



**CITY OF MILPITAS**

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**CONSOLIDATED ANNUAL  
PERFORMANCE EVALUATION  
REPORT (CAPER)**

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**FISCAL YEAR 2015-2016**

**APPROVED BY MILPITAS CITY COUNCIL SEPTEMBER 20, 2016**

CITY OF MILPITAS  
**CONSOLIDATED ANNUAL PLAN PERFORMANCE EVALUATION  
REPORT (CAPER)**

JULY 1, 2015 - JUNE 30, 2016

**EXECUTIVE SUMMARY**

During fiscal year 2015-2016, the City of Milpitas received \$393,490.00 in Community Development Block Grant (CDBG) funds. A total of \$59,023.50 was allocated to 10 different public service providers. These public services include a variety of programs such as: 1) supportive services for domestic violence families, 2) senior legal aid, 3) supplemental supplies of food and clothes program, 4) homeless shelter and supportive services, 5) recreational assistance programs, 6) child advocacy, 7) long-term care ombudsman services for senior in care facilities, 9) adult day care services, 10) fair housing services and 11) delivery of nutritional, hot meals for home-bound seniors.

With regards to non-public service activities, Milpitas allocated \$255,766.50 to 4 different non-public service providers, these services will include: 1) funding for the façade improvements of a senior project, 2) home repairs and improvements for senior and physically, disabled persons, 3) Milpitas Single-Family Rehabilitation Loan Program and 4) pavement resurfacing and sidewalk improvements to increase mobility and accessibility. The balance of \$78,698.00 for program administration was derived from the awarded amount of \$393,490.00.

The 15-day public review period on the Milpitas CAPER was advertised from August 20th to September 6th, 2016 for public review and comments. The Milpitas City Council held a public hearing on September 20, 2016. No comments were received prior to or during the City Council public hearing to be incorporated into the final document. Community Development Block Grant funds will be provided to all segments of Milpitas population including geographical areas with concentrated low-income households.

**Public Comments:** There were no public comments to be provided from the City Council Public Hearing held on Tuesday, September 20, 2016 nor during the public review period.

## **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 for approval of its 2015-2016 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 2015-2016, 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 (2012-2017) Consolidated Plan and One-Year Action Plan. To date, Milpitas has continued to meet its overall one-year goals and will be on target to meet its goals for the Five-Year Consolidated Plan.

## **SUMMARY OF THE CONSOLIDATED PLAN ANNUAL PERFORMANCE REPORT**

The CAPER'S Narrative Report consists of the following:

- Summary of Accomplishments
- Resources Made Available/Leveraging Resources
- Status of the Actions Taken during the Year to Implement the City's Goals and Objectives
- Affirmatively Furthering Fair Housing
- Accomplishments (Households and Persons Assisted)
- The City's Self-Evaluation on the Progress Made in Addressing and Identifying the Priority Needs and Objectives
- 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 20, 2016 to September 6, 2016. Copies were sent out to CDBG Service Providers and all interested parties. Copies are also made available in the Milpitas Public Library, Public Information Counter at Milpitas City Hall and City's Website. The Milpitas City Council held a public hearing and adopted the CAPER on Tuesday, September 20, 2016. After the public hearing, public review 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 the Department of Housing and Urban Development (HUD) by September 30, 2016. Public Notice of the CAPER public review and the City Council's public hearing notice were advertised in the Milpitas Post, along with letters to Public Service and Housing Providers and other interested parties were mailed.

## GEOGRAPHIC DISTRIBUTION

The specific geographic areas in which the City of Milpitas provided direct assistance with CDBG funds during the fiscal year 2015-2016 contains an inclusive population. The rationale for allocating CDBG funds are based on financial, social and economic needs of several working class neighborhoods. Neighborhoods such as Sunnyhills, Selwyn, Shirley, Dempsey Road, Temple Drive and Adams Ave have high concentration of low income populations which have benefited from CDBG funds such as: Housing Rehabilitation Loan Program, Next Door Solution to Domestic Violence, YWCA Silicon Valley, Milpitas Food Pantry, Milpitas Recreation Assistance Program, Rebuilding Together, The Health Trust, Project Sentinel, Senior Adults Legal Assistance, HomeFirst, and Terrace Gardens Senior Housing Project.

