



City of Milpitas

Draft CAPER Report
FY 2007-2008

Community Development Block Grant
(CDBG)

**Executive Summary-City of Milpitas Community Development Block Grant Program
CAPER 2007-2008**

The City of Milpitas Consolidated Annual Performance Evaluation Report (CAPER) included **\$599,777** in Community Development Block Grant (CDBG) funds in fiscal year 2006-2007. A total of **\$89,966** was allocated to **15 different public service providers**. These public services include a variety of programs such as: 1) domestic violence, 2) senior legal aid, 3) supplemental supplies of food/ senior brown bag program, 4) homeless shelter and support services, 5) recreational assistance programs, 6) substance abuse, 7) Filipino and India youths and senior services, 8) long-term care ombudsman services for senior in care facilities, 9) adult day care services, and 10) fair housing services.

With regards to non-public service activities, Milpitas allocated a total of **\$389,855** to **4 different non-public service providers**, these services includes: 1) continuation of renovations and improvements to Milpitas Senior Center, 2) Playground equipment replacement picnic area and safety standards for accessibility improvements for Calle Oriente Park 3) Minor home repairs and improvements from Rebuilding Together and 4) Milpitas Single-Family Rehabilitation Loan Program.

With the addition of **\$100,000** of expected Program Income from the Single-Family Rehabilitation Loan Program, Milpitas will be spending approximate **\$699,777** on public, non-public services and program administration (**\$119,955**).

The 15-day public review period on the Milpitas CAPER was August 29 to September 15, 2008. The Milpitas CAPER will be sent to HUD prior to the September 30, 2008 deadline. Any public comments received on the CAPER during the public review period or at the City Council public hearing on Tuesday, September 16, 2008 will be incorporated into the final document.

Community Development Block Grant funds will be provided to all segments of Milpitas population including geographical areas with high minority concentration within the community.

Certification of Discharge Policy

The City of Milpitas will be working with the State of California Department of Corrections and County of Santa Clara Department of Corrections to establish a comprehensive policy and strategy for the housing and placement of offenders in the community. The Discharge Placement Policy seeks to provide direct help and assist for the placement of prisoners released from jails, hospitals, and other facilities in order to prevent homelessness.

City of Milpitas
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(CAPER 2007-2008)

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CITY OF MILPITAS
CONSOLIDATED PLAN ANNUAL PERFORMANCE EVALUATION REPORT
(CAPER)
JULY 1, 2007-JUNE 30, 2008

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 of its 2007-2008 Consolidated Annual Performance Evaluation Report (CAPER). The CAPER describes: 1) the City's low and moderate income housing and community development activities carried out during the past fiscal year 2007-2008, 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 (2007-2012) 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. The Milpitas Five-Year Consolidated Plan has been submitted and approved by 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 29, 2008 to September 15, 2008**. 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 16, 2008 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 30 2008. 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 2007-2008 fiscal year contains a high concentration of minority population including Asian, 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 and Temple Drive and Adams Ave 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, Rebuilding Together, Support Network for Battered Women, India Community Center, Asian American Recovery Services, Project Sentinel, Emergency Housing Consortium, and Milpitas Senior Housing Project.

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 (\$599,777) FY 2007-2008 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, the 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 **20** 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
	(3)			

• Senior Housing Solutions (#)	5	5	N/A	N/A
• Apton Plaza (2)	93	93	N/A	N/A
• Aspen Apartments	100	100	N/A	N/A
• South Main Street	126	N/A	5	14
<hr/>				
TOTAL:	3,490	708	123	447

(*) Townhomes

(**) Apartment/Rental Units

(***) Single Family Homes

(#) Single Family Home for 5 Seniors

(1) Includes 25 Homes

(2) Change from for-sale to rental units

% OF AFFORDABLE UNITS: 35.7%

OF AFFORDABLE HOMES: 335

OF AFFORDABLE APARTMENT UNITS: 914

TOTAL NUMBER OF AFFORDABLE UNITS: 1,249

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 the 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).** 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
6. Milpitas has negotiated and approved, **Apton Plaza** a 100% affordable rental housing project, which will include **93-units of affordable housing to very low-income households.** This project has been approved and will be applying for low-income housing tax-credit and has received support from Milpitas on its application.
8. Milpitas has negotiated and approved **Aspen Family Apartments**, a 100% affordable rental housing project, which will include **100-units of affordable housing for very low-income households.** This project has already applied for and received low-income housing tax-credits with the support from Milpitas. Milpitas City Council has approved a **\$2.3 million low interest rate loan** to financially support the project.
9. 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 Cara County (\$100,000 donated by the City of Milpitas) will assist in the financial leveraging for this project.

