specific affordable housing developments. Community acceptance problems occur and are seen most often when proposals are made for affordable multi-family housing particularly for lower income families with children or people with HIV/AIDS, mental illness, and/or homeless histories. Such opposition and sentiment stalls the implementation and ultimately impede the provision of affordable housing to needy families and individuals. In response to citizens' concerns, the City and its affordable housing developers seek neighborhood support and consultation early in the development process by coordinating neighborhood meetings, information sessions on housing needs in the community, and/or field trips to exemplary affordable housing developments.

LEAD-BASED PAINT HAZARD REDUCTION

The new Environmental Protection Agency (EPA) rule effective April 22, 2010 requires that contractors be EPA-lead certified prior to beginning work on structures built before 1978. The City, specifically its Building & Safety Services Division, now requires contractors, who are working on homes built prior to 1978, to demonstrate that they have satisfied the EPA law prior to providing them the City building permits needed.

The City's Single Family Rehabilitation Program, which includes low interest loans and minor home repair grants for eligible low-income homeowners, is funded solely with Redevelopment Housing Set-Aside funds. Despite no longer using federal CDBG dollars, the Residential Rehabilitation Program includes lead-based paint awareness and information literature in each application packet. Testing is always performed on homes when there are children ages seven years old and under living in them. The City utilizes lead abatement contractors in addition to general contractors when appropriate to perform the necessary repairs. Similarly, the program now requires EPA certificates from its general contractors certifying their training with regard to lead-based paint.

Should the City use federal funds, such as HOME funds, for acquisition and rehabilitation of apartments for preservation or maintenance of affordable housing, it will inform tenants of lead-based paint and comply with both the new EPA law on lead and renovation as well as with applicable HUD lead-based paint hazard reduction guidelines and regulations.

ANTI-POVERTY STRATEGY

The City of San Leandro is committed to funding social services agencies that assist low-income households achieve economic independence. The City's Community Assistance Grant Program (CAP), which is funded with CDBG funds, will continue to support non-profit agencies that provide job assistance and related services to low-income members of the community.

The City's Office of Business Development actively seeks new commercial office and retail developments that may result in new employment opportunities for residents. The CDBG staff will continue to work closely with the City's Office of Business Development staff to develop

eligible projects and programs and promote increased economic development and community job creation and retention.

INSTITUTIONAL STRUCTURE

Public agencies and for-profit and non-profit private organizations all play a part in the provision of affordable housing, social services, capital improvements, and economic development. The City's Housing Services Division has the primary responsibility for implementation and monitoring of the Consolidated Plan and Housing Element, which all guide the City's present and future housing plans. The Division works closely with the Redevelopment Agency in the implementation of housing projects and programs.

The Alameda County Housing and Community Development (HCD) Department is the lead agency in the implementation of the HOME Consortium's Consolidated Plan. HCD also administers the HOME Program for the HOME Consortium members, the HUD homeless programs, and the Mortgage Credit Certificate (MCC) Program for homeownership. The City and other cities in the County take part in each of the HCD activities described above.

The City will continue to fund EveryOne Home's operations, and City staff will continue to serve on its strategic Leadership Board. As already described, the City is committed to implementing the strategies of the EveryOne Home Plan and its objectives of ending homelessness in Alameda County by 2020.

The City will continue to coordinate with the cities of Alameda and Hayward, Alameda County HCD, and service partners Building Futures with Women & Children (BFWC), Abode Services, and Davis Street Family Resource Center (DSFRC) to administer the Mid-County Housing Resource Center (HRC). Funded by Homeless Prevention & Rapid Re-Housing (HPRP) funds made available through the 2009 American Recovery & Reinvestment Act (ARRA) federal stimulus program, the HRC provides a variety of homelessness prevention and re-housing services which include financial assistance and other housing stabilization services to help mid-county residents maintain or attain housing.

PUBLIC HOUSING RESIDENT INITIATIVES

There is no public housing in the City of San Leandro.

PART VI. COORDINATION EFFORTS

The City of San Leandro will continue to coordinate available CDBG, HOME, Redevelopment, General Funds, and other public or private resources to provide housing programs, public service assistance, capital improvements, and economic development activities for eligible residents and neighborhoods during the next five (5) years.

