

RESOLUTION NO. _____

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF MILPITAS FOR THE ADOPTION OF FINDINGS DEMONSTRATING A COMPELLING NEED TO PREFER MILPITAS RESIDENTS AND WORKERS FOR AFFORDABLE HOUSING UNITS RECEIVING FUNDS FROM THE CITY'S DONATION TO THE SANTA CLARA COUNTY HOUSING TRUST FUND

WHEREAS, the City of Milpitas Consolidated Plan approved by the Department of Housing and Urban Development (HUD) identifies a high priority need for affordable housing for low and moderate income renters and homeowners; and

WHEREAS, the City of Milpitas and County of Santa Clara County are facing an acute housing crisis which specifically impacts low and moderate income renters and homeowners, including public schoolteachers and their ability to find affordable housing; and

WHEREAS, the City of Milpitas has adopted a Density Bonus Ordinance, waived development fees and provided Redevelopment Agency funds and Community Development Block Grant funds to assist in providing affordable housing to low and moderate income households; and

WHEREAS, over the past several years, the City of Milpitas has financially supported and approved 1,248 affordable housing units to meet its fair share of affordable housing requirements and still cannot meet the demand for affordable housing units for its residents and workers, and

WHEREAS, the City of Milpitas existing Senior Housing Project Terrace Gardens, has a substantial waiting lists for senior citizens seeking affordable housing in Milpitas, and the construction of a new second senior housing project in Milpitas does not substantially reduce the demand for all types affordable housing in Milpitas and Santa Clara County, and

WHEREAS, the National Association of Realtors has determined that in 2006 that the Bay Area had the highest median home prices in the nation. The median home price in the Bay Area was \$725,000. Furthermore, Santa Clara County Association of Realtors has determined that the median home price in Milpitas was \$675,500 in May 2007; and

WHEREAS, several Federal and State funding alternatives exist to provide financial assistance to Milpitas residents and workers for housing, however, these funding alternatives do not recognize the exceedingly high cost of housing in Silicon Valley particularly Santa Clara County; and

WHEREAS, the preference to Milpitas residents and workers is narrowly tailored and based on the acute housing crisis for which there are no reasonable feasible alternatives other than to implement preferences; and

WHEREAS, the proposed preference for Milpitas residents and workers would assist in reducing the existing housing crisis for low and moderate income renters and owners within the City of Milpitas; and

WHEREAS, a total number of affordable housing units allocated from Santa Clara County Housing Trust Fund in the future shall be allocated for Milpitas residents and workers low and moderate-income families; and

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency of the City of Milpitas finds that Milpitas shall give preference for affordable housing units and set-aside the future allocation of affordable housing units for low and moderate-income Milpitas residents and workers.

PASSED AND ADOPTED this ____ day of _____ 2007, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, Agency Secretary

Jose S. Esteves, Chair

APPROVED AS TO FORM:

Steven T. Mattas, Agency Counsel



investing in our community with vision, determination and innovation

RECEIVED

June 7, 2007

JUN 13 2007

**CITY OF MILPITAS
PLANNING DIVISION**

Felix Reliford
City of Milpitas
455 E. Calaveras Blvd.
Milpitas, CA 95035

Dear Felix,

At your suggestion, I am sending you this letter of request to ask the City of Milpitas to consider supporting the Housing Trust of Santa Clara County in the third and last year of our Phase III Campaign. We are respectfully requesting a contribution of \$150,000 in fiscal year 2008, bringing the total received from the City of Milpitas to \$450,000 in our Phase III Campaign.

Phase III seeks to raise \$10 million in voluntary contributions from both public and private sources. With \$10 million, our goal is to provide 1,000 affordable housing opportunities each year, for three years, to families in our local community. We are proud to report to date, we have raised \$7.7 and helped create over 2,020 affordable housing opportunities in the first two years of the campaign.

In addition to the \$300,000 the City of Milpitas has contributed to the Housing Trust, the following cities and county have given the following contributions in our Phase III Campaign: Campbell \$300,000, Cupertino*, Gilroy \$75,000, Los Altos \$15,000, Los Altos Hills \$15,000, Los Gatos \$300,000, Monte Sereno \$15,000, Morgan Hill \$200,000, Mountain View \$450,000, Palo Alto*, San Jose \$750,000*, Santa Clara \$750,000, Sunnyvale \$300,000*, and County of Santa Clara \$750,000. *The Housing Trust is currently working with these cities for an initial pledge or additional funding.

We are extremely proud of our record of success. With your help, in just the past five years we have helped over 6,400 families secure homes in this high-cost valley. This includes 926 units of special needs housing and housing for the homeless, 1,258 affordable multi-family rental apartments, and over 1,950 families buying their first home in Santa Clara County. With your renewed support, we look forward to continuing and expanding this record of achievement in 2007 and beyond.

We are enclosing our most recent monthly "Progress" for your review. We are happy to make a presentation to the City Council and provide any additional documentation you need. Thank you for your time and consideration and we look forward to your reply.

Sincerely,

Taylor Dial
Executive Director

Enclosure

1786 technology drive • san jose • ca • 95110 • [ph] 408.436.3450 • [fx] 408.436.3454

www.housingtrustscc.org



Budget # _____
 Refer # _____

City of Milpitas, California

BUDGET CHANGE FORM

Type of Change	From		To	
	Account	Amount	Account	Amount
Check one: <input checked="" type="checkbox"/> Budget Appropriation <input type="checkbox"/> Budget Transfer	290-2909	\$150,000	290-9104205	\$150,000

Explain the reason for the budget change:

On February 22, 2005, the Housing Trust Fund and Silicon Valley Leadership Group announced the proposed "Phase III" of a public-private compact between interested private-sector investors and public agencies with a goal of assisting a minimum of 1,000 families per year for each of the next three years. A funding goal of \$10 million would allow the Housing Trust to invest funds into the creation of affordable rental housing, homeless and special needs housing and support first-time homebuyers.

The Housing Trust Fund of Santa Clara County has raised more than \$25 million in local public and private contributions and has invested more than \$1.6 million in affordable housing opportunities throughout Santa Clara County. Since they began distributing funds in 2001, the Trust has already helped more than 4,255 families, including assistance to 1,260 families to help them buy their first homes in Santa Clara County and enabled the development of hundreds of units of affordable housing rental housing, worth over \$238 million.

The Housing Trust Fund of Santa Clara County and Silicon Valley Leadership Groups has launched "Phase III" and are requesting the final contributions from the private and public sector. The City of Milpitas has been asked to contribute \$150,000. Staff recommends approval of the request, pursuant to the adoption of a resolution requiring that the \$150,000 allocation be used within the City of Milpitas to financially assist future affordable housing projects.

Approve a budget appropriation of \$150,000 from Housing Reserve Funds for the requested contributions to financially assist future affordable housing projects.

Check if City Council Approval required. Meeting Date: August 7, 2007

Itemization of funds, if needed:		Amount
Requested by:	Division Head:	Date:
	Department Head:	Date:
Reviewed by:	Finance Director: <i>Emma Karlen by X</i>	Date: <i>8/1/07</i>
Approved by:	City Manager:	Date:
Date approved by City Council, if required:		Confirmed by: