



CITY OF
PALO ALTO

DRAFT
2024-2025
Consolidated Annual Performance
and Evaluation Report
(CAPER)
COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG)

ADMINISTERED BY:
PLANNING AND DEVELOPMENT SERVICES

DRAFT SEPTEMBER 2025

CR-05 - Goals and Outcomes

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

91.520(a)

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

The Consolidated Annual Performance and Evaluation Report (CAPER) is a report that demonstrates the overall progress realized through the City's priorities and specific objectives as identified in the Fiscal Year (FY) 2024-2025 Annual Action Plan and the 2020-2025 Consolidated Plan. The CAPER highlights accomplishments that occurred between June 1, 2024, to June 30, 2025. This is the final year-end report of the 2020-2025 Consolidated Plan.

As shown in Table 1, the City of Palo Alto has accomplished immense success in FY2024-2025 (PY2024-2025, Program Year 2024-2025, PY2024) while meeting identified goals. The City has used Community Development Block Grant (CDBG) funds to support their community's residents. The City does not receive HOME Investment Partnership (HOME), Emergency Shelter Grant (ESG), or Housing Opportunities for Persons with AIDS (HOPWA) and thus these funds are not reflected in this report.

A total of \$1,107,757 in CDBG funds was available for projects and programs during the 2024-2025 Program Year (PY). The City received \$513,653 from the federal CDBG program and \$129,950 in program income and had \$464,154.61 available in unspent funds from previous years. In FY2024-2025, the City reallocated CDBG-CV funds in the sum of \$34,200.50 unspent funds from the canceled LifeMoves' COVID-19 Testing Project and \$85,278.24 unspent funds from Planning and Administration.

In PY2024, 7,320 persons and 15 microenterprise businesses were assisted through CDBG allocations.

Major accomplishments for FY2024-2025 include the following:

Planning and Administration.

- **Catholic Charities of Santa Clara County – Long Term Care Ombudsman Program** [Goal: Assist 37 individuals; Actual: 37 individuals]. The program provided advocacy and complaint investigation for elderly residents of long-term care facilities in Palo Alto, which included regular contact with Palo Alto Residential Care Facilities to observe and monitor conditions of care;
- **Alta Housing – SRO Resident Supportive Services** [Goal: Assist 131; Actual: 516 individuals]. Alta Housing engaged a service coordinator to provide 40 hours of weekly

services to provide case management and support counseling services to residents at Alma Place and Barker Hotel to help them maintain housing stability. Activities included financial counseling, health maintenance, information, and referral problem-solving, employment assistance, crisis intervention, and case management. Both Alma Place and Barker Hotel are single-room occupancy facilities;

- **LifeMoves – Case Management** [Goal: Assist 32 individuals; Actual: 47 individuals]. LifeMoves provided case management services to Opportunity Services Center and Hotel De Zink clients for locating housing and/or employment and be connecting clients to benefits;
- **Project Sentinel – Fair Housing Services** [Goal: Assist 10 individuals; Actual: 7 individuals]. Project Sentinel provided fair housing services to City residents including community education and outreach regarding fair housing law and practices, investigation, counseling, and legal referral for victims of housing discrimination;
- **Silicon Valley Independent Living Center (SVILC) – Case Management Services** [Goal: Assist 21 individuals; Actual: 24 individuals]. SVLIC provided assistance for individuals with disabilities and their families. This assistance helped these persons to transition from homelessness, health care facilities, unstable or temporary housing to permanent affordable, accessible, integrated housing involving emergency assistance, security deposits, rent, information, and referrals;
- **Rebuilding Together Peninsula – Safe at Home Program** [Goal: Assist 5 households; Actual: 2 households]. Program preserved affordable housing by transforming homes through critical repairs and accessibility modifications, at no cost to the service recipient. The majority of the low-income homeowners served were elderly seniors and/or people with disabilities, who are physically and financially unable to maintain safe living conditions for themselves and their families;
- **Public Works Department (PW) – 2023 ADA Curb Ramp Improvements** [Goal: 2,090 individuals; Actual: 6,681 individuals]. The City intends to fund a major curb ramp improvement project that will bring an estimated 70 curb ramps up to current ADA accessibility standards;
- **Abode/Community Work Group – Alma Garden Rehabilitation** [Goal: 10 individuals; Actual: 0 individuals]. Project activities include rehabilitating rental housing units in Alma Garden, an affordable multi-family housing complex for very low and low-income households, to address existing health and safety concerns. Funding would be spent on a project manager, bathroom upgrades, exterior repairs, and electrical and water utility

upgrades. Construction continues with interior work as exterior work has concluded;