Housing

Housing-related activities will be coordinated between various City divisions, including the Redevelopment Agency, the Planning Division, and the Housing Services Division which administers the CDBG program. The City will also coordinate with Alameda County, County HOME Consortium member cities, non-profit agencies, and private developers to address housing needs.

The City will also work with the County to administer HOME funds for affordable housing rehabilitation or new construction projects as well as tenant-based rental assistance. The City will continue to contract for housing services such as fair housing and tenant/landlord counseling. The Redevelopment Agency and Housing Services Division staff will continue to work closely with local nonprofit agencies, the County, and other HOME Consortium members to identify permanent affordable, emergency and transitional housing needs (along with necessary supportive services) for the homeless and/or persons with special needs.

Public Services and Public Facilities

The City will continue to use CDBG funds to support public services agencies serving San Leandro residents. Efforts will continue to include the Human Resources Commission and nonprofit agency directors/members to further improve and evaluate the needs assessment and funding process. The City will also continue allocating CDBG funds for City and non-profit capital improvement projects as well. Non-profit facility improvements will be coordinated within the Planning, Building & Safety Services, Engineering and Transportation Departments, and the City Council.

Economic Development

Commercial revitalization efforts will continue through the City's Office of Business Development (OBD). OBD staff shall work with Housing Services Division staff, local business organizations (such as the Chamber of Commerce and Downtown Business Association), and various other economic development organizations to better address and determine the City's future economic and job needs.

EXHIBITS

Exhibit A

Summary of Five Year Strategic Plan Public Meetings (January 20th and 28th, 2010)

**FY 2010-2014 Five Year Strategic Plan
Summary of Public Comments**

Community meetings to receive public input prior to the City’s preparation of the draft Five-Year HUD Consolidated Plan were conducted on January 20th (at the Main Library) and January 28th (at the Marina Community Center).

Participants at the meetings were asked to evaluate the City’s housing and community development objectives under the four (4) housing and community development priority need categories (Housing, Homelessness, Supportive Housing, and Non-Housing Community Development) by completing a “Priority Needs” handout that allowed them to rank the appropriate needs and objectives. Priority Needs surveys were also distributed via email and regular mail to the City’s CDBG distribution list which includes the African American, Asian, and Latino Business Councils, community-based organizations (CBOs), and Below Market Rate (BMR) property managers; via handouts available at the City Hall, Main Library, and Marina Community Center; and via downloadable document on the City’s website to allow those who could not attend the public meetings the opportunity to voice their opinions and concerns regarding the housing and community development needs of the City. In all, City staff received a total of twenty (20) survey responses.

The table below illustrates the tabulated summary of priority needs and objectives from the two (2) community meetings as well as from the general responses received after the community meetings had been held. The surveys instructed participants to assign “High”, “Medium”, and “Low” rankings to priority objectives. City staff then assigned the following numerical values – “3” for “High”, “2” for “Medium”, and “1” for “Low” – in order to calculate a weight average for each of the priority objectives.

Regarding the Housing Needs Priority, participants expressed that increasing and preserving the existing affordable rental housing units is a high priority for the extremely low-, very low-, and low-income households. On the other hand, participants conveyed that ownership housing should be prioritized for the low- and moderate-income households. Participants also generally agreed that reducing housing discrimination is a high priority.

Regarding the Homeless Needs Priority, participants emphasized that priority should be placed on expanding the capacity of housing that include integrated employment services for homeless individuals and families.

Regarding the Supportive Housing Needs Priority, participants perceived that supportive housing for persons with special needs is currently not a high priority for the City.

Lastly, regarding the Non-Housing Community Development Needs, participants ranked public facilities improvements, specifically economic development and other (non-profit facility improvements) as high priority for the City.

