



U.S. Department of Housing and Urban Development **2**
San Francisco Regional Office – Region IX
600 Harrison Street, 3rd Floor
San Francisco, CA 94107-1387
www.hud.gov
espanol.hud.gov

COPY

SEP - 5 2007

RECEIVED

SEP 10 2007

Honorable Jose Esteves
Mayor of Milpitas
455 E. Calaveras Blvd.
Milpitas, CA 95035

Dear Mayor Esteves:

SUBJECT: Program Year 2007 Consolidated/Annual Action Plan
City of Milpitas, California

The Consolidated Plan submitted for the City of Milpitas has been reviewed and approved by HUD. The grant assistance that is being approved along with the Action Plan is as follows:

Community Development Block Grant	\$599,777
-----------------------------------	-----------

We are forwarding three copies of the Grant Agreement and Funding Approval forms, along with guidance and/or conditions applicable to the CDBG program, to Tom Williams, City Manager, for execution as your designee. Mr. Williams should sign each of these forms, retain one copy for the City's records and return the remaining two copies to the HUD San Francisco Office. Within three weeks of our receipt of your executed grant agreement, the grantee should be able to draw these funds through the Integrated Disbursement and Information System (IDIS).

Last year, HUD initiated performance measurements which will assist the Department to collect data on grantees' program outcomes with HUD funding. In the 2006 Action Plans, grantees began to develop a performance measurement framework in accordance to the new guidance issued by HUD in March 2006. Grantees may use their performance measurement system for program design, evaluating performance, funding decisions, and reporting goals and accomplishments. We anticipate that the performance measurement system will be a useful management and evaluation tool for both the Department and grantees.

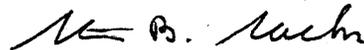
Furthering fair housing is one of the Department's highest priorities. Included in your Action Plan was a certification that your jurisdiction will affirmatively further fair housing, which means that it will (1) conduct an analysis to identify impediments to fair housing choice within your community, (2) take appropriate actions to overcome the effects of any impediments identified through that analysis and (3) maintain records reflecting the analysis and actions. Your jurisdiction should update its analysis of impediments (AI) periodically. Actions and milestones your jurisdiction plans to accomplish to overcome the effects of impediments to fair housing

choice, which should be measurable, should be described in each annual Action Plan. The source and amount of all funding for the specific actions to affirmatively further fair housing should be noted in the Action Plan. The results of actions taken during the program year to address impediments identified in your AI should be reported in the Consolidated Annual Performance Evaluation Report (CAPER) submitted to HUD.

Please note that the CAPER for the Program Year 2006 Action Plan will be due on **September 30, 2007**, and should include accomplishments compared to performance goals.

We look forward to working with you over the coming year to accomplish the housing and community development goals set forth in the City's Consolidated Plan. If you have any questions or require further information or assistance, please contact Greg Harrick, Community Planning and Development Representative, at (415) 489-6581.

Sincerely,



Steven B. Sachs
Director, Community Planning
and Development Division

cc:

Tom Williams, City Manager, w/encls
Felix J. Reliford, Principal Housing Planner

GRANTEE: City of Milpitas, California

PROGRAM: FY 2007 Community Development Block Grant (CDBG)

PROGRAM NO.: B-07-MC-06-0055

Enclosed is the Grant Agreement and Funding Approval (three copies of HUD-7082) which constitutes the contract between the Department of Housing and Urban Development and the City of Milpitas for the CDBG program. Please sign these forms (three original signatures), retain one copy for your records, and return the remaining two copies to the San Francisco HUD Field Office.

Upon receipt of the executed Grant Agreement, the funds can then be accessed through the Integrated Disbursement and Information System (IDIS). If there is a need to add individuals authorized to access IDIS, an IDIS Access Request Form must be prepared, notarized, and returned to this office with the Grant Agreement. Also, if there is a need to establish or change the depository account to which these grant funds are to be wired, a Direct Deposit Sign-up Form (SF-1199A) must be completed by you and your financial institution and mailed to this office.

Certain activities are subject to the provisions of 24 CFR Part 58 (Environmental Review Procedures for the CDBG program). Funds for such activities may not be obligated or expended unless the release of funds has been approved in writing by HUD. A request for the release of funds must be accompanied by an environmental certification.

The Special Condition in your Grant Agreement and Funding Approval concerning the review procedures under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52, restricts the obligation or expenditure of funds for the planning or construction of water or sewer facilities until the completion of the review process and receipt of written notification of Release of Funds from HUD. Because you have not submitted your Consolidated Plan for review under E.O. 12372, we assume you do not propose to use funds for activities subject to review. However, the condition requires that in the event you amend or otherwise revise your Consolidated Plan to use funds for the planning or construction of water or sewer facilities you must receive a written Release of Funds from HUD before obligating or expending funds for such activities.

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Development Block Grant Program

HI-00515R of 20515R

1. Name of Grantee (as shown in item 5 of Standard Form 424) CITY OF MILPITAS	062274 EC1-Y-7-09-01	3. Grantee's 9-digit Tax ID Number 94-6019192	4. Date use of funds may begin 07/01/2007
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 455 EAST CALAVERAS BLVD. MILPITAS, CA 95035	5a. Project/Grant No. 1 B-07-MC-06-0055	6a. Amount Approved \$599,777	
	5b. Project/Grant No. 2	6b. Amount Approved	
	5c. Project/Grant No. 3	6c. Amount Approved	

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) STEVEN B. SACHS	Grantee Name
--	--------------

Title DIRECTOR, COMMUNITY PLANNING AND DEVELOPMENT	Title
--	-------

Signature X <i>SB Sachs</i>	Date AUG 1 - 2007	Signature X	Date
--------------------------------	-----------------------------	----------------	------

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission 06/28/2007	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified SEP - 5 2007	
		9c. Date of Start of Program Year 07/01/2007	
11. Amount of Community Development Block Grant			
a. Funds Reserved for this Grantee	FY (2007)	FY ()	FY ()
b. Funds now being Approved	\$599,777		
c. Reservation to be Cancelled (11a minus 11b)	\$599,777		

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program Y	A Reg Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153								
	176								
		Y			Project Number		Amount		
		Y			Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
-------------------------------	---------------------------------	--------------	------------------	------------	-------------

8. SPECIAL CONDITIONS

E.O. 12372-Special Contract Condition - Notwithstanding any other provision of this agreement, no funds provided under this agreement may be obligated or expended for the planning or construction of water or sewer facilities until receipt of written notification from HUD of the release of funds on completion of the review procedures required under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52. The recipient shall also complete the review procedures required under E.O. 12372 and 24 CFR Part 52 and receive written notification from HUD of the release of funds before obligating or expending any funds provided under this agreement for any new or revised activity for the planning or construction of water or sewer facilities not previously reviewed under E.O. 12372 and implementing regulations.

City of Milpitas

DRAFT

Consolidated Annual Performance &
Evaluation Report (CAPER)

July 1, 2006 – June 30, 2007



**COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG)**

City of Milpitas
Table of Contents
Consolidated Annual Performance and Evaluation Report
(CAPER 2006-2007)

Introduction	1
Summary of the Consolidated Plan Annual Performance Report	1
Public Review of the CAPER	1
Geographic Distribution	2
Summary of Accomplishments	2
Affordable Housing Programs and Opportunities.....	4
Meet or Exceed 3-5 Year Goals and Expectations for Affordable Housing.....	6
Meet or Exceed 3-5 Year Goals and Expectations for Homelessness.....	8
Meet or Exceed 3-5 Year Goals and Expectations for Public Services (Non-Community Development Needs).....	8
Public Services Provided.....	9
Non-Public Services Provided.....	12
Resources Made Available	13
Leveraging Other Resources	14
Status of Other Actions Taken During The Year To Implement The City's Goals And Objectives	15
Existing Public Policy.....	15
Public Housing Improvement and Residents Initiatives.....	17
Institutional Structure.....	17
Actions Taken to Overcoming Gaps in Institutional Structures to Enhance Coordination	17
Lead Based Paint Hazard Reduction.....	18
Affirmatively Furthering Fair Housing	18
Results.....	18
Continuum of Care Narrative	24
Accomplishments	25
Households and Persons Assisted.....	25
Programs and Services to Address the Needs of Homeless Persons and Special Service Needs.....	25
Programs and Services to Address and Prevent Persons and Families from Becoming Homeless.....	26
Programs and Services to Address Homeless Persons, Including Those with Special Needs, to Transition to Independent Living.....	26
Actions to Assist Non-Homeless Elderly Persons.....	26
Actions to Assist Persons with Physical or Mental Disabilities.....	27
Actions to Assist Persons with Alcohol or Other Drug Related Problems.....	28
Actions Taken to Improve Public Housing and Residents Initiatives.....	28
Actions to Address Obstacles to Meeting Undeserved Needs.....	28

Actions to Foster and Maintain Affordable Housing and Eliminating Barriers Affordable Housing.....	28
Actions Taken to Reduce the Number of Persons Living Below the Poverty Level.....	29
Actions Taken to Ensure Compliance with Program and Comprehensive Planning Requirements.....	30
Public Facilities and Improvement Needs.....	30
Self Evaluation of Progress in Addressing Identified Needs and Objectives.....	30
Citizen Participation.....	31
Summary of Public Comments Received.....	31
CDBG Program.....	32
Attachments.....	32

CITY OF MILPITAS
CONSOLIDATED PLAN ANNUAL PERFORMANCE EVALUATION REPORT
(CAPER)
JULY 1, 2006-JUNE 30, 2007

Introduction

Pursuant to the Department of Housing and Urban Development (HUD) funding requirements and in conformance with 24 CFR Part 91.520 Performance Report, City of Milpitas has prepared and will be recommending approval its 2005-2006 Consolidated Annual Performance Evaluation Report (CAPER). The CAPER describes: 1) the City's low and moderate income housing and community development activities carried during the past fiscal year 2006-2007, 2) the funding resources that were made available for low income activities, and 3) the number of low income households who received assistance with housing related needs.

The CAPER also evaluates the City's overall progress in carrying out those priority projects that were identified in the approved Five Year (2002-2007) Consolidated Plan and One-Year Action Plan. To date, Milpitas has met its overall one-year goals and will be on target to meet its goals for the Five-Year Consolidated Plan. Milpitas has submitted its Five-Year Consolidated Plan (2007-2012) to HUD in June 2007.

Summary of the Consolidated Plan Annual Performance Report:

The CAPER'S Narrative Report consist of the following:

- 1) Summary of Accomplishments
- 2) Resources Made Available/Leveraging Resources
- 3) Status of the Actions Taken During the Year to Implement the City's Goals and Objectives
- 4) Affirmatively Furthering Fair Housing
- 5) Accomplishments (Households and Persons Assisted)
- 6) The City's Self- Evaluation on the Progress made in Addressing and Identifying the Priority Needs and Objectives.
- 7) Citizens Comments and Public Review

Public Review of the CAPER

The CAPER was made available for public review and comments for a 15-day public review period from **August 30, 2007 to September 14, 2007**. Copies were sent out to CDBG Service Providers and all interested parties. Copies are also made available in the Milpitas Public Library and Public Service Counter at Milpitas City Hall. The Milpitas City Council will hold a public hearing on the Draft CAPER on **Tuesday, September 18, 2007 at Milpitas City Hall, 455 E. Calaveras Blvd. at 7:00 p.m.** After the public hearing and public review and comment period, a copy of the CAPER along with the

Financial Summary Grantee Performance Report, Summary of Housing Accomplishments and Integrated Disbursement and Information System (IDIS) reports will be forwarded to HUD by September 28, 2007. Public Notice of the CAPER public review and comments period and the City Council's public hearing will be advertised in the Milpitas Post, along with letters to Public Service and Housing Providers and other interested parties (including a draft copy of the CAPER) will be mailed.

Geographic Distribution

The specific geographic areas in which the City of Milpitas provided direct assistance with CDBG funds during the 2006-2007 fiscal year contains a high concentration of minority population including Asians, Hispanics and Blacks households. The rationale for targeting these areas for allocating CDBG funds are based on financial, social and economic needs of several working class neighborhoods. Neighborhoods such as Sunnyhills, Selwyn, Shirley and Dempsey Road with high concentration of minority populations have benefited from the allocation of CDBG funds such as: Housing Rehabilitation Loan Program, Milpitas Food Pantry, Milpitas Recreation Assistance Program (which combined the After School and Summer Stay and Play Programs), Filipino Second Harvest Food Bank, Economic and Social Opportunities, Support Network for Battered Women, India Community Center, Asian American Recovery Services, Project Sentinel, Emergency Housing Consortium, and Milpitas Senior Center Improvements.

Attached is a copy of the Community 2020 GIS Mapping, which identifies the Concentration of Minority Populations within Milpitas. CDBG funds have been targeted for these areas with minority concentration.

1. SUMMARY OF ACCOMPLISHMENTS

The City of Milpitas uses a variety of funds to support and provide affordable and supportive housing activities during the past fiscal year. Milpitas receives direct federal funds (\$600,963 FY 2006-2007) from the CDBG Program and \$100,000 Program Income from the Housing Rehabilitation Program (Revolving Loan Fund). Milpitas continues to support and encourage the Housing Authority of Santa Clara County efforts to obtain Section 8 vouchers for Milpitas residents. To date, Housing Authority has identified 667 Section 8 tenants in Milpitas and 43 residents on the waiting lists.

Milpitas Redevelopment Agency continues to provide funding (acquisition, construction, low interest rate loans, grants, etc.) for affordable housing. Milpitas has allocated redevelopment agency funds (\$800,000) to participate in the County of Santa Clara Housing Trust Fund, which is a joint effort among Santa Clara Valley Manufacturing Group, local cities and County of Santa Clara to provide over 5,000 affordable housing units to the Silicon Valley workers and the homeless population.

Milpitas is also considering participating in the Housing Trust Fund “2+2=2000” Campaign, designed to raise up to an additional \$2 million in local donations (matching grant dollar-for dollar by Proposition 46 funds), which will help 2,000 more families’ find affordable housing in Santa Clara County. Milpitas provides funding to **21** different non-profit agencies for housing and supportive services within Milpitas and Santa Clara County. These agencies are partially funded through the CDBG Program as well as other private and public agencies and institutions.

The following table summarizes Milpitas affordable housing projects for very low, low and moderate-income households:

MILPITAS AFFORDABLE HOUSING
EXISTING

AFFORDABLE HOUSING PROJECTS	<u># of Units</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>
• Crossing Apartments	468	94	N/A	N/A
• Montevista Apartments	306	77	76	153
• Parc Metropolitan	450	N/A	10(*)	18(*)
	N/A	35(**)		33 (**)
• Summerfield Homes	110	N/A	22 (***)	N/A
• Terrace Gardens (Senior Units)	150	150	N/A	N/A
• Parc Place	285	18	6	34
• KB Homes	683	N/A	N/A	110 (1)
• Paragon	147	10	N/A	19
• Centria	464	23	4	66
• DeVries Place (Senior Units)	103	103	N/A	N/A

• Senior Housing Solutions (#)	5	5	N/A	N/A
--------------------------------	---	---	-----	-----

TOTAL:	3,171	480	153	400
---------------	--------------	------------	------------	------------

- (*) Townhomes
- (**) Apartment/Rental Units
- (***) Single Family Homes
- (#) Single Family Home for 5 Seniors
- (1) Includes 25 Homes

% OF AFFORDABLE UNITS: 32.5%
OF AFFORDABLE HOMES: 143
OF AFFORDABLE APARTMENT UNITS: 721
TOTAL NUMBER OF AFFORDABLE UNITS: 1,033

A summary of the Milpitas housing accomplishments is presented below:

Affordable Housing Programs and Opportunities

1. Milpitas has completed negotiations and approved **“Parc Place” a 285-unit for-sale development with 58 affordable units (18 very low, 6 low and 34 moderate-income)**. Milpitas has prepared long-term affordability restriction legal documents approved by the City Council. Milpitas has provided **\$3.7 million** in financial assistance for this project, which includes \$98,000 (VL) and \$35,000 (L) down payment assistance for First-Time Homebuyers and **\$1.8 million** to assist the developer on impact fees.
2. Milpitas has negotiated and approved **“Town Center Residential Development” a 65-unit for-sale development with 16 affordable units (moderate-income)**. Milpitas will prepare long-term affordability restriction legal documents approved by the City Council. Milpitas will provide **\$1 million in financial assistance** for this project, which includes **\$800,000 in down payment assistance** for First-time Homebuyers and **\$200,000 for the rehabilitation of 4 units (VL)** outside of the project area.
3. Milpitas has negotiated and approved **“Centria Development” a 464-unit for-sale development with 93 affordable units (22 VL, 4 L and 67 moderate-income)**. Milpitas will prepare long-term affordability restriction legal documents approved by the City Council. Milpitas will provide **\$1.1 million financial assistance** for this project, which includes **\$770,000 in down payment assistance** for First-time Homebuyers and **\$369,560** for developer impact fees.

4. **Milpitas has negotiated and approved “De Vries Place” a 103 unit Senior Housing Development with Mid-Peninsula Housing Coalition.** All 102 units will be affordable to extremely low, very low and low-income seniors. Milpitas will provide **\$15.6 million in financial assistance** for this project. Part of the financial assistance will include **\$5 million from KB Homes** and **\$1 million from the County of Santa Clara**. The developer has also received \$17+ million in tax credit with the assistance support from the City of Milpitas. Construction will start in July/August 2006 with an estimated occupancy date of Spring 2007.
5. Milpitas has negotiated and approved **“KB Homes Terra Serena Development” a 683-unit for-sale development with 110 affordable units (moderate-income).**
6. Advertising has begun on the first 25 affordable units. Milpitas will prepare long-term affordability restriction legal documents approved by the Milpitas City Council. Milpitas will provide approximately **\$8 million in financial assistance** for this project, includes down payment assistance and other costs. The developer has also provided \$5 million contribution towards the Senior Housing Project
7. Milpitas has negotiated and approved the **acquisition and rehabilitation of a Single-Family Residence for Senior Housing Solution to accommodate 5 extremely low-income seniors.** Milpitas will provide **\$500,000 in financial assistance** for this project. Funds from the Milpitas Redevelopment Agency (\$250,000), CDBG Program (\$150,000) and the Housing Trust Fund of Santa Clara County (\$100,000 donated by the City of Milpitas) will assist in the financial leveraging for this project.
8. The approval of **5 Single-Family Housing Rehabilitation Loans** to very low and low-income households within Milpitas. A total of **\$321,055** of CDBG funds was used to rehabilitate single-family homes within the community. Additional Program Income funds were also used to assist this program.
9. Milpitas is currently negotiating with three separate housing developers on an additional **854 units**, in which it is anticipated that **20% of the units (171)** will be affordable to low and moderate-income households.
10. Milpitas has allocated **\$800,000** from its Redevelopment Agency 20% set-aside housing funds to **Housing Trust Fund of Santa Clara County** as part of the \$20 million goals to provide affordable housing to **5,000 families in Santa Clara County**. The \$20 million will be leveraged with a goal of raising \$200 million to provide housing for first-time homebuyers, affordable rental homes, and homeless shelters and housing support assistance. An additional \$150,000 was allocated this year from the City of Milpitas to the Housing Trust Fund.

To date, thirty-three (33) Milpitas residents have benefited from low interest rate loans (to become first-time homebuyers) from the Housing Trust Fund.

10. **Mobilehome Park Rent Control Ordinance-** Milpitas continues to maintain and monitor the **572-mobilehome units** located within four mobilehome parks, which are regulated by the 1992 City's Rent Control Ordinance which guarantees long term affordability. The majority of residents (72%) living in these mobilehome parks are senior citizens over the age of 60+ years old.
11. Milpitas has adopted the **Midtown Specific Plan**, which is proposing a range of approximately **4,000-5,000 new dwelling units**, in which a large majority of multi-family units will have a minimum density of 40 dwelling units/per acre and up to 60 dwelling units/per acre for sites located within a ¼ mile of three light rail transit stations. Milpitas housing policy is to require 20% of the total number of developed housing units to be affordable.
12. **Milpitas General Plan Housing Element** identifies policies, goals and objectives to further affordable housing opportunities, which has been submitted to the State of California, Department of Housing and Community Development (HCD) for review and certification of compliance with State Housing Laws. Milpitas next Housing Element will be due in June 2009 (State of CA-Department of Housing and Community Development (HCD) has set the submittal date back by two years).
13. **County of Santa Clara Fair Housing Task Force-**City of Milpitas is participating in the formation of a countywide Fair Housing Task Force with other jurisdictions within Santa Clara County. The initial meeting on May 30, 2003 in Sunnyvale was conducted to discuss: 1) mission statement and focus of the duties of the proposed Task Force, 2) the composition and representation, and 3) the next appropriate steps. Future meetings are scheduled.
14. **Transit Area Specific Plan-**Preparation of a report for 400+ acres around the light rail and future Montague/Capital Bart station in Milpitas for specific types of land uses, streetscape, design guidelines, and high-density residential development within ¼ mile of the light rail and BART stations. High-density residential development would allow up to 60 dwelling units per acre. The Transit Area Specific Plan has the potential to for **5,000 to 7,000 additional dwelling units in Milpitas.**

Met or Exceed 3-5 Year Goals and Expectations for Affordable Housing

Milpitas appears to be on target to meet and exceed its goals and expectations for affordable housing identified with the Consolidated Plan:

- a. Milpitas currently has **1,033** affordable housing units with long-term affordability restriction agreements for low and moderate-income households and senior citizens. The types of units include single family, attached townhomes and multi-family rental. An additional **423** affordable housing units with long-term restrictions agreements has

been proposed and/or approved by the City of Milpitas. Upon completion of construction, a total of **1,456** affordable housing units will be available for very low, low and moderate-income households.

The City of Milpitas is currently negotiating /reviewing two in-house development projects. Currently, eight projects have been approved. If the remaining two projects are approved, Milpitas will have **2,351 additional housing units, including 606 affordable units.**

<u>Projects</u>	<u># of Units</u>	<u>Proposed Affordable Housing Units</u>
Town Center Condominiums (*)	65	16
Apton Plaza Apartments (*)	93	19
The Californian Towers	177	35
Paragon	147	29
K&B Homes (*)	683	110
South Main Street	126	19
Milpitas Senior Housing (*) (+)	103	102
Centria (*)	464	93
Baystone Development	387	77
Single-Family Residents (**)	5	5
Aspen Family Apartments	101	101
Total:	2,351	606

(*) **Approved Projects**

(+) **Milpitas has committed \$15.6 million towards this project.**

(**) **City of Milpitas is providing \$500,000 towards the acquisition and rehabilitation of an existing single-family residence to accommodate 5 extremely low-income seniors.**

Note: Several Developers has revised housing development plans (reduction or added units from previous CAPER totals).

Of the proposed 2,351 units, approximately 606 units will be affordable to very low, low and moderate-income households. As in the past with previous affordable housing projects, City of Milpitas will provide some form of financial assistance, wavier of certain development and park/open space fees to be paid by the City's Redevelopment Agency and consider any reduction in development standards (if necessary) to assist the project.

b. Milpitas Redevelopment Agency (RDA) continues to provide funding as required by the 20% housing set-aside funds for affordability housing inside and outside of the project areas. During the past several years, RDA provided over **\$36.3 million** in assisting developers in financing affordable housing units.

Affordable housing developers impact and park fees reimbursement to the City have been paid by the RDA along with other types of grants and very low interest rate loans to encourage and maintain long term affordability housing projects.

- c. Milpitas has assisted on the rehabilitation of 5 single-family homes for low-income residents. Ten more housing rehabilitation loans are presently being processed.
- d. Milpitas along with the Housing Authority of Santa Clara County and HUD has worked with the property owner of Sunnyhills Apartments to maintain the Section 8 contract for the 151 unit's at-risk of converting to market rate. The additional 151 Section 8 Program vouchers have been maintained for low-income tenants.
- e. Milpitas participated in Santa Clara County Housing Task Force to address housing needs and opportunities within the County. Milpitas is also participating in the newly formed Countywide Fair Housing Task Force.

Met or Exceed 3-5 Year Goals and Expectations for Homelessness

- a. Milpitas has allocated \$800,000 grant to the Housing Trust Fund of Santa Clara County to assist homeless population on obtaining affordable housing and support services. An additional \$150,000 was allocated this year. The \$500,000 allocated to the housing trust fund will be used to financially assist Mid-Peninsula Housing Coalition. For the development of the Milpitas Senior Housing project.
- b. Milpitas continues to provide funds for Emergency Housing Consortium, Catholic Charities, Support Network for Battered Women, Milpitas Food Pantry and Second Harvest Food Bank to provide housing and support services to the homeless population.
- d. Milpitas continues to work with local churches and homeless groups to provide food and shelter to the local homeless population.
- e. Milpitas continues to participate with CDBG Coordinators within Santa Clara County to address regional problems of homelessness (i.e. Santa Clara County Fair Housing Report, Housing Trust Fund, Homeless Survey and Housing Task Force).

Met or Exceed 3-5 Year Goals and Expectations for Public Services (Non-Community Development Needs)

Milpitas appears to be on target to meet or exceed its goals and expectations for providing a variety of public services (non-community development needs) identified within the five-year Consolidated Plan.

Public Services Provided

1. **Alum Rock Counseling Center (ARCC)**-ARCC provides 24 hour mobile crisis intervention counseling services for low-income minorities at-risk youths and their families residing in Milpitas. The services focuses on behaviors such as running away, chronic truancy and behavior parental control. Services are provided by culturally sensitive counselor who are available in person at the site of the crisis within one hour. The services includes shelter referrals, use of community service and follow-up counseling. Milpitas provided **\$5,000** in CDBG funds to the program. A total of **22 very low-income persons** benefited from this program during the past year.
2. **Asian American Recovery Services (AARA)**-AARA provides substance abuse prevention, intervention and treatment services to Asian and Pacific Islander youth and their families residing in Milpitas. Services include outreach, engagement, intake & assessment, case management, individual & group counseling, social/recreational services. The program will be located at Milpitas High School. Milpitas provided **\$5,000** in CDBG funds for this program. A total of **30 Milpitas residents** benefited from this program during the past year.
3. **Catholic Charities of Santa Clara County (CCSCC)**-CCSCC provides shared housing services to single parent families' primary very low and low-income persons at-risk of becoming homeless. Almost all are female head households. CCSCC listing of services helps families find affordable housing by sharing. CCSCC also offers a case management and rental assistance program. Milpitas provided **\$5,000** of CDBG funds to this program during the past year. A total of **14 persons/7 households** benefited from the program during the past year.
4. **Catholic Charities Long Term Care Ombudsman Program (CCSCC)**-This program provides services to 6 long term care facilities through regular site visits by trained certified community volunteers, who will respond to complaints, mediate fair resolution to problems, and advocate for quality for care, quality for life and residents' rights for the 56 frail, chronically ill, primary elderly residents in those facilities. Milpitas provided **\$5,000** in CDBG funds to this program. A total of **56 elderly residents** benefited from this program during the past year.
5. **City of Milpitas Recreation Services Stay & Play After School Program**- Provides 50% subsidy for very low and low-income children to attend after school recreational care program. Includes recreational care to children during the summer non-school months. The program offers parents the ability to have their children in a safe, affordable program, which is supervised by well-trained staff. Milpitas provide **\$5,700** in CDBG funds to this program. Approximately **26 children** benefited from these services.

6. **City of Milpitas Recreation Services Camp Stay & Play**-Provides 50% subsidy to very-low and low-income children to attend summer recreational camp during non-school months. Includes recreational care in grades school 1st through 6th, when their parents are at work. Milpitas provided **\$5,500** in CDBG funds to this program. Approximately **20 children** will benefited from these services.
7. **City of Milpitas Recreation Assistance Program**-Provides 50% subsidy to very low and low-income youth and senior recreational programs, services and activities. Milpitas provided **\$13,000** in CDBG funds to this program. The previous Milpitas Stay & Play After School and Camp Stay and Play Programs have been incorporated into the Milpitas Recreation Department Recreation Assistance Program. Approximately **100 youths and seniors** benefited from these services.
8. **Emergency Housing Consortium (EHC)**-This program provides shelter and support for homeless adults, youth and families from Milpitas. Programs include housing and education services to help clients overcome barriers to housing, employment, and self-sufficiency. EHC services ranges from emergency shelter to transitional programs for permanent housing and after-care services. Milpitas provided **\$5,000** in CDBG funds to this program. EHC provided **4,500 nights of shelter to 55 Milpitas residents**.
9. **Filipino Youth Coalition (FYC)**-Provides prevention and intervention services to Milpitas Russell Middle School and Milpitas High School. Services will include one-on-one peer counseling, monitoring of grades, and attendance, leadership and team building, life resiliency skills, character building and violence prevention. Milpitas provided **\$5,000** in CDBG funds to this program. Approximately **60 Milpitas youths** will benefit from these services.
10. **Indo Community Center- (ICC)-IACSC** provides diverse services such as networking, socialization, health awareness education, citizenship training language classes, basic computer skills, job training and referral for senior citizens living in Milpitas. This program provides critically needed services to low-income and disadvantaged senior immigrants from India. In order that seniors do not remain isolated, the Center makes efforts to invite their family members as well as local youth, children, and families living in Milpitas on at least one day, i.e. on Monthly Family Days to join the seniors so that all three generations participate in the seniors services. Services provided are language appropriate and culturally sensitive. Milpitas provided **\$5,000** CDBG funds for this program. A total of **60 low-income senior citizens** benefited from this program during the past year.
11. **Live Oak Adult Day Care Services**-This program specialized in adult day care services for frail and dependent at-risk senior residents, respite for family caregivers and provides nutritious meals and snacks. Services include counseling, referrals, and

case management, support family members in their efforts to maintain their dependent senior relative in the family home. Milpitas provided **\$5,000** in CDBG funds to this program. A total of **15 Milpitas senior residents** benefited from this program the past year.

12. **Milpitas Food Pantry-MFP** is a locally based program in Milpitas which provides monthly supplemental emergency supplies of food to low-income seniors (60%), single families (10%), single teenage mothers (5%) and battered women and their children. MFP collects, purchase and store food supplies to distribute. Milpitas has provided **\$14,005** of CDBG funds to this program. A total of **1,560 persons** benefited from this program during the past year.
13. **Milpitas Unified School District (MUSD)**-The Special Education Services provides adult supervision, job coaching and tracking of work experience opportunities in the community for severely handicapped teenagers in Milpitas High School. Milpitas provided **\$5,000** in CDBG Funds to this program This program will benefit a total of **8 Milpitas High School handicapped students** in obtaining practical work experience.
14. **Next Door Solutions**- Provides shelter for up to 30 days for battered women and their children who are in immediate danger and have nowhere else to turn. Milpitas provided **\$5,000** in CDBG Funds to this project. This program benefited **129 Milpitas residents** would benefit from these services.
15. **Project Sentinel-PS** provides fair housing education and enforcement with landlord-tenant and dispute resolution services along with mortgage default, delinquency and pre-purchase counseling to Milpitas residents. Public education and outreach activities for both fair housing and landlord-tenant services includes Rent Watch, rental housing advice column, distribution of brochures, radio and television public service announcements, presentations and workshops. Milpitas provided **\$15,000** in CDBG Funds to this project. This program benefited **48 persons and 12 households** on fair housing issues and **192 persons and 48 households** for tenant/landlord mediation during the past year.

The Milpitas Redevelopment Agency will be providing **\$10,000** annual to Project Sentinel to support fair housing activities. **A total of \$25,000 has been provided for these services (FY 2006-2007)**

16. **Second Harvest Food Bank/Operation Brown Bag-SHFB** provides emergency funds to provide weekly food supplements to low-income households in nearly 72 neighborhoods in Santa Clara and San Mateo Counties. The program provided over 11,000 bags of food the past year. In Milpitas, approximately 290 members received 7 to 13 food items a week, as well as on-site nutrition classes and a

newsletter each quarter, and volunteer opportunities. This program received **\$5,000** from CDBG and served over **290 households** during the past year. Most of the funds for the food bank operation come from private contributions, and other charitable organizations.

17. **Senior Adults Legal Assistance (SALA)**-SALA provided free legal services to Milpitas elderly citizens. SALA provides services by appointments only at twenty-three Senior Centers throughout Santa Clara County, including the Milpitas Senior Center. SALA has served Milpitas seniors since 1979. SALA provides on-site intake sessions twice a month. Five half-hour session's appointments are available at each intake session for elderly to meet with SALA representative. Home visits are also available for those seniors who are homebound or reside in nursing homes. Milpitas provided **\$5,000** in CDBG funds to the program. A total of **38 senior citizens** benefited from these services during the past year. SALA also conducted a community education seminar at the Milpitas Senior Center for the benefit of senior citizens.
18. **Support Network for Battered Women**- Support Network for Battered Women provides peer and clinical counseling in both individual and group settings, This program also includes a 18-bed shelter, and counseling with a legal program that includes a temporary restraining order clinic, psycho-educational group and child care, and a community education program that includes outreach on teen dating and violence. The City of Milpitas received 55 domestic violence-related calls. This program also provides 24-hour comprehensive services for battered women and their children. Milpitas provided **\$5,000** in CDBG funds to the project. A total of **14 women and their children** benefited from this program during the past year.

Non-Public Services Provided

1. **City of Milpitas Housing Rehabilitation Program (HRP)**-The City of Milpitas Housing Rehabilitation Program provides housing rehabilitation loans to very low and low income Milpitas homeowners with the goals of preserving the neighborhoods through the conservation of the existing housing stock. The level of funding is based on a projection of 4-6 loans. Milpitas provided **\$88,332** in CDBG Funds to this program. A total of **4 households** benefited from this program during the past year. Program Income provided **\$100,000** additional funding for this program.
2. **Economic and Social Opportunities, Inc. (ESO)**-ESO goals are: 1) to prevent deterioration of existing affordable housing by providing minor home repairs services, improve home safety and increase housing opportunities for people with physical limitations, reduce the risk of carbon monoxide poisoning (by checking gas combustion appliances), improve energy efficiency and reduce utility cost for low

income households. Program services are focused on very low-income households (less than 50% of median income) with particular emphasis on seniors, physically disabled, and female-headed households. Milpitas provided **\$25,000** in CDBG funds to this program. A total of **18 households** benefited from this program during the past year.

3. **Terrace Garden Senior Housing-** This project involves the replacement and re-roofing of buildings for Terrace Gardens 150-unit Senior Housing Complex. This project will allow services to be provided to Milpitas senior population with limited interruptions. Milpitas provided **\$150,000** in CDBG funds to the project. A total of **188 very low and low-income seniors** will benefit from this project.
4. **Senior Housing Solutions-** This project involves the purchase of a five-bedroom single-family house to provide group living quarters for five extremely low-income seniors to function independently. Rehabilitation with two additional bedrooms and bedroom will be part of the design. Milpitas provided \$500,000 towards the acquisition, purchase and rehabilitation of the project including \$150,000 CDBG funds (and \$350,000 from the Milpitas Redevelopment Agency including \$150,000 from the Santa Clara County Housing Trust Fund). Upon completion, a total of **5 Milpitas extremely low-income seniors** would benefit from this project.

2. RESOURCES MADE AVAILABLE

Milpitas received \$600,963 in CDBG funds during FY 2006-2007 from housing and community development activities. Milpitas used these funds from the CDBG Program to carry out the activities identified in the Five-Year Consolidated Plan. All activities were carryout Citywide; there was no specific geographic concentration of resources. However, the specific geographic areas in which Milpitas have provided direct assistance with CDBG including Asians, Hispanics and Blacks households. The rationale for targeting these areas for allocating CDBG funds are based on financial, social, and economic needs of several working class neighborhoods.

On March 1 and April 18, 2006, Milpitas Community Advisory Commission (CAC) and City Council held public hearings to allocated \$600,963 of CDBG funds. The funds were used for a variety of public services, programs and activities. Subsequently, Milpitas Redevelopment Agency (RDA) has allocated over **\$36.3 million** for existing (or under construction) and proposed future affordable housing projects. The funding of these activities under this priority is consistent with the Consolidated Plan. The goals and objectives within the Consolidated Plan are on target to be met and in some cases will exceed expectations.

LEVERAGING OTHER RESOURCES

Milpitas has fostered and created partnerships with For-Profit and Non-Profit Developers such as Bridge Housing Corporation, DKB Homes, RGC Parc Metropolitan, Montague Parkway Associates, Mid-peninsula Housing Coalition, Shapell Industries of Northern CA, KB Homes to invest millions of dollars to develop **1,342 affordable housing units**. **Mid-Peninsula Housing Coalition will provide approximately \$17+ million towards development of the Milpitas Senior Housing Project. Other developer have paid for on and off-site street and infrastructure improvements towards their developments.**

Milpitas continues to work with housing developers and provides initial seed money for the acquisition of land for projects such as Summerfield Homes and Montevista Apartments from County of San Clara and in return for its investment, requires that each project provide a certain number of affordable housing units with long-term affordability restrictions. Recent projects include Senior Housing Project and Parc Place is examples where Milpitas has leveraged its funds to provide affordable housing units.

Also as previously stated, City of Milpitas is negotiating with developers to provide an additional **854 housing units** in which it is anticipated that **171 units will be affordable to very low, low and moderate-income households**. Milpitas will continue to leverage its Redevelopment Agency funds to guarantee the long-term affordability of these units.

The City of Milpitas has completed a Senior Needs Assessment Study, which has identified senior rental housing as a priority need for Milpitas senior population. Milpitas will be proceeding with a comprehensive implementation plan to address the other needs in the senior assessment study.

The following listing identifies the financial resources that have been used to leverage funds within the City of Milpitas:

-Milpitas Public Library	\$39 million (Construction of New Public Library)
-Milpitas Redevelopment Agency	\$36.3 million (Affordable housing assistance)
-Milpitas Comm. Center Renov.	\$560,000 (Improvements to Comm. Center)
-Milpitas New Senior Center	\$11 million (Construction of New Senior Center)
-Milpitas ADA Sidewalk Ramps	\$65,000 (ADA Sidewalk Improvements)
-Annual Sidewalk Replacement	\$3,405,000 (Citywide Replacement of Sidewalks)
-Park Renovation Plan	\$868,744 (Miscellaneous Park Renovations)
-County of SC Housing Trust Fund	\$150,000 (Additional \$150,000 to support affordable housing in Milpitas. Milpitas has provided \$800,000 since 2001)
-County of SC Nutrition Program	\$66,021 (Nutrition Program for Seniors)

The majority of the public service agencies have also leverage their funds with a variety of public and private funding sources including other foundations, corporations, and

private donations. Milpitas CDBG application process requires applicants to explain their method and strategy of leveraging funds for their programs and activities. Also, included in the attachments are public facilities and community improvement projects that are funded by the City of Milpitas (which does not use CDBG funds). Milpitas will continue to seek creative and alternative methods to leverage its funds and continue to financially support a variety of housing and public services programs and activities.

3. STATUS OF OTHER ACTIONS TAKEN DURING THE YEAR TO IMPLEMENT THE CITY'S GOALS AND OBJECTIVES

Existing Public Policy

The City of Milpitas has approved and adopted five (5) important documents which will have a major impact on the City's future housing policies: 1) **The Midtown Specific Plan**, 2) **Milpitas General Plan Housing Element**, 3) **Milpitas Five-Year Consolidated Plan (2002-2007)**, 4) **Senior Needs Assessment Study**, 5) **Transit Area Specific Plan** and 6) **Housing Marketing Study**

- 1) **Midtown Specific Plan**-Provides for a new vision for approximately 1,000-acre area of land, which is currently undergoing changes, related to its growing role as a housing and employment center in Silicon Valley. Overall, the plan calls for up to 4,000-5,000 new dwelling units and support retail development, new office developments at key locations, bicycle and pedestrian trails linking the areas together and new parks to serve residential development.

Residential densities up to 60 dwelling units/per acre will be accommodated with parking reductions for developments with ¼ miles of the Transit-Oriented Development Overlay Zones. The Milpitas City Council adopted the Midtown Specific Plan in March 2002.

- 2) **Milpitas General Plan Housing Element**-As required by State of California Housing Element Law, City of Milpitas has submitted its General Plan Housing Element to the Department of Housing and Community Development (HCD) for their review for certification of compliance. In November 2002, HCD found the Milpitas General Plan Housing Element to be in full compliance with state housing laws and approved certification.

The Milpitas Housing Element identifies housing policies, goals and objectives to meet the housing needs of all segments of the population. As part of the plan, Milpitas (through the Midtown Specific Plan and other sites citywide) have identified adequate housing sites to accommodate the City's Regional Fair- Share of housing needs (4,348 units) as identified by the Association of Bay Area Governments (ABAG).

- 3) **Consolidated Plan (2007-2012)**-City of Milpitas has submitted its Five-Year Consolidated Plan to HUD in June 2007. The Consolidated Plan is a comprehensive planning document that identifies the City overall needs for affordable housing and non-housing community development activities and outlines the strategy to address the identified needs.
- 4) **Senior Needs Assessment Study**-Identifies objectives and comprehensive view towards the future needs of Milpitas older adults. The goal of the assessment was to provide a working, planning tool based on the stakeholder's participation that will provide the City with a basis for decision-making and determine the priorities for facility development and service delivery in the future.
- 5) **Transit Area Specific Plan**-Preparation of a report for 400+ acres around the light rail and future Montague/Capital Bart station in Milpitas for specific types of land uses, streetscape, design guidelines, and high-density residential development within ¼ mile of the light rail and BART stations. High-density residential development would allow up to 60 dwelling units per acre. The Transit Area Specific Plan has the potential to for 5,000 to 7,000 additional dwelling units in Milpitas.
- 6) **Housing Marketing Study**-Comprehensive analysis of the Milpitas housing market conditions, trends, needs demands to provide an assessment of the current and future housing needs of the residents of Milpitas. The study will be completed in the fall of 2007.

Also, Milpitas has continued to demonstrate a commitment to providing a variety of affordable housing units (single family, multi-family, increased higher density to accommodate multi-family units, use of the Density Bonus Ordinance, first-time homebuyers program, etc.) to increase the City's housing supply. Milpitas has and will continue to consistently negotiate with developers to provide a percentage of the units as affordable through the use of incentives such as reduction in development standards, waiver of developmental fees, and financial concessions.

Approximately, 1,968 affordable housing units (including 572 mobilehome park units regulated by rent control ordinance) will exist in Milpitas if all the proposed residential housing units are built, including proposed or are being built in Milpitas over the next 3 years.

Milpitas has also taken steps to streamline the permit processing procedures to expedite the approval of affordable housing projects. Milpitas in terms of the approval process has given these projects special priority for fast track approval. Over the past year, approximately 1,000 acres of commercial and industry land has been rezoned to accommodate residential and commercial mixed-use development within the Milpitas Midtown Specific Plan. Milpitas policies as well as its financial commitment will continue to support, maintain and improve on affordable housing opportunities for its residents.

Public Housing Improvement and Residents Initiatives

Presently, there is no public housing within the City of Milpitas.

Institutional Structure

There are no weaknesses identified in the institutional structure.

Actions Taken to Overcoming Gaps in Institutional Structures to Enhance Coordination

Milpitas continues to work closely with the State, County, local jurisdictions, public and private agencies to provide coordinate strategies and available resources within the community. The Milpitas Housing Element serves as the guide to policies and principals in providing affordable, safe and decent housing to all segments of the population.

Also, Milpitas has prepared and submitted its revised Consolidated Plan (2007-2012) to identify its CDBG housing and community goals and objectives over the next five years. Milpitas serves on the Housing Bond Advisory Committee within Santa Clara County to raise approximately \$20 million dollars to address the affordable housing and homeless support programs throughout the entire County. The Santa Clara Board of Supervisor has allocated \$2 million towards these goals. The balance of the funding will be through working with the Silicon Valley Manufacturing Group and its members. Milpitas has allocated \$800,000 towards this goal since 2001 and an additional \$150,000 in 2006.

The \$500,000 allocated by Milpitas is currently being negotiated with Mid-Peninsula Housing and the County Housing Trust Fund to financial assist the Milpitas Senior Housing Project.

Milpitas and Santa Clara County created a partnership on the purchase of County land to develop the 681 units Terra Serena housing development with KB Homes. The County sold the land to the City, which in turn sold the land to KB Homes. **The County of Santa Clara and KB Homes has contributed \$1 million and \$5 million towards affordable housing (Senior Housing Project). KB Homes will also be providing 110 affordable units within their project.**

Milpitas continues to work with HUD and the property owners of Sunnyhills Apartments to maintain the long-term affordability of the 151 rental units for the Section 8 Program. Milpitas will continue to support and monitor the long-term affordability of these units. Milpitas is also an active member and participant in the Countywide CDBG Coordinators staff meetings to discuss a variety of issues relating to cooperation among jurisdictions to insure that there is not duplication of services and that there is efficient delivery of services as possible.

Milpitas also participates in the countywide CDBG meetings to address a variety of regional issues such as homelessness, fair housing, leveraging financial resources, and affordable housing activities.

Finally, Milpitas continues to support and encourage intergovernmental cooperation among the various public agencies and organizations to foster coordination and avoid the duplication of services and the effective use of financial resources. Projects such the **Countywide Homeless Survey, Fair Housing Report, Formation of the Fair Housing Task Force, Housing Trust Fund, and Live Oak Adult Day Care Services** support for the website are just a few examples of the City of Milpitas collaboration among the other jurisdictions in Santa Clara County.

Lead Based Paint Hazard Reduction

Milpitas provides information on lead-based paint hazard to all property owners and residents prior to any housing rehabilitation work being performed. If the situation appears to have lead-based paint hazard, the property owner will be notified and further testing will be required to abate the problem. Milpitas has allocated \$60,000 of Single Family Rehabilitation Program Administration funds to implement compliance with the HUD Lead-Based Paint regulations. To date, City of Milpitas has spent **\$2,400** to conduct **5** lead-based paint inspections for the Single Family Rehabilitation Program.

Milpitas will continue to work with its Building Division and County of Santa Clara Environmental Health Department as funding becomes available, in the design and implementation programs related to the detection, abatement, presentation and education of lead paint in the housing stock.

AFFIRMATIVELY FURTHERING FAIR HOUSING

Milpitas continues to support Project Sentinel fair housing services. Project Sentinel provides fair housing education, enforcement, tenant/landlord and dispute resolution services along with public education and outreach activities for both fair housing and tenant/landlord services for Milpitas residents. During the past year, City of Milpitas has provided **\$ 15,000** in CDBG funds to support Project Sentinel fair housing activities. The formation of the countywide Fair Housing Task Force is steps taken to further address fair housing issues.

On October 4, 2005, City Council meeting, staff will be presenting to the City Council the two-year review of CDBG funding priorities to determine if the Council desires to change its priorities. Part of this presentation included a staff recommendation to increase the amount of funding for fair housing activities from **\$15,000 to \$25,000**. The original \$15,000 is funded from CDBG Program Administration. The City Council approved the staff recommendation and starting with FY 2006-2007, the additional \$10,000 will be

funded on an annual basis from the City of Milpitas Redevelopment Agency 20% Low-Income Housing Set-Aside funds.

On July 6, 2004, the City of Milpitas City Council held a public hearing and adopted the updated Analysis of Impediments to Fair Housing Choice Report. Milpitas will continue to review and implement its Analysis of Impediments to Fair Housing Report (AI Report). The AI Report identified several impediments such as demographics, advertising, cases of housing discrimination, awareness of local fair housing services and public policies housing affordability will be addressed and implemented by Milpitas.

The following actions have been taken during the past year to further implement the recommendations identified in the AI Report:

Statistical Summary: During the 4th Quarter: Project Sentinel handled a total of 41 calls, of which 3 arose from fair housing cases. The total cases handled were 19 of which 3 were fair housing cases. Including cases opened in prior quarters, 3 landlord tenant cases were conciliated and 14 were closed as counseled. Three of the counseled cases were resolved. The 3 fair housing cases are still pending.

1. On June 10, the agency's Director of Dispute Resolution Programs addressed the mediation class at Foothill Community College, describing the agency's programs to students training to be mediators in various programs in the Bay Area.
2. During this quarter, the agency's Director of Dispute Resolution Programs has personally devoted significant hours and expertise to working with city staff and all other parties involved in the closure of the mobilehome park at South Main Street. The activities have included attending hearings and meetings, researching prior park residents and communicating with them and current residents.
3. The agency maintains an up-to-date website, located at www.housing.org, with a number of pages and links for the agency's mediation and counseling services. The numbers for this quarter remain at the same high level noted in prior quarters.
4. On June 7, the Milpitas Case Manager spoke to approximately 45 residents at the Senior Center to describe the program and distribute brochures.
5. On May 22, the agency's Director of Dispute Resolution Programs presented a two-hour workshop on conflict management to the staff of a number of BMR housing providers at a statewide Affordable Housing Management Association annual convention.
6. On May 19, the agency staffed a table and distributed agency brochures at the Affordable Housing Fair held in San Jose for the entire county.

7. On May 2, the agency's Director of Dispute Resolution Programs gave a presentation on the full range of Project Sentinel housing services in Santa Clara County to the entire staff of the Council on Aging Agency.
8. On April 27, the Milpitas Case Manager mailed brochures to management at Mervyn's Department Store.
9. On April 19, the agency's Deputy Director presented a "How to Become a Successful Tenant" Workshop for program participants at the Bill Wilson Center, who will become tenants in this county.
10. The agency submitted material for tenant/landlord column, "*Rent Watch*" which is printed in the *San Francisco Chronicle*, *Mountain View Voice*, *Milpitas Post* and the *South County paper*, and in the Tri-County Apartment Association's magazine. The column generates written inquiries from throughout the state. The agency sends a written response to all such inquiries.

Statistical Summary: During the 3rd Quarter: Project Sentinel handled a total of 43 calls, of which 6 arose from fair housing cases. The total cases handled were 29, of which 3 were fair housing cases. Including cases opened in prior quarters, 10 landlords tenants cases were conciliated, 1 case were mediated to agreement, and 14 were closed as counseled. The. 2 fair housing are still pending.

11. On March 13, The agency's Director of Dispute Resolution Programs was featured in a KPIX Channel 5 Nighttime Newscast on the subject of Predatory Lending.
11. On February 28, the agency's Director of Dispute Resolution Programs joined the Acting Director of Planning and Assistant City Attorney in a meeting with various managers and attorneys for then planned development at the 1540 Main Street Mobilehome Park to clarify their obligations to the current and past tenants. In addition to providing input based on the agency's experience with other park closing cases, the agency is following up with the action plan developed at that meeting.
12. On January 14, the agency's Director of Dispute Resolution Programs and the agency's Fair Housing Coordinator taped a segment describing the agency's services for the 'Around the Bay' public affairs program broadcast on multiple Bay Area stations.
13. The agency continues to sponsor public outdoor advertising in venues such as Valley Transit bus shelters.
14. The agency is an active participant in the new 211 Referral Network organized the United Way Silicon.

15. In January, the Milpitas Case Manager provided brochures for the library.

Statistical Summary: During the 2nd Quarter: Project Sentinel handled a total of 32 calls, of which 7 arose from fair housing cases. The total cases handled were 13, of which 3 were fair housing cases. Including cases opened in the prior quarters, 5 landlord tenant cases were closed as counseled, 7 were conciliated, and 1 was mediated to agreement. The fair housing are still pending.

16. On November 29, the agency's Director of Dispute Resolution Programs and a case manager attended the open house at the new Sobrato Non-Profit Center in Milpitas. While at the event, they interacted with a number of other non-profit and political leaders in the Santa Clara County area.

17. During this quarter the agency's Director of Dispute Resolution Programs participated in the finalization of a data-gathering project for the Coalition of California Community Mediation Programs, affiliated with CDRC, the California Dispute Resolution Counsel, the principal statewide mediation organization. The results from the survey will be published at the beginning of the next quarter and will document statewide performance data for community mediation programs, for the first time.

18. On October 24, the agency's Director of Dispute Resolution Programs presented a workshop to approximately 50 members of the National Association of Residential Property Managers entitled "A Dozen Mistakes That Can Ruin a Landlord's Day."

19. On September 27, the agency's Director of Dispute Resolution Programs and the agency's Fair Housing Coordinator participated in a radio call-in program on the very popular Morning Show on radio station KFOG. Staff answered calls from listeners and spoke generally about the agency's services. This station broadcasts to the entire Bay Area. Follow-up email inquiries were received and answered, demonstrating the broad outreach of this program.

20. The agency maintain an up-to-date website, located at www.housing.org, with a number of pages and links for the agency's mediation and counseling services. The numbers for this quarter remain at the same high level noted in the prior quarters. The specific numbers for the quarter were 92,931 hits and 14,414 visits, which are defined as extended navigation through the site.

21. The agency is a founding partner in the "Don't Borrow Trouble-Silicon Valley" coalition, designed to combat predatory lending. The agency's Director of Dispute Resolution Programs is a member of the core decision-making group, which is also includes prominent officials from Freddie Mac, the realtors and mortgage broker associations, the WIC labor union group, BALA and Fair Housing Law Project, and

22. Neighborhood Housing Services, as well, as City of San Jose officials. The agency also serves as the fiscal agent for the project, which spent this last quarter preparing a yearlong plan for outreach and education events. The agency was specifically mentioned as a resource for seniors who are victims of predatory lending, in an article published in *ActionOver 50* Magazine.

Statistical Summary: During the 1st Quarter: Project Sentinel handled a total of 49 calls, of which 10 arose from fair housing cases. The total cases handled were 17, of which 4 were fair housing cases. One of these cases involved parties whose income was above the low-income limits, which means the reportable total was 16. Including cases opened on prior quarters, 5 landlord tenant cases were closed as counseled, 7 were conciliated and 1 was mediated to agreement. The fair housing cases are still pending.

Through the quarter, an independent vendor distributed agency brochures when making home visits in Milpitas.

23. On September 27, the agency's Director of Dispute Resolution Programs and the agency's Fair Housing Coordinator participated in a radio call-in program on the very popular Morning Show on radio station KFOG. Staff answered calls from listeners and spoke generally about the agency's services. This station broadcasts to the entire Bay Area. Follow-up email inquiries were received and answered, demonstrating the broad outreach of this program.
24. On August 29, the agency's Director of Dispute Resolution Programs participated in a meeting with managers of other non-profits at United Way to discuss participation in the new 211 Information and Referral Program, which will be launched in the next quarter.
25. On July 2, the agency's Director of Dispute Resolution Programs addressed the mediation class at Foothill Community College, describing the agency's programs to the approximately 30 students training to be mediators in various programs in the Bay Area
26. Statewide survey conducted by the Public Policy Institute of California and described the agency's services for a paper to be nationally published.
27. The agency submitted material for the tenant/landlord column, "*Rent Watch*" which is printed in the *San Jose Mercury News*, the *San Francisco Chronicle*, *The Filipino Guardian*, and in the Tri-County Apartment Association's magazine, *Apartment Management* as well as out-of-area publications such as the *Los Angeles Times* and the *Sonoma Press Democrat* and the *Marin Independent Journal*. The column generates written inquiries from throughout the state. The agency sends a written response to all such inquiries.

