

**LIST OF ATTACHMENTS FOR PUBLIC HEARING
ITEM NO. 1 – Hold a Public Hearing and Adopt the FY
2011-12 Community Block Grant (CDBG) Consolidated
Annual Performance Evaluation Report (CAPER)**

- A. Consolidated Annual Performance Evaluation
Report**
- B. US Department of Housing and Urban
Development (HUD) Letter dated August 16, 2012**



CITY OF MILPITAS

**CONSOLIDATED ANNUAL
PERFORMANCE EVALUATION
REPORT
(2011-2012)**

City of Milpitas
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(CAPER 2011-2012)

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**Community Development Block Grant Program
Consolidated Annual Performance Evaluation Report (CAPER 2011-2012)
Executive Summary**

During fiscal year 2011-2012, City of Milpitas received \$638,983 in Community Development Block Grant (CDBG) funds. A total of \$582,770 from CDBG was allocated to public and non-public services. The CDBG funding includes \$532,770 grant, and \$50,000 Program Income

A total of **\$77,915** was allocated to **12 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 for low-income households, 4) homeless shelter and support services, 5) recreational assistance programs, 6) Special educational services, 7) Filipino 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 **\$346,300** **4 different non-public service providers**, these services will include: 1) funding to replace and residents kitchen cabinets, countertops and fixtures for Terrance Gardens/Milpitas Senior Housing Project, 2) Home repairs and improvements for senior and physical disabled persons, 3) Assist in the acquisition of transitional housing for domestic violence victims, and 4) Milpitas Single-Family Rehabilitation Loan Program.

With the addition of **\$50,000** of expected Program Income from the Single-Family Rehabilitation Loan Program, approximately **\$582,770** on public, non-public services and program administration (**\$106,554 not excluding \$10,000 for Fair Housing Services**)

The 15-day public review period on the Milpitas CAPER was from August 31 to September 17, 2012 and advertised for public review and comments. The Milpitas City Council will hold a public hearing on September 18, 2012. All comments will be incorporated into the final documents sent to HUD.

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
CONSOLIDATED PLAN ANNUAL PERFORMANCE EVALUATION REPORT
(CAPER)
JULY 1, 2011-JUNE 30, 2012

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 2011-2012 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 2011-2012, 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 Updated Five-Year Consolidated Plan (2012-2017) has been submitted and approved by HUD.

Summary of the Consolidated Plan Annual Performance Report:

The CAPER'S Narrative Report consists 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 31, 2012 to September 17, 2012**. 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, 2012 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, 2012. 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 2011-2012 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), Rebuilding Together, Health Trust, Project Sentinel, Emergency Housing Consortium, and Milpitas Senior Housing Project.

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 (**\$532,770**) FY 2011-2012 from the CDBG Program and \$50,000 Program Income from the Housing Rehabilitation Program (Revolving Loan Fund). The loans from the rehabilitation program serve as a revolving loan fund that will go back into the program. The total CDBG funding for FY 2011-2012 was approximately **\$582,770**.

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 **2,613** Section 8 tenants in Milpitas and **1,848** 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 (\$1,100,000) 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 and/or APPROVED

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	64 (1)
• Paragon	147	9	N/A	20
• Centria	464	7	7	12
• DeVries Place (Senior Units)	103	103	N/A	N/A
• Senior Housing Solutions (#)	10	10	N/A	N/A
	(3)			

• Aspen Apartments	100	100	N/A	N/A
• South Main Street	126	N/A	5	14
• Senior Lifestyles (Senior Units)	387	36	27	N/A
• Integral (*#)	1,328	N/A	N/A	N/A
• Coyote Creek	285	N/A	7	37
• Fairfield Cerano	374	20	30	38
TOTAL:	5,778	659	190	423

(*) Townhomes

(**) Apartment/Rental Units

(***) Single Family Homes

(#) Single Family Home for 5 Seniors

(1) Includes 25 Homes

(*#) Because of State of CA dissolution of Milpitas Redevelopment Agency effective February 1, 2012, previously 199 moderate-income affordable housing units will not be provided due to lack of financial assistance to developer to offset the cost affordability.

% OF AFFORDABLE UNITS: 26.1%

OF AFFORDABLE HOMES: 450

OF AFFORDABLE APARTMENT UNITS: 889

TOTAL NUMBER OF AFFORDABLE UNITS: 1,339

Note: Numbers has been revised to reflect changes in projects.

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 East” a 137-unit for-sale development with 26 affordable units (7 VL, 7 L and 12 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 64 affordable units (moderate-income).** The majority of the affordable units have been occupied. 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 **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.
7. Milpitas has approved and funded the **acquisition and rehabilitation of a Single-Family Residence for Senior Housing Solution to accommodate 10 extremely low-income seniors (two separate single-family homes).** 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. A second project for Senior Housing Solutions has also been approved and funded for **\$750,000**.

8. Milpitas has approved the acquisition and development of **Senior Lifestyles Project**, a **387 unit** complex approved in two phases. Phase 1 will consist of 180 senior units providing a continuum of services from independent to assisted living. A total of 63 units would be affordable to lower income seniors. Phase 2 would consist of 207 multi-family units with no age or income restrictions. **The total financial assistance from the Milpitas Redevelopment Agency will be \$12.4 million, which consists of \$7.7 million grant or long term loan and \$5.4 million for the land acquisition.**
9. Milpitas has approved the development of **Coyote Creek Project, with 285 townhome units which will include a 44 affordable housing units for low and moderate-income households.** No City or previous Redevelopment Agency funds were allocated toward this project. Milpitas has prepared long-term affordability restriction legal documents approved by Milpitas City Council. City Staff has reviewed and approved the dispersement and marketing plans for the project. It is estimated that occupancy will occur in the Fall 2012.
10. Milpitas has approved **Fairfield Cerano Project, with 374 rental apartment units which will include 88 affordable units for very low , low and moderate-income households.** No City or previous Redevelopment Agency funds were allocated toward this project. Milpitas has prepared long-term affordability restriction legal documents approved by Milpitas City Council. City Staff has reviewed and approved the dispersement and currently reviewing the marketing plans for the project. It is estimated that occupancy will occur in the Spring 2013.
11. The approval of **4 Single-Family Housing Rehabilitation Loans** to very low and low-income households within Milpitas. A total of **\$255,719** of CDBG funds was used to rehabilitate single-family homes within the community. Additional Program Income funds were also used to assist this program.
12. Milpitas is currently negotiating with three (3) separate housing developers on an additional **1,561 housing units** within the Transit Area Specific Plan, which it is anticipated that **15%** (as required by Redevelopment law) **of the units (234)** will be affordable to low and moderate-income households.
13. Milpitas has allocated **\$1,100,000** 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 being requested this fiscal year from the City of Milpitas to the Housing Trust Fund.

To date, fifty four (54) Milpitas residents have benefited from low interest rate loans (to become first-time homebuyers) from the Housing Trust Fund. **A total of \$474,120 has been leveraged into \$19,164,416 to purchase homes from first-time homebuyers.**

14. **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.
15. 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.
16. **Milpitas General Plan Housing Element** identifies policies, goals and objectives to further affordable housing opportunities, which have 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). The City of Milpitas has submitted in 2009 Housing Element to HCD for review and comments. In February 2010, HCD found the Milpitas Housing Element to be in compliance with state housing element law. On June 15, 2010, Milpitas City Council adopted the Housing Element. The final document was certified by HCD in September 2010.
17. **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 in 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.

18. **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. (**Note:** Piper Drive/Montague Expressway is within the Transit Area Plan boundaries, but outside of the Milpitas Redevelopment Project Area).

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 **1,471** 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 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 **1,445** affordable housing units will be available for very low, low and moderate-income households

As in the past with previous affordable housing projects, City of Milpitas may consider providing 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 **\$55.3 million** in assisting developers and first-time homebuyers

With the dissolution of Milpitas Redevelopment Agency effective February 1, 2012, the ability to support and financial future affordable housing units will be extremely difficult.

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 and co-chairs the Countywide Fair Housing Task Force.