## SUMMARY OF ACCOMPLISHMENTS

The City of Milpitas uses a variety of funds to support services and provide affordable and supportive housing activities during the past fiscal year. Milpitas received direct federal funds of \$393,490.00 for fiscal year 2015-2016 from the CDBG Program and \$8,959.44 in Program Income in form of the payments from the Housing Rehabilitation Program. The loan payments from the rehabilitation program serve as a revolving loan fund that will go back into the program. The total CDBG funding for FY 2015-2016 was approximately \$402,449.44.

Milpitas continues to support and encourage the Housing Authority of Santa Clara County efforts to increase Section 8 vouchers for Milpitas residents. To date, the Housing Authority has identified 615 Section 8 tenants in Milpitas and 1,892 residents on the waiting lists. Unfortunately, Milpitas has been informed by the Housing Authority of Santa Clara County that they do not have the funding to issue future Section 8 vouchers and the current waitlist is 8-10 years.

### ***Non-Public (Capital) Services Provided***

A summary of the Milpitas housing and community projects accomplishments is presented below:

- **Rebuilding Together Silicon Valley** provides funding to preserving affordable housing through home improvements. The home improvements are prioritized by the homes which is in need of safety, energy efficiency, accessibility and mobility repairs and upgrades for very low-income homeowners. The primary focus is also to correct code deficiencies that are safety hazards. Home improvements include: increasing accessibility, modifying homes to include wheelchair ramps, grab bars, and hand rails; and increasing energy efficiency through weather-stripping, appliance replacements, vent cleaning, compact fluorescent lights replacements and windows. Other home repairs and rehabilitation work includes electrical repairs roof repairs and replacements, interior and exterior painting yard cleanup, plumbing repairs, bathroom modifications flooring (linoleum, carpet tile), heating installation, indoor and outdoor lighting, fences for safety, doors, steps, and smoke and carbon monoxide alarms. Milpitas provided \$49,610.13 in CDBG funds for this project. A total of 24 Milpitas homes were rehabilitated and 40 residents benefited from this project the past year.

**Goal/Objective:** This accomplishments exceeded its goal of 13, as the project completed rehabilitation for low-income 24 homes.

- **Terrace Gardens Senior Housing** received funds to replace the original painting of all buildings. The project included mildew removal, caulking, patching and priming and finishing it with paint with a 10 year useful life. A total 148 very low and low-income seniors benefited from this project the past year.

**Goal/Objective:** This goal was accomplished with the exterior of the building removed of old paint and replaced with new paint with a 10 year old useful life time.

- **Milpitas Single-Family Rehabilitation Loan Program** provides housing rehabilitation at a low-interest rate loan to very-low and low-income homeowners with the goal of preserving City's neighborhoods through the conservation of existing stocks. The loans are for eligible improvements identified through inspections. Rehabilitation addresses building codes issues, home improvements and other housing deficiencies and to ensure that the rehabilitation units are free of lead based paint. Program income is generated through repayments of loans; that money then is contributed back into the program enabling the program to continue. Milpitas provided \$135,442.40 (includes \$8,959.44 Program Income and \$33,860.60 for Rehabilitation Administration) in CDBG funds for this report. A total of 1 Milpitas homeowner benefited from this project the past year.

**Goal/Objective:** This goal was not accomplished as only 1 rehabilitation of a single family home was completed out an anticipated goal of 2. During FY 2015-2016, two homes were being rehabilitated in which only 1 was 100% completed, and the other as of June 30, 2015 was 99% completed, but still awaiting notice of completion.

- **Public Works** provided pavement resurfacing that included the installation of new ADA compliant, pedestrian accessible curb ramps at various locations to assist and increase mobility and accessibility of disabled persons.

**Goal/Objective:** This goal was exceeded as the department successfully installed ten (10) ADA compliant concrete curb ramps at four different intersections.

- **Charities Housing Development Corporation** completed urgent repairs for 2 single family homes acquired by Senior Housing Solutions. The two homes provided housing for 10 extremely-low income seniors. The home needed dire repairs to improve the daily independent living.

**Goal/Objective:** The project was successfully completed. Repairs included: replacing cracked vanity counter top, repair vinyl flooring, replacing carpets in bedrooms, repair irrigation system & landscaping, replace/repair deck posts, repair windows & exterior trim, dry rot remediation, repaired kitchen appliances and termite tenting.

### ***Affordable Housing Programs and Opportunities***

- **Housing Trust Silicon Valley** has raised approximately over \$84 million and have leveraged this amount to over \$1.88 billion to create 13,553 housing opportunities for families and individuals

within Santa Clara County. To date, a total of fifty-five (55) loans in the amount of \$536, 620 were approved for Milpitas First-Time Homebuyer residents with low-interest rates from Housing Trust Silicon Valley.

- **Mobilehome Park Rent Control Ordinance** has allowed the continuance of affordable rent for the 527 Mobile home units located within three (3) mobile home parks, which are regulated by the 1992 City's Rent Control Ordinance which guarantees long-term affordability. Seventy-two percent (72%) living in these mobile home parks are senior citizens over the age of 60-years-old.
- Milpitas continues to implement its Transit Area Specific and Mid-Town Specific Plans around the proposed new BART Station which is proposing a range of densities that would allow up to an additional 5,500 new dwelling units and 3,000 units from the Midtown Specific Plan.
- As required by State Planning Law, Milpitas hired a consultant, Bay Area Economic (BAE) to prepare its General Plan Housing Element (2015-2023) which identifies policies, goals and objectives to further affordable housing opportunities. It was approved by the State of California, Department of Housing and Community Development (HCD) and adopted by City Council on April 28, 2015. Milpitas next Housing Element will be due in January 2023.
- County of Santa Clara Fair Housing Task Force continues to participate in quarterly countywide Fair Housing Task Force meetings with other jurisdictions within Santa Clara County. The task force addresses a variety of issues from housing discrimination, foreclosures, redlining, and fair housing policies. Guest presenters are also invited to attend the meeting from special topics.

### ***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 2012-2017 Consolidated Plan:

- Milpitas currently has 974 affordable housing units with long-term affordability restriction agreements for very-low, 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, 022 affordable housing units will be available for very low, low and moderate-income households.
- City of Milpitas may incentivize and encourage the development of affordable housing with either/or: wavier of certain development fees, park/open space fees, and/or consider a reduction in development standards to assist the project.
- Prior to the dissolution of Milpitas Redevelopment Agency (RDA), RDA provided funding required 20% housing set-aside funds for affordability housing inside and outside of the project areas. In the past years, RDA provided over \$50 million in assisting developers and first-time homebuyers through park fees or impact fees and low interest rate loans. However, with dissolution of RDA effective February 1, 2012, the ability to support and financial fixture affordable housing units will be extremely difficult.

- Milpitas has negotiated with developer of South Main Street Senior Lifestyles Project to provide 48 units to very-low income seniors.
- The Housing Authority of Santa Clara County, HUD and the City has continued worked with the property owner of Sunnyhills Apartments to maintain the Section 8 contracts for the 151 units at-risk of converting to market rate. The additional 151 Section 8 Program vouchers have been maintained for low-income tenants.
- Milpitas has updated its General Plan Housing Element (2015-2023) which will include polices, goals and objectives to support affordable housing opportunities.
- In 15-16, the City began the process of preparing an Affordable Housing Nexus Study for both new commercial and residential development. Through the Nexus Study, the City may be able to implement affordable housing impact fees on new development, thus creating additional funding sources for the creation of affordable housing.

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

On January 27th and 28th, 2015, Santa Clara County administered a biennial point-in-time Homeless Census and Survey. The goal of the Homeless Census and Survey is to locate, identify, and eventually house the county’s most vulnerable individuals into permanent supportive housing. A total of 112 unsheltered Milpitas residents were identified as homeless in 2015, this presents a 15% increase in homeless persons (95) from the previous homeless survey in 2013. Milpitas will continue to provide funding to address homeless issues throughout the city.

Milpitas will continue to support County of Santa Clara efforts to obtain homeless funds from the McKinney-Vento Act for Emergency Shelter Grants (ESG) to assist over 6,000 county residents identified as homeless in the 2015 homeless survey.

During the state-mandated Housing Element process Milpitas has amended its Zoning Ordinance to include the following:

- Modify Zoning Ordinance to allow transitional/supportive housing in MXD Zoning Districts.
- Modify Zoning Ordinance to allow manufactured homes in all zoning districts where residential developments are allowed.
- Milpitas will continue to provide funding to HomeFirst to provide shelter and support services for homeless Milpitas residents.

Milpitas is on target to meet its 3-5 year housing goals and expectation for homelessness.

### ***Met or Exceed 3-5 Year Goals and Expectations for Public Services***

Based on the variety of public services being provided Milpitas appears to be on target to meet or exceed its goals and expectations for public services identified within the five year Consolidated Plan.

## ***Public Services Provided***

- **City of Milpitas' Recreation Assistance Program** provides monetary assistance to subsidize recreational programs to low and very low-income households. 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 \$7,206.25 in CDBG funds to this program. A total of 59 Low-income Milpitas households participated in the program.

**Goal/Objective:** This accomplishment has exceeded the goal of 30, as 59 Milpitas households.

- **Child Advocates of Silicon Valley** provides court-appointed, foster care children to special advocates (CASA) to provide one-on-one consistent and permanent support, by remaining in the child's life during the whole duration of the child's time in the foster care system. The CASA provide consistent critical emotional and educational support due to the absentee and inconsistencies of the child's parent(s)/guardians/adults in his/her life. Milpitas provided \$5,290.31 in CDBG funds to fund services for 37 children.

**Goal/Objective:** This accomplishment has met their goal as they served 37 children. In addition they recruited 441 CASA volunteers, trained 205 CASA volunteers, supported 327 CASAs to work with foster children, and provided 17 workshops to the community.

- **HomeFirst** provides shelter and supportive services for homeless adults, youth, and families in Milpitas. Programs include housing and education services to help clients overcome barriers to housing and employment to encourage self-sufficiency. HomeFirst services ranges from emergency shelter to transitional programs permanent housing and after-care services. Milpitas provided \$5,025.25 in CDBG funds to this program. HomeFirst provided 255 personal days (PSDs) to 14 Milpitas residents.

**Goal/Objective:** The project did not meet their goal as they only served 14 Milpitas residents from their goal of 20. Therefore a total of only 255 personal shelter days were recorded.

- **Live Oak Adult Day Care Services** specializes in adult day care services for frail and dependent at-risk senior residents including: respite for family caregivers, provides nutritious meals, counseling, referrals, and case management to support family members in their efforts to maintain their dependent senior relative in the family home. Milpitas provided \$5,337.75 in CDBG funds to this program. A total of 6 Milpitas senior residents with 214 days of social adult day care service benefited from this program the past year.

**Goal/Objective:** This accomplishment has not met its goal, as only 6 unduplicated Milpitas Seniors were served instead of the anticipated 10. Live Oak stated difficulties and barriers in the location of the adult day services. The day services for Milpitas residents were located in Willow Glen of San Jose, leading families to lose interest in driving their elders far or arranging transportation. Staff proposed using some of the CDBG funds to pay for Outreach ride services, but it was not successful. Residents did not want to commute and often opted for the nearby Barbara Lee Senior Center.

- **Milpitas Food Pantry** is a locally-based organization that provides supplemental emergency supplies of food to low-income individuals and households and other household items such as clothes, toiletries and school supplies. The Milpitas Food Pantry collects, purchases and store food supplies to distribute. Milpitas provided \$14,519.00 in CDBG funds for this program. A total of 522 extremely low and very-low income households (1,578 persons) benefited from this program during the past year.

**Goal/Objective:** The project met his household goals but not individual goals. Milpitas Food Pantry's goal was 500 households and 2,000 individuals. A total of 522 households were served, but not the 2,000 individuals as stated in their proposal. However, please note that the Food Pantry serves all income levels however they only report on extremely low and very low income data.

- **Next Door Solutions to Domestic Violence** provides emergency shelter for up to 30 days for female victims of domestic violence and her children, in addition supportive services for all victims of domestic violence. Milpitas provided \$5,105.88 in CDBG funds to this project. No Milpitas residents benefited from the emergency shelter this past year as service provider stated it was not requested. However, Next Door Solutions provided non-residential, supportive services to fifty-nine (59) victims, these services include: crisis counseling, support groups, individual therapy, legal assistance and advocacy in the past year.

**Goal/Objective:** This accomplishment was not met, as no Milpitas residents were housed in emergency shelter instead of the anticipated three (3). Next Door Solutions served 59 persons with non-residential services instead of the projected 63. However, they exceeded in their 24/7 crisis hotline, as they served 111.

- **Project Sentinel** provides fair housing education and landlord-tenant 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 administration funds to this project. This project benefits all Milpitas residents.

**Goal/Objective:** The project provided assistance to fair housing and tenant-landlord cases. Project Sentinel had 11 fair housing cases, and 11 outreaches, exceeding their goal of 8 and 3, respectively. For tenant-landlord cases, Project Sentinel had 44 cases and hosted 3 outreaches, exceeding their goal of 25 cases and 3 outreaches. A total of 55 cases were assisted by Project Sentinel. Each category has exceeded their goal.

- **Senior Adults Legal Assistance (SALA)** provides free legal services to Milpitas elderly citizens. SALA provides services by appointments at 23 senior centers throughout Santa Clara County, one being the Milpitas Senior Center. SALA has served Milpitas seniors since 1979. SALA provides an on-site intake sessions twice a month. Five, half-hour session's appointments are available at each intake session for the elderly to meet with SALA representative. Home visits are also available for those seniors who are home-bound or reside in nursing homes. Milpitas provided \$5,109.81 in CDBG funds to the program. A total of 54 senior citizens benefited from these services during the past year. SALA also conducted a community education seminar at the Milpitas Senior Center for senior citizens.

**Goal/Objective:** This project has exceeded its goal, as 54 unduplicated Milpitas Seniors were served, in comparison to the anticipated 30-35 seniors.

- **The Health Trust** provides nutritionally-balanced, home-delivered meals daily to eight (8) unduplicated, home-bound seniors, as well as increasing social interaction and provide additional wellness checks. Milpitas provided \$6,350.69 in CDBG funds to this program. A total of 1,654 daily, nutritionally-balanced meals were delivered to eight (8) Milpitas seniors in fiscal year 2015-2016.

**Goal/Objective:** The project exceeded its goal by provided a total of 1,654 meals, and 1,169 wellness checks to over eight (8) clients.

- **YWCA of Silicon Valley** provides supportive services for domestic violence victims including: 24-hour tool of free bilingual (English/Spanish) crisis hotline, confidential emergency shelter, counseling, case management, individual and group therapy, support groups, children's art therapy, safety planning and domestic violence education. Milpitas provided \$5,079 in CDBG funds to the program. A total of 14 Milpitas households were served with the domestic violence services that included emergency shelter, counseling, case management, referrals and legal advocacy services.

**Goal/Objective:** The project exceeded their goal by providing services to 14 Milpitas residents instead of 12. YWCA surpassed its goal in providing direct supportive services and crisis counseling/information to survivors through referrals from the Milpitas Police Department as 115 individuals were assisted. YWCA also answered 34 crisis calls from their 24-hour hotline. Lastly provided emergency shelter to two Milpitas residents with 32 nights of shelter.

## **RESOURCES MADE AVAILABLE**

Milpitas received \$402,449.44 (including \$8,959.44 of Program Income) in CDBG funds during FY 2015-2016 from housing and community development activities. Milpitas used these CDBG funds to carry out the activities identified in the Five-Year Consolidated Plan. All activities were implemented Citywide; there were no specific geographic concentration of resources. However, the specific geographic areas in which Milpitas have provided direct assistance with CDBG include low-income neighborhoods. 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 4, the Milpitas Community Advisory Commission (CAC) and April 21, 2015, the City Council held public hearings to allocate the \$393,490 of CDBG funds. The funds were used for a variety of public services, programs and activities.

### ***Leveraging Other Resources***

Milpitas has leveraged other resources in support of affordable housing and community Projects which includes:

- Provide land donation (\$12.4 million by Milpitas Housing Authority) to developer to construct South Main Senior Lifestyles apartments with 48 very low-income units for seniors.

- Participate in Countywide Fair Housing Task Force to address various housing issues throughout Santa Clara County.
- Participate in a Countywide Regional Countywide Housing Task Force to consider adoption of a housing nexus study and developer impact fees.

Provided over \$37 million in Capital Improvement Projects (CIP) on community and parks projects to enhance quality of life for Milpitas residents. The following listing identifies the financial resources that have been used to leverage funds within the City of Milpitas Capital Improvement Program 2015-2020 (CIP):

City Building ADA Compliance Review	\$50,000
Sports Center Skate Park	\$1,650,000
Alviso Adobe Renovation	\$6,474,272
Murphy Park Picnic Playground Renovation	\$3,750,000
Park Access Improvements and Resurfacing	\$600,000

The majority of the public service agencies have also leveraged their funds with a variety of public, private funding sources including other foundations, corporations, and private donations. The Milpitas CDBG application process requires applicants to explain their method and strategy of leveraging funds for their programs and activities. 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.