28. Project Sentinel continued to sponsor public outdoor advertising in venues such as Valley Transit bus shelters
29. During the past program year, Project Sentinel provided the following fair housing and tenant/landlord dispute resolution services:

Housing information and referral calls were handled for 276 residents

- b. Project Sentinel investigated a total of 60 cases involving discrimination on the City's behalf.
- c. A total of 35 outreach sessions were held to benefit the general public regarding fair housing issues. Also, on-going advertising and continued outreach campaign to heighten public awareness of discrimination and fair housing services were provided.
- d. Follow-up services included conciliation, legal referral, and contact with apartment owners and managers for 55 residents who alleged discriminatory practices by housing providers.
- e. Housing and training seminars for tenants, owners, and managers were provided.

Other Policies to Further Fair Housing

Milpitas continues to support and encourage developers to consider higher density residential projects through the use of the Density Bonus Ordinance as the vehicle to increase the availability of affordable housing units, which furthers the goals of affordable housing for low and moderate-income families.

Milpitas Planned Unit Development (PUD) permit process allows for higher density (20-40 dwelling units/per acre), if the applicant can demonstrate a public benefit. Housing developers has used this permit process to increase the density on their site (high-density multi-family developments) with affordable housing serving as the public benefit.

Milpitas has adopted the Midtown Specific Plan to accommodate densities up to 60 dwelling units/per acre in specific locations with 1/4 mile of the two light rail transit stations being proposed within Milpitas. The proposed Midtown Specific Plan will accommodate a range of 4,000-5,000 dwelling units of various housing types and styles.

Milpitas is also preparing a Transit Area Specific Plan for those properties that are located within 1/4 mile of the transit stations (light rail and BART). Residential properties

within this designated area will be classified as multi-family very high-density residential development with a transit oriented overlay. Densities up to 60 dwelling units/per acre will be allowed within this zoning district. A total of approximately 400+ acres around the light rail and Montague/Capital Bart station will be designated. The Transit

Milpitas is currently meeting with Project Sentinel and has contacted the property owners of the four (4) mobilehome parks within Milpitas to conduct a tenant/landlord seminar to discuss the fair housing rights of both parties. It is anticipated that the tenant/landlord seminar will be conducted on late September or early October.

Milpitas has also provided funding to Emergency Housing Consortium of Santa Clara County, Inc. which provides a renter education program that includes information about legal protection against discrimination. Milpitas Housing Programs (i.e. single family housing rehabilitation, first time homebuyers, and rental units) has actively pursued an affirmative action plan. The loans to assist low and moderate-income households are available to all persons of the City of Milpitas. Minority participants are actively sought.

Brochures, public handouts and other fair housing information (Security Deposit, Tenant Responsibilities, Remedies for Obtaining Repairs, Tenant/Landlord Mediation, How to Protect Tenant Rights, etc.) are available at the Public Service Information Counter at City Hall. Copies of all handout information are provided in Spanish and Chinese languages.

The best means to further the housing opportunities for its diverse population is to continue to provide housing programs in the City, which preserves and expand the existing housing stock especially for large families with children. The narrative within the Consolidated Plan illustrates that the City's use of CDBG and other funding resources were directed towards meeting this goal.

CONTINUUM OF CARE NARRATIVE

Milpitas will continue to fund the operation of a variety of support services and programs to address the needs of the homeless persons and the special needs of persons that is not homeless but requires supportive housing. The support services and programs includes the following:

Alum Rock Counseling Center/Crisis Invention Program (22 very low-income persons) which provides counseling, information and referral assistance to help individuals finds those services which most suit their particular needs and **Catholic Charities Long Term Care Ombudsman Program** which provides services to long term care facilities through regular site visits by trained certified community volunteers who respond to complaints mediate fair resolution to problems and advocate quality care for senior citizens (50 frail chronically ill elderly residents).

Also, **Second Harvest Food Bank** (290 households) and **Milpitas Food Pantry** (1,560 persons), which provides weekly food supplements to low-income persons.

Supportive housing programs includes funding for **Emergency Housing Consortium** provides shelter and support services to homeless adults, youths and families (4,500 shelter nights for 55 Milpitas residents), **Catholic Charities of Santa Clara County** which provides shared housing for single parent families primary very and low-income persons (14 persons), and **Support Network for Battered Women** which provides peer and clinical counseling in both individual and group setting (14 women and their children).

The goals of funding these supportive services, programs and housing activities are to assist homeless and non-homeless persons (individuals and families) on making the transition to permanent housing and independent living. Milpitas will continue to implement its Continuum of Care Strategy and take appropriate actions to provide funding to address the needs of its homeless and non-homeless populations.

5. ACCOMPLISHMENTS

(1) Households and Persons Assisted

This section identifies the number of households and persons assisted through the various programs, activities and projects during the past FY 2006-2007. Milpitas has used its CDBG funds and other available resources to serve a wide range of very low and low-income households with a combination of housing rehabilitation services and providing affordable housing alternatives. The following information below outlines the specific goals established by the Plan and the accomplishments for the various categories of assistance:

Programs and Services to Address the Needs of Homeless Persons and Special Needs

1. **Milpitas Food Pantry** provides monthly supplemental food supplies to very and low-income families.
2. **Catholic Charities of Santa Clara County** provides housing services to primarily very and low-income single parent families. Services are provided to help these families find affordable housing by sharing. Also, the program offers case management and rental assistance.
3. **Emergency Housing Consortium** provides shelter and support services to homeless men, women and families with children to break the cycle of homelessness. Programs include housing, education, employment and self-sufficiency. A total of 4,500 nights of shelter have been provided to 55 Milpitas residents. Also, the "Our

House” shelter for runaway youths (when constructed and completed) will provide housing for 8 Milpitas youths.

4. **Housing Trust Fund of Santa Clara County (Silicon Valley Manufacturing Group)** to provide over 5,000 new affordable housing units homeless population and Silicon Valley workers. Milpitas has provided \$800,000 towards the Housing Trust Fund.

Program and Services to Prevent Persons and Families from Becoming Homeless

1. Milpitas has provided **\$538,234** for service programs, which provided food, shelter, clothing, and other assistance to homeless persons, which served **4,904** persons.
2. Milpitas continues to monitor the Sunnyhills Apartments (151 units) and the other 180 Section 8 Program tenants that have obtained vouchers in Milpitas to prevent the at-risk conversion to market-rate units and the displacement of existing low income households. Milpitas will continue to work with the property owner and HUD to maintain its long-term affordability.

Programs and Services to Address Homeless Persons, Including Those with Special Needs, to Transition to Independent Living

1. **The Second Harvest Food Bank “Operation Brown Bag”** provides weekly groceries to very low-income persons to supplement their diets. The program also conducts quarterly nutrition and food safety classes. A total of **340** households received 7 to 13 food items per week.
2. **Support Network for Battered Women** provides comprehensive services including crisis response, shelter, individuals and groups counseling, legal assistance and community education for battered women and their children. The program also operates a 20-bed shelter facility for battered women and their children. A total of **14** Milpitas has benefited from this program.

Actions to Assist Non-Homeless Elderly Persons

1. Milpitas has funded several programs which provided assistance and services to the elderly population such as **Economic and Social Opportunities, Inc.** provides home improvements services to senior homeowners, **Senior Adults Legal Assistance** provides free legal services to Milpitas elderly, **Project Sentinel** provides fair housing and mediation service, **Milpitas Food Pantry and Second Harvest Food Bank** provides food and **Project Match** provides affordable shared housing for senior residents.

2. **Long Term Care Ombudsman Program** provides on-going care to six (6) long term care facilities in Milpitas through regular site visits by trained certified community volunteers who provides quality care to 64 frail, chronically ill, primarily elderly residents in those facilities.
3. **Milpitas Terrace Gardens Senior Housing Renovations and Improvements**-This project provided CDBG funding for replacement and repairs for the re-roofing of the Terrace Gardens 150-unit Senior Housing Complex.
4. Milpitas along with the County of Santa Clara provides a Nutrition Program which serves approximately 80 senior citizens at the Milpitas Senior Center.

Actions to Assist Persons with Physical or Mental Disabilities

The City of Milpitas has committed General Funds, Redevelopment Agency and CDBG Funds through its Capital Improvement Program (CIP) budget for the following on-going projects:

1. **Park Renovation Plan**-This project involves the replacement of equipment and new floor matting that will be ADA accessible. The City of Milpitas has allocated **\$868,744** for this project.
2. **Annual ADA Sidewalk Ramps**-This project involves the installation of sidewalk ramps at street intersections in order to meet ADA requirements. The City of Milpitas has allocated **\$65,000** for this project.
3. **Proposition 12 Park Bond**-This project involves the playground safety and access (ADA) upgrades to four city parks with equipment made from recycling materials. The City of Milpitas has allocated **\$1 million** for this project.
5. **Selwyn Park Improvements**-This project involves a new playground, play safety surfacing, a basketball court, new walkways, site amenities, landscaping and related improvements (including ADA accessibility) The City of Milpitas has allocated **\$243,000** for this project.
6. **Audible Pedestrian Signal Installation**-This project involves the installation of audible pedestrian signal indicators and improved pedestrian buttons at key intersections throughout the City. This will assist the visually impaired and elderly when crossing the street. The City of Milpitas allocated **\$149,000** for this project.
7. **Senior Center**-Milpitas will be constructing a new Senior Center. The City of Milpitas existing library site at Civic Center will be remodeled as a permanent Senior Center Facility. City of Milpitas will allocate **\$11,000,000**for this project.