- **LifeMoves – HomeKey Recreation Project** [Goal: 100 individuals; Actual: 0 individuals]. Provider will manage the design and construction of recreation area and recreation equipment within the Homekey Palo Alto shelter property. The anticipated project completion timeframe is 12 months. Environmental review reaching conclusion with construction to begin shortly thereafter.
- **WeeCare/Upwards – BOOST Program** [Goal: 15 microenterprises; Actual: 15 microenterprises]. WeeCare worked with Family Child Care Home (FCCH) providers in Palo Alto who are already on the wait list for the BOOST program. These providers received staff training-learning best practices on how to grow and sustain their organization and how to better support the families they serve. Funds requested to pay WeeCare staff salaries for training providers on how to use Child Management System (CCMS) software. CCMS was developed for providers to create work plans, goals, capacity, and revenue, empowering them to reach service and operations goals; and
- **Move Mountain View (MMV)** [Goal: 37 individuals; Actual: 6 individuals]. The program provides reserved off-street parking for participants, as well as permanent housing solutions through intensive case management. MMV operates four 24/7 RV Safe Parking lots and three Congregational Safe Parking locations. The total capacity of these lots in Palo Alto and Mountain View is 109 vehicles. A total of 159 vehicle dwellers are currently enrolled in the program. One of locations is located in Palo Alto at the Geng Road Safe Parking lot. The Geng Road Safe Parking Lot is where MMV utilizes Palo Alto's CDBG-CV funds. Funding pays for the salary of one full-time Client Counseling Case Manager and one full-time Client Case Manager Housing Specialist. MMV continues to look to fill these positions.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

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

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	*Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Affordable Housing	Affordable Housing	CDBG: \$	Rental units rehabilitated	Household Housing Unit	107	0	0.00%	0	0	-
Affordable Housing	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	40	19	47.50%	15	2	13.33%
Economic Development	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	150	28	18.67%	0	0	-
Economic Development	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	0	34	-	15	15	100.00%
Fair Housing	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	75	89	118.67%	10	7	70.00%
Homelessness	Homeless	CDBG: \$ / CDBG-CV: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	800	1,546	193.25%	304	569	187.17%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	*Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Homelessness	Homeless	CDBG: \$ / CDBG-CV: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	60	92	153.33%	0	0	-
Homelessness	Homeless	CDBG: \$ / CDBG-CV: \$	Homeless Person Overnight Shelter	Persons Assisted	100	0	0.00%	0	0	-
Homelessness	Homeless	CDBG: \$ / CDBG-CV: \$	Overnight / Emergency Shelter / Transitional Housing Beds	Beds	0	0	0	0	0	-
Strengthen Neighborhoods	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	2,190	6,681	305.07%	2,090	6,681	319.67%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	*Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Strengthen Neighborhoods	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	3,600	1,886	52.39%	59	62	105.08%

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

*IDIS (Integrated Disbursement and Information System) automatically rounds percentages to the nearest whole number: rounding up if the decimal portion is greater than 0.50 and rounding down if the decimal portion is less than 0.50. Table 1 reports on precise percentages.

Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

Throughout FY2024-25 (Program Year 2024), the subrecipients of the City’s CDBG program persistently delivered essential services to households belonging to the extremely low-, very low-, low-, and moderate-income brackets. Simultaneously, they tackled the priorities and needs of the community, as outlined in the City’s officially adopted 2020-2025 Consolidated Plan.

The City achieved numerous goals as outlined in the FY2024-2025 Annual Action Plan (AAP) through CDBG funding. A total of \$1,107,757 was available for funding projects and programs during the 2024 Program Year. The City received \$513,653 from the federal CDBG program and \$129,950 in program income and had \$464,154.61 in previous year unspent CDBG funds. At the time of this CAPER, the City has spent approximately \$793,516.08. In FY2024-2025, the City reallocated CDBG-CV funds in the sum of \$34,200.50 unspent funds from the canceled LifeMoves’ COVID-19 Testing Project and \$85,278.24 unspent funds from Planning and

Administration.

Goals established through the 2020-2025 Consolidated Plan include:

- **Affordable Housing:** Assist in the creation and preservation of affordable housing for low-income and special needs households.
- **Homelessness:** Support activities to prevent and end homelessness.
- **Community Services and Public Improvements:** Support provision of essential human services, particularly for special needs populations, and maintain/expand community facilities and infrastructure.
- **Fair Housing:** Promote fair housing choice.
- **Economic Development:** Support economic development activities that promote employment growth and help lower income people secure and maintain jobs.

Through the CDBG annual formula grant, activities such as the following were undertaken and accomplished to contribute toward meeting the 2020-2025 Consolidated Plan's goals:

- Catholic Charities, Ombudsman Program: Assisted 37 senior residents through visitation, resolved complaints, completed phone outreach at local long-term facilities.
- LifeMoves, Opportunity Services Center: Assisted 47 homeless and very low-income individuals through case management services, including housing and job searches.
- Project Sentinel: Assisted 7 low-income individuals with tenant and landlord mediation services.
- Alta Housing: Assisted 516 individuals in the Single-Room Occupancy (SRO) Residents Support Program through onsite counseling services.
- Rebuilding Together Peninsula: Assisted 2 households with home rehabilitation.
- Move Mountain View: Assisted 6 individuals with intensive case management services through the reserved off-street parking program.
- WeeCareUpwards: Assisted 15 family childcare home businesses with business improvement services.
- SVILC: assisted 24 persons through case management services.
- Alma Garden: construction underway with completion scheduled for PY2025.

- Homekey Recreation Project: environmental review to completed with construction to commence shortly there after.
- 43 ADA Curb Ramps were installed, benefiting the City of Palo Alto's 6,681 residents with disabilities.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).
91.520(a)

	CDBG
White	5,527
Black or African American	318
Asian	996
American Indian or American Native	65
Native Hawaiian or Other Pacific Islander	12
Total	6,918
Hispanic	572
Not Hispanic	6,346

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

Narrative

During FY2024-2025, the City was successful in collecting demographic data for 7,335 persons who were served with CDBG funds. Table 2 above outlines the racial and ethnic populations served by CDBG funds in FY2024-2025 (PY 2024) for a variety of races, although this HUD IDIS formatted reporting table does not track persons identifying as multi-racial. Not reflected in Table 2 above is an additional 417 identified as multi-racial individuals. Further, 584 of the total individuals assisted identified as Hispanic.

A portion of services provided included:

- Alta Housing SRO Resident Support Services Program: Case management and support counseling services provided to 516 residents of Barker Hotel and Alma Place.
- Catholic Charities of Santa Clara County Long Term Care Ombudsman Program: Advocacy and compliant investigation provided to 37 elderly residents of long-term care facilities in the City.
- LifeMoves at Opportunity Services Center and Hotel De Zink: Case management services provided to 47 homeless and/or very low-income individuals, including assistance with housing/job searches, referrals, and mentoring.
- Silicon Valley Independent Living Center: Case management services provided to 24 very low-income residents with disabilities and their families, including group workshops, one-on-one service training, and access to independent living services, including emergency food assistance, security deposits/rent (as funding allows), information and referral to ensure the long-term sustainability of affordable and accessible housing.

- Project Sentinel Fair Housing Services: Fair housing services, including complaint counseling, investigation, and (where appropriate) enforcement referral was provided to 7 LMI individuals.
- WeeCare/Upwards Family Childcare Home Microenterprises: 15 microenterprise daycare businesses in the City of Palo Alto received assistance. WeeCare/Upwards' BOOST Program supports low-income family-child care home providers in Palo Alto.
- Rebuilding Together Peninsula, Safe at Home: 2 LMI households including seniors and/or persons with disabilities received home improvement assistance for critical home repairs.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	1,107,757	793,516.08

Table 3 - Resources Made Available

Narrative

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Citywide	100%	100%	Community Services and Public Improvements, Economic Development, Housing Rehabilitation, Sidewalk Improvements

Table 4 – Identify the geographic distribution and location of investments

Narrative

The City's approach to housing assistance encompasses all forms of housing support, aligning with the principles outlined in the City's Comprehensive Plan. CDBG-funded public service and housing activities are not confined to specific target areas. The City strives to offer affordable housing options and community services to individuals with lower incomes across the entire municipality.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City of Palo Alto does not receive HOME, ESG, or any other federal grants that require matching requirements. However, the City is consistently maximizing their use of available resources while simultaneously looking out for additional funding opportunities. In addition, the City actively encourages nonprofit organizations to pursue various avenues of funding, including state, local, and federal resources, to support housing and community development activities.

The following funds were leveraged during FY2024-2025.