10. The approval of **4 Single-Family Housing Rehabilitation Loans** to very low and low-income households within Milpitas. A total of **\$257,883** of CDBG funds was used to rehabilitate single-family homes within the community. Additional Program Income funds were also used to assist this program.
11. Milpitas is currently negotiating with four (4) separate housing developers on an additional **2,889 housing units** within the Transit Area Specific Plan, which it is anticipated that **15%** (as required by Redevelopment law) **of the units (433)** will be affordable to low and moderate-income households.
12. 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-seven (**37**) Milpitas residents have benefited from low interest rate loans (to become first-time homebuyers) from the Housing Trust Fund.

13. **Mobilehome Park Rent Control Ordinance-** Milpitas continues to maintain and monitor the **527-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.

It should be noted that the S. Main Street Mobilehome Park (45-units) was closed effective June 1, 2008. Mobilehome Park Conversion Impact Report was prepared and approved by the Milpitas City Council and mobilehome park tenants received relocation benefits up to \$9,500 to assist in their relocation expenses.

14. 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.
15. **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).

16. **County of Santa Clara Fair Housing Task Force**-City of Milpitas has participated 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. Meetings are held quarterly at Milpitas City Hall and Milpitas served as the Co-Chair of the Task Force with Project Sentinel.
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**. In June 2008, the Milpitas City Council adopted the Transit Area Specific Plan

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 2007-2012 Consolidated Plan:

- a. Milpitas currently has **1,249** 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 estimated additional **433** affordable housing units with long-term restrictions agreements has submitted to the City of Milpitas for project review and approval. If approved, upon completion of construction, a total of **1,682** affordable housing units will be available for very low, low and moderate-income households.

Proposed Developments within the Milpitas Transit Area Specific Plan:

<u>Projects</u>	<u># of Units</u>	<u>Estimated Affordable Housing Units</u>
Integral	1,400	210
Piper Towers	480	72
Citation	683	102
Milpitas Station	326	49
Total:	2,889	433

As in the past with previous affordable housing projects, City of Milpitas may consider providing some form of financial assistance, waiver 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 San Jose (CCSJ)** -CCSJ 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. CCSJ listing of services helps families find affordable housing by sharing. CCSJ 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 36 Milpitas residents benefited from the program during the past year.
4. **Catholic Charities Long Term Care Ombudsman Program (CCSJ)**-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 54 frail, chronically ill, primary elderly residents in those facilities. Milpitas provided **\$5,000** in CDBG funds to this program. A total of **54 elderly residents** benefited from this program during the past year.

5. **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.
6. **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 52 Milpitas residents**.
7. **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.
8. **India 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 **50 low-income senior citizens** benefited from this program during the past year.
9. **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 **12 Milpitas senior residents** benefited from this program the past year.

10. **Milpitas Food Pantry (MFP)**-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 **\$7,550** of CDBG funds to this program. A total of **1,751 persons** benefited from this program during the past year.
11. **Next Door Solutions**- This program 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.
12. **Project Sentinel (PS)**-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 project potential benefit all Milpitas residents.

The Milpitas Redevelopment Agency will be providing **\$10,000** annually to Project Sentinel to support fair housing activities. **A total of \$25,000 has been provided for these services (FY 2007-2008).**

13. **Second Harvest Food Bank/Operation Brown Bag (SHFB)**-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.
14. **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.