In addition, many comments were brought up during discussions at each meeting regarding housing and community developments. Participants that filled out the Priority Needs Surveys also included their comments on the surveys. Below is a list of the notable ones:

- Assist rental landlords in maintain their property through an “Apartment Rehabilitation Program”. A program such as this will ensure that the rental properties in the City are well maintained.
- Expand the availability of family housing by increasing the number of single-family homes available for renters. Family housing will help alleviate the problem of overcrowding and provide families with greater options.
- Assist “newcomers” with buying a house in the City by providing data/information about housing, bank mortgage, loan information, and other programs such as the First-Time Homebuyer Program.
- Demand for very low- and extremely-low income supportive housing far exceeds the supply. Currently, the waiting lists are too long.
- The potholes on the streets need to be remedied in order to avoid accidents. Public maintenance and upkeep should be a high priority.
- Partner with Habitat for Humanity to fix up empty houses in the City.
- Need a safe community with upscale shopping and dining.

Public comments received during 30-day public comment period (March 20th through April 19th):

- Davis Street Family Resource Center (DSFRC) expressed its concerns for the low income, working poor families with children, dependents, and seniors by advocating for the increase in affordable housing for moderate-, low-, and extremely low-income families, the increase in housing for large and multi-generational families, and the increase in the number of child care facilities.
- At the public hearing at the April 19th City Council meeting, two (2) volunteers from Davis Street Family Resource Center (DSFRC) testified on the continually increasing number of families coming into DSFRC seeking assistance and requested that the funding recommendations be passed. Meanwhile, the Executive Directors for public service agencies Building Futures with Women & Children and ECHO Housing expressed the incredible challenge they face as their funding amounts have been reduced as the result of the City’s inability to allocate General Funds to the Community Assistance Grant Program (CAP). They requested that General Funds be reallocated back in to the CAP program next year.

		January 20th	January 28th	General	Averages	
		(3 responses)	(4 responses)	(13 responses)		
Priority: Housing Needs						
Increase Availability of Affordable Rental Housing	ExLo	2.3	3.0	2.4	2.6	
	Vlo	2.7	3.0	2.3	2.7	
	Low	3.0	3.0	1.6	2.5	
	Mod	2.7	2.0	1.5	2.1	
Preserve Existing Affordable Rental Housing	ExLo	2.7	3.0	2.4	2.7	
	Vlo	3.0	3.0	2.5	2.8	
	Low	3.0	3.0	2.3	2.8	
	Mod	2.7	2.0	1.6	2.1	
Preserve Existing ownership	ExLo	2.7	2.0	2.4	2.4	
	Vlo	2.7	2.0	2.6	2.4	
	Low	3.0	2.0	2.8	2.6	
	Mod	3.0	2.0	2.6	2.5	
Assist First Time Homebuyers	ExLo	2.7	1.0	1.4	1.7	
	Vlo	2.7	2.5	1.5	2.2	
	Low	3.0	3.0	2.1	2.7	
	Mod	3.0	3.0	1.8	2.6	
					TOTAL	Wtd Total/no.
Reduce Housing Discrimination	High	3	2	6	11.0	33
	Medium			1	1.0	2
	Low			2	2.0	2
					14.0	2.6
Priority: Homeless Needs						
Maintain, improve, and expand the capacity of						
Housing	High	3	1	3	7.0	21
	Medium			4	4.0	8
	Low			2	2.0	2
					13.0	2.4
Shelter	High	3	1	6	10.0	18
	Med			2	2.0	2
	Low			1	1.0	0
					13.0	1.5
Services	High	3	1	6	10.0	18
	Medium			3	3.0	6
	Low			2	2.0	0
					15.0	1.6
Include integrated healthcare services	High	3	2	4	9.0	21
	Medium			4	4.0	8
	Low			2	2.0	0
					15.0	1.9
Include integrated employment services	High	3	2	7	12.0	30
	Medium			2	2.0	6
	Low			2	2.0	0
					16.0	2.8
Include integrated others services	High	3	2	2	7.0	15
	Medium			4	4.0	8
	Low			4	4.0	2
					15.0	1.7
Prevent currently housed from becoming homeless	High	3	2	8	13.0	33
	Medium				0.0	0
	Low			3	3.0	1
					16.0	2.1
Build cooperation to achieve housing & homeless needs	High	3	2	8	13.0	33
	Medium			1	1.0	2
	Low			3	3.0	1
					17.0	2.1

		January 20th	January 28th	General	Averages	
		(3 responses)	(4 responses)	(13 responses)		
Priority: Supportive Housing Needs						
Increase the availability of service-enriched housing for persons with special needs	High	2	1	9	12.0	21
	Medium	1		3	4.0	6
	Low				0.0	0
					16.0	1.7
Priority: Community Development (Non-Housing) Needs						
Public Facilities Improvements						
Senior facilities & Services	High	2	2	7	11.0	24
	Medium	1		4	5.0	8
	Low			2	2.0	2
					18.0	1.9
Parks & recreation facilities	High	3	1	5	9.0	18
	Medium		1	5	6.0	10
	Low			2	2.0	2
					17.0	1.8
Neighborhood facilities	High	2	1	3	6.0	12
	Medium	1	1	5	7.0	10
	Low			2	2.0	2
					15.0	1.6
Childcare facilities & services	High	3	2	5	10.0	24
	Medium			3	3.0	4
	Low			2	2.0	1
					15.0	1.9
Crime Awareness (prev)	High	3	2	5	10.0	18
	Medium		1	5	6.0	14
	Low		1	1	2.0	1
					18.0	1.8
Accessibility needs	High	2	3	4	9.0	18
	Medium	1		5	6.0	8
	Low			1	1.0	1
					16.0	1.7
Infrastructure improvements	High	1	1	6	8.0	15
	Medium	2		4	6.0	6
	Low			2	2.0	4
					16.0	1.6
Public Services	High	0	0	3	3.0	3
	Medium			4	4.0	8
	Low			1	1.0	1
					8.0	1.5
Economic Development	High	0	0	6	6.0	12
	Medium			2	2.0	4
	Low				0.0	0
					8.0	2.0
Other	High	0	0	1	1.0	6
	Medium			3	3.0	6
	Low			1	1.0	1
					5.0	2.6

Note: After staff has calculated the weighted average for each priority objectives, staff established the following priority rankings. Priority objectives with a weighted average of 2 or greater are considered “High” priority. A weighted average between 1 and 2 is “Medium” priority. “Low” priority has a weighted average lower than 1.

Exhibit B

Priority Needs Tables

**Table 1A
Homeless and Special Needs Populations**

Continuum of Care: Housing Gap Analysis Chart

		Current Inventory	Under Development	Unmet Need/ Gap
Individuals				
Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter			
	Transitional Housing			
	Permanent Supportive Housing			
	Total			
Persons in Families With Children				
Beds	Emergency Shelter			
	Transitional Housing			
	Permanent Supportive Housing			
	Total			

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
Example:	75 (A)	125 (A)	105 (N)	305
1. Homeless Individuals				
2. Homeless Families with Children				
2a. Persons in Homeless Families with Children				
Total (lines 1 + 2a)				
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	<u>Total</u>
1. Chronically Homeless				
2. Seriously Mentally Ill				
3. Chronic Substance Abuse				
4. Veterans				
5. Persons with HIV/AIDS				
6. Victims of Domestic Violence				
7. Youth				

Table 1B: Special Needs (Non-Homeless) Populations

SPECIAL NEEDS SUBPOPULATIONS	Priority Need Level High, Medium, Low, No Such Need	Unmet Need	Dollars to Address Unmet Need	Goals
Elderly				
Frail Elderly				
Severe Mental Illness				
Developmentally Disabled				
Physically Disabled				
Persons w/ Alcohol/Other Drug Addictions				
Persons w/HIV/AIDS				
Other				
TOTAL				

Information outlined in Alameda County HOME Consortium FY 2010-2014 Consolidated Plan

Table 2A: Housing Needs

PRIORITY HOUSING NEEDS (households)		Priority Need Level High, Medium, Low		Unmet Need	Goals
Renter	Small Related	0-30%			
		31-50%			
		51-80%			
	Large Related	0-30%			
		31-50%			
		51-80%			
	Elderly	0-30%			
		31-50%			
		51-80%			
	All Other	0-30%			
		31-50%			
		51-80%			
Owner	0-30%				
	31-50%				
	51-80%				
Special Needs		0-80%			
Total Goals					
Total 215 Goals					
Total 215 Renter Goals					
Total 215 Owner Goals					