Human Services Resources Allocation Process (HSRAP): In FY2024-2025, the City allocated General Funds to HSRAP to address primary human service needs in Palo Alto. These funds support human service initiatives, guided by the Human Relations Commission's priority needs and administered by the Office of Human Services.

Local Housing Trust Fund (LHTF): In FY2022-2023, the City of Palo Alto received \$3.4 million from HCD to use alongside local matching funds toward the production of rental housing units at varying affordability levels. 70 percent of these funds target housing units for residents with incomes at or below 60 percent of the area median income (AMI), while 30 percent are for residents with incomes at or below 30 percent AMI.

Permanent Local Housing Allocation (PLHA): As a PHLA entitlement jurisdiction, Palo Alto received an annual PHLA allocation from HCD. The City uses these funds to assist persons who are experiencing homelessness or who are at risk of experiencing homelessness. Funding is used toward street outreach and operating expenses for the Palo Alto Homekey shelter, and for affordable rental housing preservation, new construction, and operating subsidies.

HOMEKEY: Palo Alto Homekey is a forthcoming modular interim housing shelter with the capacity to serve over 200 individuals annually with on-site supportive services. As a co-development partnership between the City and LifeMoves, the project is receiving a combination of funding from both state and local contributions, including the Palo Alto Community Fund, the Peery Foundation, Sobrato Philanthropies, Santa Clara County, and the City itself. These additional funding sources address expenses beyond what federal funds can cover, such as pre-development costs, feasibility studies, and site acquisition.

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of homeless households to be provided affordable housing units	0	0
Number of non-homeless households to be provided affordable housing units	0	0
Number of special-needs households to be provided with affordable housing units	0	0
Total	0	0

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through rental assistance	0	0
Number of households supported through the production of new units	0	0
Number of households supported through the rehab of existing units	0	0
Number of households supported through the acquisition of existing units	0	0
Total	0	0

Table 6 – Number of Households Supported

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

While not a recipient of HOME funds, the City continued its partnership with Rebuilding Together Peninsula through its Safe at Home Program. The Program represents preservation of affordable housing, as the program provides for critical home repairs and accessibility modifications at no cost to the recipient. Those served include LMI homeowners that are elderly and/or are people with disabilities, who are physically and financially unable to maintain safe living conditions for themselves and their families. With Rebuilding Together Peninsula, the City assisted a total of 2 LMI households with rehabilitation through CDBG funds during PY2024. The number of households assisted through the Safe at Home Program is dependent on available funds and the

extent of rehabilitation work needed per household.

The City also partnered with Community Work Group/Abode to rehabilitate rental housing units in Alma Garden, an affordable multi-family housing complex for very low- and low-income households. These rehabilitation efforts addressed health and safety concerns, with funding spent on a project manager, bathroom upgrades, exterior repairs, and electrical and water utility upgrades. During PY2024, Community Work Group/Abode completed exterior work to the Alma Garden multi-family housing complex. This work will act as a precursor to the continuation of the project in future funding years, with the goal of rehabilitating 10 LMI household units.

Discuss how these outcomes will impact future annual action plans.

Rebuilding Together Peninsula’s multi-year success demonstrates a continued need for home rehabilitation for LMI households in the City of Palo Alto. Future plans would build upon these consecutive successes to continue providing home rehabilitation. In addition, Community Work Group/Abode’s successful start to rehabilitate the interior of LMI rental units at Alma Gardens in future fiscal years demonstrates a continued need for rental unit rehabilitation.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	1	0
Low-income	1	0
Moderate-income	0	0
Total	0	0

Table 7 – Number of Households Served

Rebuilding Together Peninsula assisted 2 LMI households through its Safe at Home rehabilitation program in PY2024. These households included 1 extremely low-income and 1 low-income household.

Narrative Information

The City of Palo Alto continues to prioritize the promotion of affordable housing for its residents. Currently, the City has the second highest inventory of affordable housing for incorporated jurisdictions within Santa Clara County (as a percentage of total housing stock). Since 2017, the City has contributed or pledged \$52 million towards affordable housing, has approximately 2,300 units (nine percent of total housing stock) dedicated to affordable housing through deed restrictions, and has permitted over 1,000 housing units in the last eight years. Further, the Palo Alto City Council adopted “housing for social and economic balance” as a key priority in both 2023 and 2024. For 2025, the City Council has made “implementing housing strategies for social and economic balance” a key priority. To make the search for affordable housing easily accessible

to LMI residents, the City has an interactive [Affordable Housing Resources Map](#) embedded on their website featuring affordable housing properties and projects managed by affordable housing organizations.