15. **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 **95 households** 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 **\$157,883** 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. **Rebuilding Together (RT)**-Rebuilding Together provides safety repairs/accessibility/mobility home improvements for seniors and very low and low-income homeowners. Milpitas provided **\$10,000** in CDBG funds to this program. A total of **6-8 households** benefited from this program during the past year.
3. **Terrace Garden Senior Housing-** This project involves the remodeling of the existing kitchen area for the Milpitas Senior Housing Project (Terrace Gardens 150-units). Milpitas provided **\$150,625** in CDBG funds to the project. A total of 188 **very low and low-income seniors** will benefit from this project.
4. **City of Milpitas Parks and Recreation Dept.**-This funding was for playground equipment replacement, picnic area, and safety standards for ADA accessibility improvements to Calle Oriente Park. Milpitas provided **\$71,348** in CDBG Funds for this project. The entire 65,000+ Milpitas residents (including disabled persons) will benefit from this project.

2. RESOURCES MADE AVAILABLE

Milpitas received \$599,777 in CDBG funds during FY 2007-2008 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 Asian, Hispanics and Black 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 7 and April 17, 2007, the Milpitas Community Advisory Commission (CAC) and the City Council held public hearings to allocated \$599,777 of CDBG funds. The funds were used for a variety of public services, programs and activities. Subsequently, Milpitas Redevelopment Agency (RDA) has allocated over **\$37.1 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, and Shapell Industries of Northern CA, KB Homes to invest millions of dollars to develop **1,249 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 has also provide support for the Aspen Family Apartments and Apton Plaza Mid-Peninsula Housing Coalition applications to receive tax credits to assist their projects financially.

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 Apartment, KB Homes 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 DeVries Place Senior Housing Project and Parc Place an examples of 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 **2,500 housing units in the Transit Area Specific Plan** in which it is anticipated that **375 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 the Comm. Center)
-Milpitas New Senior Center	\$11 million (Construction of a 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	\$77, 230 (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 (2007-2012), 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. To date, approximately **1,400 housing units** have been approved or under construction within the Midtown Specific Plan Area.

- 2) Milpitas General Plan Housing Element**-As required by State of California Housing Element Law, the City of Milpitas has submitted its General Plan Housing Element to the Department of Housing and Community Development (HCD) for their review and issuance of the 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. Milpitas has hired a housing consultant to assist on the preparation of the new state mandated Housing Element by June 30, 2009.

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 identifies adequate housing sites to accommodate the City's new Regional Fair-Share of housing needs (2,487 units) as identified by the Association of Bay Area Governments (ABAG).

- 3) Consolidated Plan (2007-2012)**-City of Milpitas submitted its Five-Year Consolidated Plan to HUD in June 2007. The Consolidated Plan is a comprehensive planning document that identifies the City's 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 plan also allows for a bonus of 25% increased density with a use permit (within specific areas of the transit area plan) and housing developers can apply for the State Density Bonus. If the use permit and density bonus are approved, a developer could potentially have up to 90 dwelling units permitted on certain sites. The Transit Area Specific Plan has the potential to provide 5,000 to 7,000 additional dwelling units in Milpitas.

To date, Milpitas has received four applications for development within the Transit Area Specific Plan with approximately 2,800+ housing units.

- 6) **Housing Marketing Study**-Comprehensive analysis of the Milpitas housing market conditions, trends, needs and demands to provide an assessment of the current and future housing needs of the residents of Milpitas. The study was completed in the Fall of 2007 and will use as additional information and data for the Housing Element.

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, 1,776 affordable housing units (including 527 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 and 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 financially assist the Milpitas Senior Housing Project. Another \$100,000 was allocated to Senior Housing Solution for the acquisition and rehabilitation of the 5-unit single family home for seniors.

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 as the **Countywide Homeless Survey, Fair Housing Report, Formation of the Countywide 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.

At the October 4, 2005, City Council meeting, staff presented 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 was funded on an annual basis from the City of Milpitas Redevelopment Agency's 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 39 calls, of which 7 arose from fair housing cases. The total cases handled were 25 of which 7 were fair housing cases. Including cases opened in prior quarters, clients at the moderate-income level opened 4 landlord tenant cases and those cases were not counted in the Quarterly Report totals. Included cases opened in prior quarters, 7 landlord tenant cases were conciliated and 10 were closed as counseled. Three of the counseled were resolved. One fair housing case was conciliated, one was counseled and the remaining cases are pending.