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

- a. Milpitas has allocated \$1,100,000 grant to the Housing Trust Fund of Santa Clara County to assist the homeless population in obtaining affordable housing and support services. An additional \$150,000 was allocated this year. The \$500,000 was 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. Funding was also allocated to Senior Housing Solutions for acquisition and rehabilitation of single-family house for 5 extremely low-income seniors. Senior Housing Solution is currently seeking a second home to purchase and rehabilitated in Milpitas.
- b. Milpitas continues to provide funds for Emergency Housing Consortium, Catholic Charities, Support Network for Battered Women and Milpitas Food Pantry to provide housing and support services to the homeless population.
- c. Milpitas continues to work with local churches and homeless groups to provide food and shelter to the local homeless population.
- d. 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).
- e. On June 28, 2011, Milpitas participated in Housing 1000 Survey for the Milpitas homeless population. The goal of Housing 1000 is to locate, identify and house the county's most vulnerable individuals into permanent supportive housing and provide coordinated, critical services to ensure all 1,000 retain their housing and regain their place in society.
- f. Milpitas will be participating in the County of Santa Clara bi-yearly FY 2013 Homless Census and Survey required in order to receive McKinney-Vento Funds. Milpitas will be providing its estimated costs share based on the 2010 census results.

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 focus 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 **16 very low-income persons** benefited from this program during the past year.
2. **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 **16 Milpitas residents** benefited from the program during the past year.
3. **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 **95 elderly residents** benefited from this program during the past year.
4. **City of Milpitas Recreation Assistance Program**-Provides 50% subsidy to very low and low-income youth and senior recreational programs, services and activities. The previous Milpitas Stay & Play After School and Camp Stay and Play Programs have been incorporated into the Milpitas Recreation Department Recreation Assistance Program. Milpitas provided **\$5,000** in CDBG funds to this program. Approximately **127 youths and seniors** benefited from this program the past year.

5. **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 **731 personal nights days to 16 Milpitas residents**.
6. **Health Trust**-Provides meals on wheels nutritionally-balanced home-delivery hot daily meals, increased social interaction and additional wellness to five homebound Milpitas senior. Milpitas provided **\$5,000** in CDBG funds to this program. A total of **6 Milpitas seniors** will benefit from this program the past year.
7. **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 **10 Milpitas senior residents** benefited from this program the past year.
8. **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 provided \$9,915 in CDBG funds for this program. A total of **1,127 persons** benefited from this program during the past year.
9. **Milpitas Family Literacy Program (MUSD)** This program Title Elementary Schools, kindergarten readiness skills and books cuddling with toddlers and infants is modeled for low income parents. Free weekly book exchanges allows families to foster a love of reading at home, while practicing skills learned in class. The aim of the program is to teach low income parents of preschool aged children how to support kindergarten readiness skills including bi-lingual classes. Milpitas provided **\$10,000** in CDBG funds for this program. A total of **30-40 families benefited from this program last year**.
10. **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 **75 Milpitas residents** would benefit from these services the past year.

11. **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 **\$10,000** 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**

12. **Santa Clara Family Health Foundation**-Provides comprehensive medical, dental, vision and mental health coverage through the Healthy Kids Program in Santa Clara County. Milpitas has provided **\$10,000** of CDBG funding for this program. Approximately **11 Milpitas kids** would benefit from this program during the past year.
13. **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 **48 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.

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 **\$86,301** in CDBG Funds to this

program. A total of **5 households** benefited from this program during the past year. Program Income provided **\$50,000** 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 **\$64,444** funds to this program. A total of **16 households** benefited from this program during the past year.
3. **Terrace Garden Senior Housing**- This project involves upgrade/replacement of emergency systems and all related components including, fire alarm, nurse call stations, elevator system with current technology for the Milpitas Senior Housing Project (Terrace Gardens 150-units). Milpitas provided **\$145,556** in CDBG funds to the project. A total of **188 very low and low-income seniors** will benefited from this project.
4. **San Jose Conservation Corps (SJCC)**- This project involves the rental rehabilitation of rental apartment units for very low-income households. The rehabilitation include, replacement of windows, doors, water heaters and cooling, to improve the energy efficiency of the units. Milpitas provided **\$50,000** in CDBG funds to the project. This project is 75% completed.