In addition, the Housing Authority of the County of Santa Clara (HACSC) administers the federal Section 8 program countywide, providing rental subsidies and developing affordable housing for low-income households, seniors, and persons with disabilities.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)
Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Palo Alto has an enduring local commitment to address homelessness and provide services for the unhoused.

Jurisdictions in the County of Santa Clara participate in the county-wide Point-in-Time (PIT) Count every two years. At the time of this report, the 2025 PIT Count's preliminary results show that there are 10,711 individuals experiencing homelessness in Santa Clara County. This represents an 8.2 percent increase from 2023. Simultaneously, the number of sheltered homeless individuals increased by approximately 30 percent as compared to 2023, marking an increase in shelter capacity. Unsheltered homeless individuals remained relatively the same as in 2023, with an increase of just one percent. The full 2025 PIT Count Report, which includes detailed data about the City of Palo Alto's homeless trends, will be available in late summer or early fall of 2025. According to Santa Clara County's 2023 PIT Count, there were 206 homeless persons in the City of Palo Alto, including 187 unsheltered individuals and 19 sheltered individuals.

The City of Palo Alto provides funding for unhoused services and homelessness prevention through multiple funding channels, including CDBG, Human Services Resource Allocation Process (HSRAP), Permanent Local Housing Allocation (PLHA), and the Emerging Needs Fund. This broad financial support is directed toward service provision and homeless prevention.

Services for the City's homeless population include workforce development, basic needs stipends for work experience, food, seasonal homeless shelter, school supplies for children, case management, tele-medicine equipment, and shower/laundry services. Additionally, the City contracted with a local nonprofit to provide a two-person full time Outreach Team to reach out and provide services to unhoused individuals in the community, including those living in cars and RVs. The City also opened an Overnight Warming Location (OWL) that operated during winter and provided 19 "nights indoors."

The City also has several initiatives aimed at preventing homelessness from occurring, including assistance through LifeMoves and the Silicon Valley Independent Living Center. LifeMoves' Opportunity Services Center (OSC) is specifically designated by the County of Santa Clara as the Emergency Assistance Network Agency for financial assistance in the City of Palo Alto. The OSC in Palo Alto exclusively serves homeless individuals. Further, LifeMoves at the OSC provides intake services to all clients served to assess needs and to provide appropriate resources and referrals. LifeMoves also provides basic need services such as access to restrooms, showers,

laundry, used clothing, hygiene supplies, healthcare, mail and telephone services, food, transportation assistance, counseling, information and referral services, and other critical services as needed.

The City of Palo Alto will continue to explore its funding strategy and collaborate with other Santa Clara County cities to ensure that limited federal and local resources are targeted to critical community needs such as homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

During FY2024-2025, LifeMoves' Opportunity Services Center (OSC) received funding from the City of Palo Alto to provide emergency shelter and/or transitional housing for homeless persons.

This project received \$28,247 in CDBG funding from the City and has significantly extended its operational hours, thereby providing enhanced support to Palo Alto's homeless community. This extension has provided vulnerable clients with more time within a secure and nurturing environment, ensuring they receive the critical assistance they require. During FY2024-2025, LifeMoves offered case management services to 47 individuals in the City of Palo Alto through its CDBG funds.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

In FY2024-2025, the City of Palo Alto administered CDBG funds to Alta Housing and LifeMoves to help low-income individuals and families avoid becoming homeless, especially those who are extremely low-income and those who are discharged from publicly funded institutions and systems of care.

Alta Housing received \$11,575 in CDBG funding and offered on-site counseling services to residents at Alma Place and Barker Hotel who are part of the Single-Room Occupancy (SRO) Resident Support Program. This program encompasses 145 units with the majority of residents being low-income, persons with disabilities, seniors, veterans, and/or formerly homeless adults. Many residents experience difficulty managing daily living skills, such as managing finances, maintaining mental and physical health, maintaining living spaces, and having good relationships with others. Without onsite support, such issues can become so severe that tenants risk losing their housing. Case management was provided to 516 residents through CDBG in FY2024-2025.

LifeMoves received \$28,247 in CDBG funding and provided case management services to 47

homeless and/or very low-income City residents. Case management services included assistance with housing and job searches, referrals to other resources, and mentoring.

The City follows the guidance of Santa Clara County's Continuum of Care (CoC) as it relates to individuals who may be discharged from publicly funded institutions and systems of care. The Santa Clara County CoC has developed the Santa Clara County Countywide Quality Assurance Standards for Homeless Housing and Service Programs (2021). This was developed with the expectation of providing quality, standardized services to persons who have become homeless to facilitate their successful re-entry back into their communities. As a member of the CoC, the City of Palo Alto will be following the standards established in the documents.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

In FY2024-2025, the City undertook several activities to help homeless persons, especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth make the transition to permanent housing and independent living. Through CDBG funding, Silicon Valley Independent Living Center (SVILC) conducted case management and offered their Housing Workshops. These Housing Workshops educate households on skills and topics that are conducive to independent living. Topics and skills include credit card readiness and credit repair, types of low-income housing and eligibility, application and interview preparation, tenant and landlord rights and responsibilities, housing and home modifications laws and resources, security deposit and rental assistance programs, and long-term supportive services. During FY2024-2025, SVILC used CDBG funds to assist 24 unduplicated Palo Alto residents with disabilities with one-on-one assistance and the development of an independent living plan for housing. These individualized independent living plans resulted in improved access to decent affordable housing.

In addition, Project Sentinel provided community education and outreach regarding housing laws and practices, investigation, counseling, and legal referrals for victims of housing discrimination. During FY2024-2025, 7 LMI residents were provided individual case management and consultation through CDBG funds.

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

Actions taken to address the needs of public housing

The Santa Clara County Housing Authority (SCCHA) administers Housing Choice Vouchers (HCVs) and Project-Based Vouchers (PBVs) in the City of Palo Alto. As of January 2025, there were 272 total vouchers in use in the City, including 67 PBVs at the Buena Vista Mobile Park. SCCHA's waiting list for the County is operated on a lottery basis, with preference given to households who have lived and worked in the County for the past five years and to veterans. For PBV units, accessibility features are tracked, and a lottery is used to match households based on specific accessibility needs.

SCCHA currently has no public housing units in its portfolio that are located in the City of Palo Alto. Following SCCHA's conversion of its public housing portfolio under the Rental Assistance Demonstration (RAD) program, only four traditional public housing units remain in the County, all of which are located in the City of Santa Clara.

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

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

SCCHA also operates a [Family Self-Sufficiency \(FSS\) Program](#) for households participating in the Housing Choice Voucher (HCV) Program. Through the FSS Program, as earned income and rent portions increase, SCCHA makes monthly deposits into a household savings account. Upon the completion of the Program, which involves meeting personal goals, the savings are provided to the household. The FSS Program encourages financial independence and stability, and is typically five years in length, with an average completion time of 3 years and 10 months.

Actions taken to provide assistance to troubled PHAs

Not applicable.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City of Palo Alto is committed to taking actions to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing. In July 2024, the City adopted the 2023-2031 Housing Element, which includes several programs meant to tackle impediments to affordable housing development. The 2023-2031 Housing Element was certified by HCD on August 20, 2024. Programs include modifications to existing zoning standards to allow for denser development, further streamlining the development review process, provisions of development standards that incentivize housing production, reevaluation of fees to support development, and more.

The Housing Trust Silicon Valley (Housing Trust) was established to provide available financial resources targeted at bridging the affordable housing gap within Santa Clara County. Originally known as the Housing Trust Fund of Santa Clara County, the Housing Trust's overarching mission is to contribute to rendering Silicon Valley a more financially accessible place to live. The Housing Trust achieves this by disbursing loans and grants to increase the affordable housing supply, supporting first-time homebuyers, forestalling homelessness, and enhancing community stability. Palo Alto was one of the founding contributors to this initiative and has continued to support and help fund the Housing Trust. Notably, the partnership has a provision to ensure that funds allocated by the City of Palo Alto are exclusively channeled toward qualifying affordable housing projects within the City's municipal boundaries.

To further remove or ameliorate the negative effects of public policies that result in barriers, the City has development impact fees encompassing four distinct categories. These include housing, traffic, community facilities, and parkland dedication. The introduction of development impact fees in the City are a result from comprehensive nexus studies undertaken for both commercial and residential development. Outcomes from the studies laid the groundwork for revised fees associated with residential and non-residential housing, which became effecting on June 19, 2017. The housing impact fees are subject to annual updates, with fees charged being periodically evaluated and modified to ensure that they support, rather than prohibit, housing development.