1. The agency continues to actively participant in the new 211 Referral Network organized by the United Way Silicon Valley.
2. During this quarter, the agency's Director of Dispute Resolution Programs has personally devoted significant hours and expertise to working with city staff an 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. The specific numbers for the quarter were 120,690 hits and 18,283 visits, which are defined as extended navigation through the site.
4. 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 Program is a member of the core decision-making group, which also includes prominent officials from Freddie Mac and the realtors and mortgage broker

5. associations, the WIC labor union group, BALA and Fair Housing Law Project, and Neighborhood Housing Services. The agency also serves as the fiscal agent for the project. The agency was prominently featured in an article published in various mid-Peninsula Daily New papers, regarding the mortgage default crisis.
6. The agency continued to present its own Foreclosure Prevention workshop, and also partnered to present the workshop in Morgan Hill and Daly City. Project Sentinel participated in foreclosure fairs in Modesto and San Jose in partnership with Representative Mike Honda and the City of San Jose and HUD in addition to Don't Borrow Trouble.
7. On May 29, the agency's Director of Dispute Resolution Programs participated in a San Francisco meeting, with other mediation providers and local court officials, that was called by the Administrative Office of the Court (AOC) to review proposed new guidelines for mediator training and certification in the state.
8. On May 7, the agency updated its detailed listings at www.lawcalifornia.org.
9. On April 4, 2008, Project Sentinel held a Fair Housing Symposium in recognition of April as National Fair Housing Month. The symposium was an all day event, including workshops, lunch, a keynote speaker and an award ceremony. There were over 200 attendees from both the bay area and out of state. The symposium consisted of 9 workshops and 3 speakers per workshop. 400 brochures were distributed.
10. The agency continues to send PSA's to every major radio outlet in the Bay Area in both English and Spanish.
11. 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 51 calls, of which 3 arose from fair housing cases. The total cases handled were 18, of which 1 was fair housing cases. Including cases opened in prior quarters, 3 landlords tenants cases were conciliated, and 9 were closed as counseled. Three of the counseled cases were resolved. The fair housing are still pending.

12. On March 6 and 13, the Milpitas Case Manager mailed out brochures to the Milpitas Senior Center, Public Library City Hall, and Community Services.

13. In March, the agency began to present weekly Foreclosure Prevention workshops in both Sunnyvale and Gilroy. Don't Borrow Trouble is a co-sponsor.
14. On March 18, the agency's Director of Dispute Resolution Programs taped a half hour interview that generally described all of the agency's services to be aired that weekend on all CBS radio stations including #Alice" 97.3, KFRC 106.9, "Movin" 99.7 and "Live" 105.3.
15. On February 12, the agency's Deputy Director of Dispute Resolution Programs gave a "How to Become A successful Tenant:" workshop to participants in the Bill Wilson Program.
16. On March 13, the agency's Director of Dispute Resolution Programs gave a presentation on the agency's services to the local council representatives of the Society of St. Vincent De Paul from all of the entire Santa Clara County parishes.
17. On January 24 the Milpitas Case Manager provided brochures for the library.

Statistical Summary: During the 2nd Quarter: Project Sentinel handled a total of 50 calls, of which 11 arose from fair housing cases. The total cases handled were 11, of which 1 were fair housing cases. Including cases opened in the prior quarters, 9 landlord tenant cases were closed as counseled, 3 were conciliated. Three of the counseled cases were resolved. One case was mediated, resulting in an agreement. The fair housing case was closed on the basis of the landlord being educated.

18. Throughout the past quarter, the agency's Director of Dispute Resolution Programs and the Milpitas Case Manager expended significant amount of time supporting the city's activities arising out of the closure of the mobilehome park at 1504 S. Main Street. These activities included attending meeting of both the Planning Commission and City Council with city staff. The agency provided follow-up support for activities such as locating recipients of relocated funds.
19. On December 6, a volunteer mediator represented the agency in a presentation to a USF Business School class at its Cupertino Campus on the topic of mediation.
20. On December 5, the agency's Director of Dispute Resolution Programs was interviewed for a CBS Channel 5 News broadcast report on the mortgage default crisis in Silicon Valley.
21. On October 3, 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.

22. 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 110,729 hits and 16,135 visits, which are defined as extended navigation through the site.
23. 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.
24. On November 5, the Milpitas Case Manager mailed program brochures to the Public Library.