A total of approximately \$13,325,574 has been allocated in the City of Milpitas Capital Improvement Program (CIP) budget for the installation of these improvements and ADA compliance requirements.

Actions to Assist Persons with Alcohol or Other Drug Related Problems

Milpitas provides CDBG funding to the Asian American Recovery Center to provide substance abuse prevention, intervention and treatment services. Also, Milpitas has committed General Funds for the Police Department to participate in the DARE Program, which provides education and counseling to Milpitas students and their families. The City of Milpitas spends approximately \$10,000 per year on community outreach for this project.

Actions to Taken to Improve Public Housing and Residents Initiatives

There are no public housing units within the City of Milpitas.

Actions to Address Obstacles to Meeting Undeserved Needs

The most significant obstacle to addressing the undeserved needs of Milpitas residents continues to be the general lack of funding to appropriately allocate resources to provide assistance to the homeless, elderly, female headed households, domestic violence victims, and other special interest groups with specific needs. Since becoming an "entitlement city", CDBG funds have increased from \$190,000 to \$711,000 enabling the City to provide additional funding to these organizations. Milpitas consistently negotiates with non-profit and for-profit housing developers to increase the supply of affordable housing.

Many of these affordable housing developments are structured with long-term loans and required that the proceeds from the projects be put back into the development with reduced or subsidized rents (i.e. Terrace Gardens).

Actions to Foster and Maintain Affordable Housing and Eliminating Barriers to Affordable Housing

Milpitas has previously worked with HUD and the property owners of Sunnyhills Apartments to maintain the long-term affordability of the 151 units' at-risk of conversion to market rate units for very low and low-income persons. Milpitas has approximately 1,100+ affordable housing units with long-term affordability restriction agreements, with an additional 171 affordable units current being negotiated with staff and developers.

Also, citywide Mobilehome Park Rent Control Ordinance provides another means of affordable housing with 572 mobilehome units. Milpitas has worked very closely with Project Sentinel on eliminating barriers to affordable housing. Additional outreach efforts

including seminars and workshops have been held with local property owners/managers to discuss housing discrimination and flyers, advertising on cable television are made available to the public.

Milpitas also works very closely with Project Sentinel (The City's Fair Housing Provider) to eliminate fair housing barriers. to provide public information on the City's cable TV, website and public information counter. Information is provided in different languages.

Public announcements and fair housing information is provided in the Milpitas Post newspaper.

Actions Taken to Reduce the Number of Persons Living Below the Poverty Level

Milpitas has continued to fund a variety of support programs and activities that provides food, clothing, job training, counseling, rental assistance and crisis invention to prevent individuals and families from becoming at-risk of being homeless.

Milpitas Food Pantry and Second Harvest Food Bank provides nutritional meals to supplement low and moderate-income households.

Fair Housing and tenant-landlord mediation is provided through Project Sentinel in addressing fair housing issues and complaints regarding landlords increasing rental housing above and beyond the means of many low and moderate income renters and preventing unnecessary evictions.

Milpitas annual provides **\$66,021 (including, \$15,500 for ethnic meals for different ethnic groups)** from its General Funds to assistance in the Senior Citizen Nutritional Program. Milpitas actively participates in COFFY (Community Opportunities for Families and Youths) a locally based grass-roots organization established to assist families and youths at-risk.

Milpitas has also continued to work with County of Santa Clara Social Services Agency to refer low-income families to programs such as Cal Works poverty level. Santa Clara County has experienced a decline in all public assistance programs including Medi-Cal, Food Stamp, and Foster Care Cash Aid programs, by two percent, seven percent, and seven percent respectively. A total of 7,121 Milpitas households in the county received some form of public assistnace from Cal-Works aid.

Milpitas has also worked with Santa Clara County Housing Authority to notify Milpitas residents when the Housing Authority accepted applications for Section 8 housing for the first time since 1997. Notification and announcements were provided to Milpitas residents in four different languages, on cable television, City's website and was posted at the public library and other public buildings within the City of Milpitas. Recently, the

Housing Authority has obtained 1,000 new Section 8 vouchers for low-income tenants within the county.

A total of 27,000 registrations were received countywide including 62 Section 20 waiting list registrants and 659 Section 8 tenants residing in Milpitas. To date, 15,826 residents have received Section 8 vouchers and 8,000 county residents are on the 2-3 year waiting list. Milpitas will continue to seek and explore creative and innovative ways to promote and encourage affordable housing developments with the use of local funds, streamlining the approval process and negotiating with developers on long-term affordability restrictions.

Actions Taken to Ensure Compliance with Program and Comprehensive Planning Requirements

Milpitas consistently monitors its CDBG grantee subrecipients and projects to ensure compliance with the program goals and objectives and comprehensive planning requirements. Monitoring includes review of quarterly report to determine if goals are achieved, invoices and review of agency audits, financial records, and clientele files. Staff also conducts annual on-site monitoring. The Milpitas Community Advisory Commission (CAC) and City Council conducts annual public hearings on its Action Plan, CAPER, and the allocation of CDBG funds to provide the general public the opportunity to review and comment on the use of CDBG funds.

Public Facilities and Improvement Needs

Milpitas has committed General Funds and Redevelopment Agency with Capital Improvement Projects (CIP) funding to provide improvements to street infrastructure, drainage improvements within low and moderate-income neighborhoods to improve on the quality of life for those residents. These improvements includes ADA compliance, infrastructure, Senior Center, Sports Center, public safety, pedestrian walkways, water master plan update, urban runoff pollution program, etc. Included in the attachments are listings of public facility and improvement projects that have been funded by the City of Milpitas to address these community needs.

6. SELF EVALUATION OF PROGRESS IN ADDRESSING IDENTIFIED NEEDS AND OBJECTIVES

Milpitas appears to be on target to meet its anticipated goals and objectives outlined with the Five-Year Consolidated Plan. The City's Redevelopment Agency has provided approximately \$35+ million along with CDBG funds to subsidize a variety of housing programs (i.e. first time homebuyers, multi-family and senior units). Public Service programs and support services have been carefully prioritized and funded to benefit the greatest number of Milpitas residents. Housing, public services, seniors and homeless populations has been given special care and attention in addressing their needs.

The three main goals and objectives, which the City is presently behind on meeting its schedule, are: 1) Assisting first-time homebuyers on participating in the Mortgage Credit Certificate Program and 2) Assisting on obtaining Section 8 Voucher and Certificate, and 3) the development of the Senior Housing Project.

The Mortgage Credit Certificate Program for first-time homebuyers continues to be extremely difficult to achieve based on the limited mortgage credit credits issued by the State of California to Santa Clara County. This program has been reduced by almost 80% Countywide. This goal appears to be unattainable unless additional funds sources are available. Housing Authority of Santa Clara County previously opened its waiting list for Section 8 applicants. Currently, 628 Milpitas residents have Section 8 active vouchers and 108 residents are on the waiting list. Milpitas provided this information to the general public through public notices, cable television, and City's web site. Milpitas also received numerous phone calls from local residents on where and how to apply for the County's waiting lists.

Also, additional the proposed 102-unit Senior Housing Project. Milpitas has allocated \$9.6 million from its Redevelopment Agency 20% set aside housing funds for this project. The senior housing project will include all units at 25%-40% (extremely low and very low-income) of Area Median Income (AMI). Upon occupancy in early 2008 Milpitas will have 252 deed restricted affordable housing units for its senior residents.

Low-income housing tax credits and HOME Program is two funding sources that are being considered for these projects. Milpitas Public Facilities and Improvement needs had largely been funded through the City's Capital Improvement Program (CIP) budget, which addresses citywide problems such as infrastructure, parks, and other types of recreational activities.

In general, Milpitas appears to be well on its way on meeting or exceeding its goals and objectives that have been identified within the Consolidated Plan (2002-2007) and has started to formulate its strategy.

7. CITIZEN PARTICIPATION

As outlined in the Milpitas Citizens Participation Plan, the Draft CAPER Report was prepared and made available to the public for review for 15 days from **August 24 through September 8, 2006**. A public advisement notice was placed in the local Milpitas Post Newspaper advertising the availability of the CAPERS Report. In addition, copies of the report were mailed to all organizations, grantees, and other people who have expressed an interest in the City's CDBG Program. Copies of the report were also available at the Public Library and City of Milpitas information desk and public counter.

The Milpitas City Council will hold a public hearing on September 19, 2006 at 7:00 p.m. in the Milpitas City Hall, 455 E. Calaveras Blvd. to adopt the CAPER.

Summary of Public Comments Received

All public comments have been received by the City of Milpitas and have been incorporated into the final CAPER to be forwarded to HUD by September 29, 2006.

A summary of the public comments is stated below and is attached to the final documents.

Public Comments

To be provided after the City Council's public hearing on September 18, 2007

CDBG Program

Attached is a copy of the Grantee Performance Report (GPR), which provides a summary of the accomplishments, and the funding budgeted for each CDBG Program activities carried out during the 2006-2007-program year.