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

The City's CDBG program demonstrates a committed effort to collaborate with various funding entities, aiming to maximize the impact of each dollar invested. This is accomplished through strategic collaborations with other municipal resources, such as the Human Services Resource

Allocation Process (HSRAP), enabling the pooling of funds designated for site acquisition in low-income housing alongside diverse funding sources. However, Palo Alto faces challenges in fully addressing barriers that impede the fulfillment of underserved needs, given that needs outshine the annual availability of CDBG funds over the years. In response, the City supplements its CDBG funding with other resources and funds. For example:

- During FY2024-2025 (PY 2024), the City allocated General Funds to the City's Human Service Resource Allocation Process (HSRAP) to address primary human service needs in Palo Alto. HSRAP funds, coupled with CDBG public service funds, are allocated to local non-profit organizations.
- Palo Alto's Commercial Housing Fund is used primarily to increase the number of new affordable housing units for Palo Alto's work force. It is funded with mitigation fees required from developers of commercial and industrial projects.
- Palo Alto's Residential Housing Fund is derived from mitigation fees collected through the City's Below Market Rate (BMR) Housing Program from residential developers and various other miscellaneous sources, such as the proceeds generated from the sale or leasing of City property.
- The City established the Below Market Rate (BMR) Emergency Fund to offer continuous funding for loans to BMR owners, encompassing special assessment loans. This supports the restoring and safeguarding of the City's collection of BMR ownership units.
- While the City itself is not a recipient of HOME funds, HOME funds are made accessible through a competitive selection process administered by the State of California HOME program and the County's HOME Consortium.

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

Lead-based paint (LBP) was popularized in the early twentieth century but was banned for use in public housing through the Lead-Based Paint Act of 1971 and later in 1978 for use in private residential housing. According to the U.S. Environmental Protection Agency (EPA), LBP can be found on window frames, walls, on the outside of a home, or on other surfaces. While LBP in good condition does not typically pose a threat, chipped paint or paint dust is harmful when ingested. This is particularly concerning for young children, as elevated blood lead levels are associated with cognitive impairments amongst other issues. According to the [State of California Department of Health](#), children are most susceptible to LBP poisoning due to hand-to-mouth behaviors.

City housing and CDBG staff disseminate information and make referrals to property owners, developers, and non-profit organizations engaged in the restoration of older housing, particularly concerning hazards linked to LBP. In line with this, any dwelling slated for rehabilitation aided by

City financial support is subjected to an assessment for the presence of LBP hazards. The City extends financial support for mitigating LBP hazards in rehabilitated units with City funding. Additionally, the City enforces contractor training and certification to mitigate the potential use of LBP in the construction of 40 new units. All development and rehabilitation projects must be evaluated according to HUD's Lead Safe mitigating LBP hazards in rehabilitated units Housing Rule 24 CFR Part 35.

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

The City of Palo Alto is actively committed to ending and reducing poverty. During FY2024-2025 (PY 2024), the following activities were undertaken to reduce the number of poverty-level families:

- LifeMoves provided case management services, including assistance with housing and job searches to 47 homeless/very low-income community residents. LifeMoves provides necessities for persons who are homeless or at risk of becoming homeless. Additionally, LifeMoves operates the Opportunity Services Center (OSC), which is a comprehensive, one-stop, multi-service, day drop-in center providing critical services for homeless Palo Alto residents. Specifically, the center provides showers, laundry, clothing, snacks, case management, and shelter/housing referral services.
- Alta Housing provided counseling and supportive case management services to 516 low-income residents of single room occupancy facilities to help them maintain housing stability. Activities included financial counseling, health maintenance, information and referral, problem solving, employment assistance, crisis intervention, and case management.
- The Silicon Valley Independent Living Center (SVILC) assisted 24 very low-income Palo Alto residents with disabilities and their families in searching for affordable and accessible housing. CDBG funds were used to support the Housing and Emergency Services for Persons with Disabilities Program and case management services. The Program provides education and training on all aspects of how to conduct a housing search to transition from homelessness, healthcare facilities, or unstable/temporary housing into safe, long-term community-based housing. In addition, the Program includes group workshops, one-on-one service training, and access to independent living services (including emergency food assistance, security deposits, and information/referral to other services).

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

The City is actively working towards enhancing collaboration between governmental bodies and private sector entities to harness collective endeavors, pool resources, and identify additional

revenue to address community service requirements and create affordable housing. This collaborative approach encompasses several key initiatives, including participation in:

- Meetings among entitlement jurisdictions through the CDBG Coordinators;
- Meetings of the Regional Housing Working Group;
- Joint jurisdiction Request for Proposals and project review committees;
- Community service and housing initiatives funded by multiple jurisdictions; and
- HOME Consortium meetings among member jurisdictions to discuss affordable housing projects.