Table 2B: Community Needs

PRIORITY COMMUNITY DEVELOPMENT NEEDS	Priority Need Level High, Medium, Low, No Such Need	Dollars to Address Unmet Priority Need	Cumulative Goals
PUBLIC FACILITY NEEDS (projects)			
Senior Centers			
Handicapped Centers			
Homeless Facilities			
Youth Centers			
Child Care Centers			
Health Facilities			
Neighborhood Facilities			
Parks and/or Recreation Facilities			
Parking Facilities			
Non-Residential Historic Preservation			
Other Public Facility Needs:			
Social Service Non-profit Facility Improvements	H	\$250,000	2
Non-Profit Facility Acquisition	H	\$500,000	1
INFRASTRUCTURE (projects)			
Water/Sewer Improvements			
Street Improvements			
Sidewalks:			
ADA Curb Cuts	H	\$500,000	100
Solid Waste Disposal Improvements			
Flood Drain Improvements			
Other Infrastructure Needs:			
Public Facility ADA Improvements	H	\$500,000	2

<p align="center">PRIORITY COMMUNITY DEVELOPMENT NEEDS</p>	<p align="center">Priority Need Level High, Medium, Low, No Such Need</p>	<p align="center">Needs</p>	<p align="center">Cumulative Goals</p>
PUBLIC SERVICE NEEDS (people)			
Senior Services			
Handicapped Services			
Youth Services			
Child Care Services			
Transportation Services			
Substance Abuse Services			
Employment Training			
Health Services			
Lead Hazard Screening			
Crime Awareness			
Other Public Service Needs	H	\$800,000	45,000
ECONOMIC DEVELOPMENT			
ED Assistance to For Profits(businesses)			
ED Technical Assistance(businesses)			
Micro-Enterprise Assistance(businesses)			
Rehab; Publicly- or Privately-Owned Commercial/Industrial (projects) – (Loans)	M-L	\$50,000	5
C/I* Infrastructure Development (projects)			
Other C/I* Improvements(projects)			
PLANNING			
Planning:			
TOTAL ESTIMATED DOLLARS NEEDED:		\$2,600,000	

Exhibit C

**City of San Leandro Fair Housing Action Plan
(FY 2010-2014)**

**DRAFT CITY OF SAN LEANDRO
FAIR HOUSING ACTION PLAN
FY 2010-2014**

Purpose of Fair Housing Plan

The City of San Leandro (City) is committed to eliminating racial and ethnic segregation, illegal physical and other barriers to persons with disabilities and other discriminatory practices in housing.

To prohibit such discrimination, the City upholds federal and State laws such as the federal Fair Housing Act which protects certain categories of people from housing discrimination. Under federal law, a person cannot be discriminated against based on race, religion, national origin, gender, age, familial status, and/or disability. In California, State law not only protects the same classes under federal law, but also makes it illegal to discriminate based on marital status, sexual orientation, source of income, and/or any other arbitrary reason (e.g., physical appearance).

Under the National Affordable Housing Act, the Department of Housing & Urban Development (HUD) requires local government entities which are eligible to receive federal funding from housing and community development programs administered by HUD, such as Community Development Block Grant (CDBG) and Home Investment Partnership (HOME), to develop and implement an *Analysis of Impediments to Fair Housing Choice (AI)* and consequently, a “Fair Housing Action Plan (FHAP)”.

The AI is a comprehensive review of an entitlement jurisdiction’s laws, regulations and administrative policies, procedures and practices. The AI involves an assessment of how these laws, regulations, policies, and procedures affect the location, availability, and accessibility of housing, and how conditions, both private and public, affect fair housing choice. The AI outlines jurisdictional demographics, analysis of impediments to fair housing, and conclusions and recommendations to help reduce barriers to fair housing choice. The FHAP is a planning document that summarizes the impediments identified in the AI and describes the actions planned to overcome the effects of the impediments, as well as measurable results that the City intends to achieve. The FHAP integrates public input into workable strategies that affirmatively further fair housing.

In April 2009, the Alameda County HOME Consortium (Cities of Alameda, Fremont, Hayward, Livermore, Pleasanton, San Leandro, and Union City; the Alameda Urban County that includes the City of Albany, Dublin, Emeryville, Newark, and Piedmont; and the Unincorporated County) contracted with consulting firm Bay Area Economics (BAE) to update the *Analysis of Impediments to Fair Housing Choice (AI)* that was last updated for the Alameda County HOME Consortium in November 2002. The AI Update was completed in January 2010.