Statistical Summary: During the 1st Quarter: Project Sentinel handled a total of 56 calls, of which 17 arose from fair housing cases. The total cases handled were 16, of which 6 were fair housing cases. Including cases opened on prior quarters, 6 landlord tenant cases were closed as counseled, 3 were conciliated. None of the counseled cases were resolved. One case was mediated, resulting in an agreement. Of the 6 fair housing cases, 1 was conciliated, 1 closed as declined to pursue and the remaining 4 are still pending

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

25. On August 24, the Milpitas Case Manager distributed brochures at the Milpitas City Hall and Public Library
26. Throughout the past quarter, the agency's Director of Dispute Resolution Programs and the Milpitas Case Manager expended significant amounts of time supporting the city's activities arising out of the closure mobilehome park at 1504 South Main Street.
27. Street. These activities included meetings with city staff, attending meetings with staff and the park representatives, inspecting the park conditions, responding to inquiries from park residents and reviewing various reports and agendas. Most notably, the agency played a significant role in responding to the habitability complaints of one tenant. In addition to the various meetings and reviews of her

complaints, the agency's HUD Housing Counselor was responsible for finding both temporary and then permanent replacement housing, with rental assistance.

28. The agency is an active participant in the new 211 Referral Network organized by the United Way of Silicon Valley.
29. On August 31, the agency's Director of Dispute Resolution Programs was interviewed for a CBS Channel 5 News broadcast report on rising rental rates in Silicon Valley.
30. The agency continues to sponsor public outdoor advertising in venues such as Valley Transit bus shelters.
31. 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.
32. Project Sentinel continued to sponsor public outdoor advertising in venues such as Valley Transit bus shelters.

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 196 residents

- b. Project Sentinel investigated a total of 70 cases involving discrimination on the City's behalf.
- c. A total of 18 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 47 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 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 (-VTA 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. With a use permit and state density bonus, developers can obtain up to 90 dwelling units per/acre within certain designated area of the transit area. A total of approximately 400+ acres around the light rail and Montague/Capital Bart station will be designated.

Milpitas has met with Project Sentinel and has contacted the property owners of the three (3) mobilehome parks within Milpitas to conduct a tenant/landlord seminar to discuss the fair housing rights of both parties.

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 expands 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 (54 frail chronically ill elderly residents).

Also, **Second Harvest Food Bank** (290 households) and **Milpitas Food Pantry** (1,751 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 52 Milpitas residents), **Catholic Charities of Santa Clara County** which provides shared housing for single parent families primary very and low-income persons (36 persons), and **Support Network for Battered Women** which provides peer and clinical counseling in both individual and group setting (95 households).

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 2007-2008. 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 52 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 to the homeless population and Silicon Valley workers. Milpitas has provided \$800,000 towards the Housing Trust Fund. An additional request of \$150,000 will be considered in the near future.

Program and Services to Prevent Persons and Families from Becoming Homeless

1. Milpitas has provided **\$568,543** for service programs, which provided food, shelter, clothing, and other assistance to homeless persons, which served **5,104** 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 **290** 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 **95** Milpitas households 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 54 frail, chronically ill, primarily elderly residents in those facilities.
3. **Milpitas Terrace Gardens Senior Housing Renovations and Improvements**-This project provided CDBG funding for remodeling for the existing kitchen area 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 **\$13,325,744** 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 1,249 affordable housing units with long-term affordability restriction agreements, with an additional 433 affordable units current being negotiated with staff and developers.

Also, the citywide Mobilehome Park Rent Control Ordinance provides another means of affordable housing with 527 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 **\$77,230 (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 assistance from Cal-Works aid.

Milpitas continue to 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 **\$37.1+ 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.

Milpitas has provided support and financial assistance for the three 100% affordable project (Aspen Family Apartments-100 units, DeVries Place Senior Housing-103 units and Apton Plaza-93 units). Milpitas also provide letters for support with these projects to the State of California Tax Credit Allocation Committee (TCAC).

Low-income housing tax credits and HOME Program are 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 (2007-2012) 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 29 through September 15, 2008**. 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 16, 2008 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 received by the City of Milpitas will be incorporated into the final CAPER to be forwarded to HUD by September 30, 2008.

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

Public Comments

To be provided after the public review period (August 29-September 15, 2008) and City Council public hearing on September 16, 2008.