2. RESOURCES MADE AVAILABLE

Milpitas received \$582,770 (including \$50,000 of Program Income) in CDBG funds during FY 2011-2012 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 2 and April 19, 2011, the Milpitas Community Advisory Commission (CAC) and City Council held public hearings to allocated \$532,770 of CDBG funds. The funds were used for a variety of public services, programs and activities. Subsequently, Milpitas Redevelopment Agency (RDA) has allocated over **\$55.3 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, and Shapell Industries of Northern CA, KB Homes to invest millions of dollars to develop **1,334 affordable housing units**. **Mid-Peninsula Housing Coalition will provide approximately \$17+ million towards development of the Milpitas Senior Housing Project. Milpitas has provided \$12.4 million towards the property acquisition and development of Senior Lifestyles, a 387 unit project with 63 affordable senior units. Also, \$5.8 million has been provided for Integral Project which included 1,328 housing units in which 199 units will be affordable to moderate-income households.**

Milpitas has also provided support for the Aspen Family Apartments and 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 **1,172 housing units in the Transit Area Specific Plan** in which it is anticipated that **111 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 Redevelopment Agency	\$55.3 million (Affordable housing assistance)
-Milpitas Sports Center/Pool Resurf.	\$350,000 (Improvements to Sports Center)
-Milpitas New Library Project	\$38.4 million (Construction/New Public Library)
-New Main Street Park.	\$2.85 million (Neighborhood Park Improvements)
-Street Lighting System	\$2,000,000 (Street Improvements)
-Bicycle Facility Improvements	\$168,000 (Pedestrian Improvements)

- Alviso Adobe Renovations \$5.40 million (Historic Preservation)
- County of SC Housing Trust Fund \$150,000 (Additional \$150,000 to support affordable housing in Milpitas. Milpitas has provided \$1.1million since 2001)
- County of SC Nutrition Program \$86,766 (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 six (6) 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, 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 Housing Element was approved and certified by HCD in September 2010.

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. The updated Consolidated Plan (2012-2017) will be submitted to HUD in June 2012.
- 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 approved four (4) applications for development within the Transit Area Specific Plan with approximately 2,268 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 has been used 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, 1,861 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 is 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 \$1,100,000 towards this goal since 2001 and an additional \$150,000 in 2010.

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 is 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 **\$3,300** to conduct **6** 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 May 3, 2011, the Milpitas City Council held a public hearing, reviewed and approved the updated Analysis of Impediments to Fair Housing Choice Report and its recommendations. The report was forwarded with HUD along with the Action Plan 2011-2012. 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 3rd and 4th Quarter: Project Sentinel handled a total of 39 calls, of which 3 arose from fair housing cases. The total cases handled were 17 of which 4 was fair housing cases. Including cases opened in prior quarters, 1 landlord

tenant case was conciliated and 6 were closed as counseled, 2 of which was resolved. Seven cases are still pending. Of the fair housing cases closed during this quarter, 1 was conciliated, 1 were referred to HUD/DFEH for further investigation. One was educated and 1 fair is still pending.

1. On January 23, the agency's Director of Dispute Resolution Programs was one of a group of housing counseling. Legal services and community action representatives who met with national managers from Chase Bank to discuss the bank's various programs in their local communities. An important component of the discussion was an opportunity to suggest ways that Chase could improve its community services.
2. On January 24 and February 28, the agency's Director of Dispute Resolution Programs presented training to the Santa Clara Superior Court Temporary Judge group, who hear cases in the small claims court. The training focused on the agency's interpretation of security deposit and other related issues that are frequently tried in small claims court.
3. On February 4, the agency's Director of Dispute Resolution Programs addressed the Marvin Schwartz Mediator Training Class and described the agency's programs, including opportunities available for volunteer mediators. One of the agency's cases manager's was a role play coach for the class.
4. On January 21, the agency's Director of Dispute Resolution Programs participated in a regional meeting of the principal housing counseling, legal services and community action agencies, hosted by the San Francisco Foundation.
5. On February 24, the agency's Director of Dispute Resolution Programs met with the outreach representative of the Federal Deposit Insurance Program to discuss how the two agencies could partner to benefit Project Sentinel's services area.
5. On March 10, the agency's Director of Dispute Resolution Programs was interviewed on the subject of landlord tenant rights and responsibilities and the agency's services on the Pat Kapowich Real Estate Show, broadcast on radio station KLIV.
6. On March 26, the agency's Director of Dispute Resolution Programs and the Deputy Director of HUD Programs participated in a learning cohort meeting of legal service and housing counseling programs from Santa Clara and San Mateo County, hosted by the Silicon Valley Community Foundation.
7. On March 31, the agency's Director of Dispute Resolution Programs was a principal speaker at a Foreclosure Prevention Fair in San Mateo, hosted by San Mateo County Supervisor Carole Groom.

8. On April 6 and April 13, the agency's Director of Dispute Resolution Programs was a principal trainer for the Temporary Judge participating in the Santa Clara Superior Court Loan Modification Settlement Training.
9. On April 11, the agency's Director of Dispute Resolution Programs met with the leadership of Peninsula Interfaith Action to discuss strategies and options for strengthening regulation of rental rates in light of the sharp increase in rents in all of the local communities.
10. On April 17, the agency's Director of Dispute Resolution Programs and a case manager participated in a meeting of Santa Clara County Housing Taskforce.
11. On May 12, the agency's Director of Dispute Resolution Programs addressed the Marvin Schwartz 40-Hour Mediator training class and described the agency's programs and services.
12. On May 22, the agency's Director of Dispute Resolution Programs and several members of the HUD Homeownership staff participated in a check presentation from Wells Fargo Bank at the Berryessa Library just before the agency presented its homebuyer's workshop there.
13. On June 11, a mediator case manager gave a Tenants' Rights presentation to a CalPers class at West Valley Community College.
14. On June 15, a mediator case manager gave a Tenants' Rights presentation to the volunteer staff and mediators at the Santa Clara Office of Human Relations.
15. The agency presented an 8-hour HUD homebuyer workshops twice monthly for county residents, including some sessions in Spanish.
16. The agency is an active participant in the new 211 Referral Network organized by the United Way of Silicon Valley.
17. The agency submitted material for the tenant/landlord column, "*Rent Watch*" which is printed in the *San Francisco Chronicle*, *The Filipino Guardian*, Palo Alto Weekly and Milpitas Post as well as out-of-area publications such as the *Los Angeles Times*. The column generates written inquiries from throughout the state.
18. The agency continues to send out PSA's to every major radio outlet in the Bay Area, both in English and Spanish covering tenant-landlord, fair housing, foreclosure prevention counseling and also warnings about mortgage rescue scams.

19. In March, the agency launched a totally new website with multiple upgrades, still located at www.housing.org . The site has extensive additional information about the agency's services, with contact information and downloadable forms, for every agency program. The website features extensive, up-to-date mortgage foreclosure information for both homeowners and tenants.

Statistical Summary: During the 2nd Quarter: Project Sentinel handled a total of 28 calls,. The total cases handled were 11, of which 3 were fair housing cases. Including cases opened in the prior quarters, 11 landlord tenant case were conciliated, and 8 were closed as counseled, 3. Of the fair housing cases opened during this quarter, 3 were counseled.

20. On October 13, staff participated in a meeting of the county Housing Task Force attended by all of the legal service providers in the county.
21. On November 3, the agency's Director of Dispute and Resolution Programs presented a discussion of mediation principles to a class at the University of Santa Clara Law School
22. On November 16, the agency's Director of Dispute and Resolution Programs was the guest lecturer at a Housing Policy class taught at San Jose State University.
23. The agency presented an 8-hour HUD homebuyer workshops twice monthly for county residents, including some sessions in Spanish.
24. The agency is an active member of the Foreclosure Prevention Taskforce in which it partners with a number of non-profits, legal services providers, community groups, industry groups, and staff from City of San Jose. As part of that participation, the agency is playing a lead role in organizing a task force to combat mortgage rescue scams.
25. The agency is an active participant in the new 211 Referral Network organized by the United Way of Silicon Valley.
26. The agency submitted material for the tenant/landlord column, "*Rent Watch*" which is printed in the *San Francisco Chronicle*, *Los Angeles Times*, *Palo Alto Weekly*, and *Milpitas Post*, as well as The Filipino Guardian as well as out-of-area publications such as the *Sonoma Press Democrat*. The column generates written inquiries from throughout the state.

27. The agency continues to send out PSA's to every major radio outlet in the Bay Area, in both English and Spanish covering tenant-landlord, fair housing, foreclosure prevention counseling, and also warnings about mortgage resale scams.
28. 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 website now has extensive up-to-date mortgage foreclosure information for both homeowners and tenants. The numbers for this quarter remain at the same high level noted in prior quarters, more than 140,000 total hits and more than unique 31,000 visits, which are defined as extended navigation through the site

Statistical Summary: During the 1st Quarter: Project Sentinel handled a total of 39 calls. The total cases handled were 17, of which 4 were fair housing cases. Including cases opened on prior quarters, 6 landlord tenant cases were conciliated, 4 were closed as counseled, 2 are still pending. Of the fair housing cases opened during this quarter, 1 was educated, 1 declined to pursue and 1 counseled and 1 still pending.

29. On July 20, an agency Case Manager gave a forth-minute presentation to a group of ten Executive Directors from various Bay Area Jewish Congregations
30. On August 11, the agency's Director of Dispute Resolution Programs represented the agency at the Breakfast Meeting sponsored by Wells Fargo Bank to meet with the bank's various non-profit partners, including housing and other social service agencies.
31. On August 17 an agency Case Manager presented a tenant rights and responsibilities training to the CalPers training class at DeAnza College.
32. On September 13, the agency's Case Manager represented the agency at the regular meeting of the Bay Area Coalition of Community Mediation, which includes the principal mediation programs in various Bay Area counties.
33. On September 22, the agency's Director of Dispute Resolution Programs was one of four panel members discussing foreclosure issues on the one-hour "Herietta E" cable network interview show.
34. On September 30, the agency's Director of Dispute Resolution Programs and its Deputy Director attended a regional meeting held at the offices of the San Francisco Foundation, bringing together various social services government housing advocate and legal services representatives.
35. The agency is an active participant in the 211 Referral Network organized by the United Way of Silicon Way.

36. Project Sentinel continues to submit Rent Watch, to the San Jose Mercury News, Apartment Management Magazine, Filipino Guardian, and Disabler Dealer.
37. Project Sentinel continues to update it websites (located at www.housing.org), which Advices interested parties on the processes of investigating housing discrimination. The websites also offers links to other non-profit and government organizations
38. The agency submitted material for the tenant/landlord column, "Rent Watch" which is printed in the *San Francisco Chronicle*, *Los Angeles Times*, *Palo Alto Weekly*, and *Milpitas Post*, as well as The Filipino Guardian The column generates written inquiries from throughout the state. The agency sends a written response to all such inquiries.
39. 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 website now has extensive up-to-date mortgage foreclosure information for both homeowners and tenants. The numbers for this quarter were 140,927 total hits and more than unique 31,672visits, which are defined as extended navigation through the site

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 186 residents

- b. Project Sentinel investigated a total of 79 cases involving discrimination on the City's behalf.
- c. A total of 39 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 mangers for 51 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 include the following:

Alum Rock Counseling Center/Crisis Invention Program (22 very low-income persons) which provides counseling, information and referral assistance to help individuals find 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, Milpitas **Food Pantry** (3,086 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 (900 shelter nights for 25 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 **Next Door Solutions** which provides supportive services for victims of domestic violence and their children (100 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 2010-2011. 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 900 nights of shelter have been provided to 25 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 (and Silicon Valley Leadership Council)** to provide over 5,000 new affordable housing units to the homeless population and Silicon Valley workers. Milpitas has provided \$1,100,000 towards the Housing Trust Fund. An additional request of \$150,000 has been approved for FY 2010-2011.

Program and Services to Prevent Persons and Families from Becoming Homeless

1. Milpitas has provided \$597,313 for service programs, which provided food, shelter, clothing, and other assistance to homeless persons, which served 5.128 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. **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 **Rebuilding Together**, 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. **Health Trust**-provides meals on wheels nutritionally-balanced home-delivery hot daily meal and social interaction and additional wellness for 5 homebound Milpitas seniors.
4. **Live Oak Adult Day Care Services**- provides 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. This program provides services for 9 Milpitas seniors residents.
5. **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.
6. Milpitas along with the County of Santa Clara provides a **Nutrition Program** which serves approximately 418 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. Sidewalk Replacement Ramps-This project involves the replacement of existing curbs, gutters and sidewalk. The scope also includes installation of ADA ramps. The City of Milpitas has allocated **\$398,899** for this project.
3. Cardoza Park Playground Improvements-This project involves the complete design construction and renovation of two playgrounds which includes ADA compliance assessment and improvements, drainage, landscaping, walkways, new playground equipment and other related improvements. The City of Milpitas has allocated **\$1,175,000** for this project.
4. 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.
5. 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.
6. Library Project-Milpitas has constructed a new Public Library. This project provides involves the design and construction of a new Public Library. The new library will be 60,000 sq. ft. and incorporate and renovate the existing historic grammar school and has been designed with multi-functional spaces and flexibility to adapt to technological and use changes. The City of Milpitas will allocate **\$38,334,000** for this project.

A total of approximately **\$42, 283,007** 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 "Character Counts Program" (similar to DARE Program), which provides education and counseling to Milpitas students and their families. One Milpitas Police Officer administers the program.

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 1,135 affordable housing units with long-term affordability restriction agreements, with an additional 310 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 Nutrition Program provide 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 provided **\$88,027 (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. A total of 418 registered participants were served 23,104 meals during the past fiscal year.

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 2,613 Milpitas residents on the waiting list and 1,848 Section 8 tenants residing in Milpitas. To date, 17,297 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 EVALUTION 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 **\$55.3 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.

In regards to the DeVries Place 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). Currently, Milpitas will have 252 deed restricted affordable housing units for its senior residents (additional 63 affordable senior units have been approved).

Milpitas has provided support and financial assistance for the three 100% affordable project (Aspen Family Apartments-100 units, and DeVries Place Senior Housing-103 units). Milpitas also provides 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 31 to September 17, 2012**. 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 Milpitas Public Library and City of Milpitas information desk and public counter. **The Milpitas City Council will hold a public hearing on September 18, 2012 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 28, 2012.

Public Comments

To be provided after the City Council Public Hearing.



U.S. Department of Housing and Urban Development
Community Planning and Development – 9AD
600 Harrison Street, 3rd Floor
San Francisco, CA 94107-1387
www.hud.gov
espanol.hud.gov

AUG 2 - 2012

Honorable Jose Esteves
Mayor of Milpitas
City Hall
455 East Calaveras Boulevard
Milpitas, CA 95035

RECEIVED

AUG 16 2012

Dear Mayor Esteves:

HNP DIVISION

SUBJECT: Five-Year Consolidated Plan/ 2012-2017
Annual Action Plan/ Program Year 2012-2013
City of Milpitas, California

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

Community Development Block Grant	\$390,716
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For the above program, we are forwarding copies of the Grant Agreement and Funding Approval forms, along with guidance and/or conditions, to Thomas C. 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 agreements, the City should be able to draw these funds through the Integrated Disbursement and Information System (IDIS).

Furthering fair housing is one of the Department's highest priorities. Included in your Annual Action Plan was a certification that your jurisdiction will affirmatively further fair housing, which means that the City 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 should be included in each Annual Action Plan. The source and amount of all funding for the actions to affirmatively further fair housing should also be noted in the Annual 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 performance reports for the FY 2011 Annual Action Plan will be due on **September 30, 2012**, 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 Annual Action Plan and five-year Consolidated Plan. If you have any questions, please contact Julia Van Roo, Community Planning and Development Representative, at (415) 489-6568, or julia.w.vanroo@hud.gov.

Sincerely,



Maria F. Cremer
Director
Office of Community Planning
and Development

cc:

Thomas C. Williams, City Manager, w/encls
Felix J. Reliford, Acting Director of Planning & Neighborhood Services
Gloria Anaya, Sr. Housing & Preservation Specialist

GRANTEE: City of Milpitas, California

PROGRAM: FY 2012 Community Development Block Grant (CDBG)

PROGRAM NO.: B-12-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.



U.S. Department of Housing and Urban Development
Community Planning and Development – 9AD
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B

AUG 2 - 2012

Honorable Jose Esteves
Mayor of Milpitas
City Hall
455 East Calaveras Boulevard
Milpitas, CA 95035

RECEIVED

AUG 16 2012

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Annual Action Plan/ Program Year 2012-2013
City of Milpitas, California**

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