The City of San Leandro’s Fair Housing Action Plan identifies and outlines strategies to address the City’s impediments identified in the AI. The FHAP shall be implemented within the City’s FY 2010-2014 HUD Five-Year Consolidated Plan period, beginning July 1, 2010 through June 30, 2015.

Citizen Participation

The City prepared a Draft Fair Housing Action Plan for public review and comment for thirty (30)

days from March 20th through April 19th, 2010. The draft FHAP was available for public review at City Hall, at the Main Library, and on the City's website. No public comments were received.

Findings from the Analysis of Impediments to Fair Housing Choice

The *Analysis of Impediments to Fair Housing Choice (AI)* for the Alameda County HOME Consortium concludes that publicly imposed constraints on housing supply can subsequently lead to fair housing concerns as particular segments of the population lose access to affordable homes and/or are completely priced out of certain areas. Although the 2010 AI summarized various actions that jurisdictions in Alameda County should take to reduce impediments, the City currently implements most of these actions and will continue to do so for this FHAP period.

Like most of the jurisdictions in Alameda County, the City needs to establish zoning that treats emergency shelters, supportive and transitional housing consistent with fair housing and State law. The City currently does not comply fully with the State's SB2 law which became effective in January 1, 2008. SB2 requires all jurisdictions to identify a zoning category where emergency shelters are permitted by right without a conditional use permit or other discretionary permit and consider transitional and permanent supportive housing as residential use subject to residential use restrictions. SB2 also requires that all localities provide at least one emergency shelter site, unless the need for emergency shelters is accommodated through existing shelters or a multi-jurisdictional agreement.

Action Plan

The following Action Plan 1) addresses the impediment described above and 2) ensures that the City continues its fair housing policies, programs, and activities through other actions and strategies.

- ◆ Per the City's Housing Element, within twelve (12) months of the 2007-2014 Housing Element Update being adopted in April 2010 by the City Council, being adopted, the City's Zoning Code will be amended per SB2 to allow group residential uses (such as homeless shelters, rooming & boarding houses, supportive housing, and residential care facilities) as a matter of right on Industrial-Light (IL) zoned parcels.
- ◆ Continue to secure federal funding, particularly Community Development Block Grant (CDBG) funds, by preparing and submitting the HUD-required five-year Consolidated Plan, one-year Action Plans, and requisite annual Consolidated Annual Performance & Evaluation Reports (CAPERs). Federal entitlement grants represent a primary source of funding for local affordable and fair housing activities.
- ◆ Continue to support local fair housing activities and services. The City will continue its partnership with Eden Council for Hope & Opportunity (ECHO Housing) to conduct ongoing outreach and education regarding fair housing, which includes ECHO Housing's annual fair housing test audit. The City's ADA and/or Section 504 Coordinator will respond to fair housing concerns and complaints in a timely manner through the City's grievance procedure.

- ◆ Continue to support first-time homebuyers by supporting fair lending practices and the City's First-Time Homebuyer Program, which is administered by the Bay Area Home Buyer Agency (BAHBA).
- ◆ Continue to support affordable housing production. The City will support affordable housing developers by providing financial and technical assistance as well as by mitigating local policies and regulations, when feasible, that restrict the production of housing (i.e. increase the cost or feasibility of housing development).
- ◆ Continue to ensure that City local zoning ordinances do not restrict fair housing choice by conflicting with State and federal fair housing requirements.
- ◆ The City is currently in the process of having its Housing Element (period January 1, 2007 through June 30, 2014) be certified with the State Department of Housing and Community Development. The City will use its Housing Element to the City's address affordable and fair housing needs.
- ◆ Although there is no public housing in the City of San Leandro, the City will continue to support the Housing Authority of the County of Alameda (HACA) to ensure adequate outreach to minority, limited-English proficiency, and special needs populations regarding the availability of public housing and Section 8 vouchers.
- ◆ Continue to plan for higher residential and employment densities where appropriate to maximize access to local transit systems by continuing to collaborate with local transit agencies.