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

The City of Palo Alto benefits from a strong housing and community development partnership network both within its jurisdiction and the wider region. Collaborative relationships with organizations such as the County and the Continuum of Care (CoC) further strengthen this network. To foster increased collaboration between public and private sectors, the City actively partners with local jurisdictions and developers, facilitating the exchange of knowledge and resources. In addition to the strategies mentioned above, the City remains dedicated to harmonizing its goals with its Human Services Resource Allocation Process (HSRAP) funding initiatives, ensuring a comprehensive approach to meeting community needs

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

The City is committed to actively promoting fair housing in accordance with the adopted 2020-2025 Analysis of Impediments. Measures undertaken to advance fair housing in Palo Alto include:

- **2023-2031 Housing Element:** Includes programs to address affirmatively further fair housing, such as outreach/education services, the continuation and enforcement of the Below Market Rate (BMR) program that provides more affordable units, the expansion of housing services, and the implementation of more renter protections.
- **City of Palo Alto Local Housing Funds:** A sizable portion of the City's local housing funds were allocated towards augmenting and conserving the inventory of affordable housing.
- **Section 8 Housing Vouchers:** The Office of Human Services held regular meetings with the County of Santa Clara Housing Authority to facilitate the placement of homeless individuals using Section 8 vouchers.
- **Information Access:** The Office of Human Services provided affordable housing information and referral services.
- **Assessment of Fair Housing (AFH) Plan:** In a joint effort with the County of Santa Clara

and its cities, Palo Alto adopted its updated AFH Plan in May 2023.

- **Project Sentinel:** During FY2024-2025, the City provided CDBG funding to Project Sentinel, a non-profit organization dedicated to assisting individuals with housing problems. Project Sentinel served 7 LMI individuals with case management services.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City remains actively engaged in overseeing all subrecipients and projects to ensure their adherence to the federal CDBG program and comprehensive planning requirements. This monitoring process encompasses the review of quarterly performance reports, reimbursement requests, supporting documentation, and agency audit reports. Biennial desk-site monitoring is conducted for all CDBG subrecipients, involving assessing client files, project objectives, compliance with agreements, administrative and financial management, and internal controls. The City completed its last subrecipient monitoring process in Spring 2024 for all subrecipients and will conduct subrecipient monitoring again in the next Fiscal Year. The City also completed risk assessments for all subrecipients.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

Electronic copies of the FY2024-2025 draft CAPER were made available on the City's website for the required 15-day public comment period from September 9, 2025, through September 24, 2025. Hardcopies of the draft CAPER were also available for review at the Development Center, Planning and Development Services at City Hall, and at the City's Downtown Public Library. On August 30, 2025, an advertisement was placed in the Daily Post newspaper advertising the upcoming availability of the draft CAPER for public review and comment. The Human Relations Commission (HRC) held a public hearing on September 11, 2025, to discuss and hear public comments on the draft CAPER.

Per the City's adopted Citizen Participation Plan (CPP), Palo Alto offers translation services when a substantial number of non-English speaking residents can be reasonably expected to participate or when a reasonable accommodation request is made. Non-English speaking residents requiring translation assistance or any accommodations, along with persons with disabilities requiring assistance, are advised to submit their request as soon as possible but no later than 48 hours before a scheduled meeting, program, or service.

For the September 11th HRC meeting agenda, staff report, and meeting information, please visit City's website.

Comments, if any, received by phone, email, and/or during the public meeting will be

summarized and provided in the draft CAPER attachments that will later be submitted to HUD.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

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

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

No.

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

Not applicable.

CR-58 – Section 3

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

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours					
Total Section 3 Worker Hours					
Total Targeted Section 3 Worker Hours					

Table 8 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.					
Direct, on-the job training (including apprenticeships).					
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).					
Outreach efforts to identify and secure bids from Section 3 business concerns.					
Technical assistance to help Section 3 business concerns understand and bid on contracts.					
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.					
Held one or more job fairs.					
Provided or connected residents with supportive services that can provide direct services or referrals.					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.					
Assisted residents with finding childcare.					
Assisted residents to apply for or attend community college or a four year educational institution.					
Assisted residents to apply for or attend vocational/technical training.					
Assisted residents to obtain financial literacy training and/or coaching.					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					
Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.					
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.					
Other.					

Table 9 – Qualitative Efforts - Number of Activities by Program

Narrative

Not applicable.