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

### *Existing Public Policy (On-Going Implementation)*

The City of Milpitas has approved and adopted four 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 (2012-2017) and 4) Transit Area Specific Plan.

- **Midtown Specific Plan:** Milpitas continues to implement the Midtown Specific Plan. Overall, the plan calls for up to 4,000-5,000 new dwelling units, 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 1/4 miles of the Transit-Oriented Development Overlay Zones. The Milpitas City Council adopted the Midtown Specific Plan in March 2002. To date, approximately 1,317 housing units have been approved or under construction within the Midtown Specific Plan Area.
- **Milpitas General Plan Housing Element (2015-2023):** As required by State of California Housing Element Law, City of Milpitas has certified and adopted its General Plan Housing Element, which establishes goals, policies and objectives over the next eight years. Identifying adequate housing opportunity sites, appropriate densities to meet the Regional Housing Needs Allocation (RHNA) housing goals as determined by ABAG, affordable housing at-risk, governmental constraints and housing costs are several issues that will be addressed.

- **Consolidated Plan (2012-2017):** City of Milpitas submitted its Five-Year Consolidated Plan and was approved by HUD in August 2012. 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. Staff is working on updating the next Consolidated Plan for 2018-2023.
- **Transit Area Specific Plan:** Preparation of a report for over 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 half 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. In addition 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 approved 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 or under construction eleven (11) projects for development within the Transit Area Specific Plan with over 5, 500 new housing units.

Also, Milpitas has continued to demonstrate a commitment to providing a variety of affordable housing units to increase the City's housing supply through the use of the Density Bonus Ordinance, and first-time homebuyers program. 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.

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. 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 provide available resources within the community. The Milpitas Housing Element serves as the guide to policies and principles in providing affordable, safe and decent housing to all segments of the population.

Also, Milpitas has prepared and submitted its updated Consolidated Plan (2012-2017) to identify its CDBG housing and community goals and objectives over the next five years. Milpitas continues to serve

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.

Milpitas continues to participate in several countywide groups such as: Fair Housing Task Force, CDBG Coordination meetings, HOME Consortium, Regional Countywide Housing Task Force, and Homelessness Prevention over the next 10 years. 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, Countywide Fair Housing Task Force, Housing Trust Fund, and Regional Countywide Housing Task Force 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 has updated its information on lead-based paint hazard which will continue to be provided to all property owners and residents prior to any housing rehabilitation work being performed. If the property 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 \$50,000 of Single Family Rehabilitation Program Administration funds to implement compliance with the HUD Lead-Based Paint regulations.

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**

The state-mandated updated Housing Element (2015-2023) was submitted, certified, and approved by the Department of Housing and Community Development (HCD) and City of Milpitas' City Council pursuant to State Housing Element Law, the following updates will be incorporated into the document to further fair housing opportunities for lower income households:

- Milpitas Zoning Ordinance was amended to permit emergency shelters without discretionary review "by right" within certain zoning district. In the past, this use would require a discretionary review by Planning Commission and or City Council through the conditional use permit process which could be denied with opposition. Development standards will also be incorporated to promote and regulate orderly development.
- Milpitas Zoning Ordinance was amended to permit transitional and supportive housing without discretionary review "by right" within certain residential zoning districts. These uses will be subject to the same development standards and restrictions as other residential uses within the same zoning districts.
- Milpitas Zoning Ordinance was amended to permit single room occupancy (SROs) units by discretionary review by Milpitas Planning Commission. These uses will also be subject to development standards to promote and regulate orderly development.

- Milpitas will review and consider updating any policies, ordinances or procedures to further allow reasonable accommodation for persons with disabilities in the application of housing opportunities.
- Milpitas' City Council directed that all new residential developments applications submitted after June 16, 2015 shall provide five percent (5%) of very-low or low-income residential units with a restriction of fifty-five (55) years or contribute an amount to the City equivalent to the five percent (5%) of the construction value or a combination of both.
- Milpitas continues to support Project Sentinel's 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.

In May 2011, the Milpitas City Council held a public hearing, reviewed and approved the updated Analysis of Impediments to Fair Housing Choice (AI) Report and its recommendations. 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 AI coincides with the update of the Consolidated Plan. Both documents will be updated by staff in the upcoming months.

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

**Statistical Summary: 4th Quarter (April 1- June 30, 2016)**

Project Sentinel handled a total of 1 fair housing case in the 4<sup>th</sup> quarter and 2 outreach events in Milpitas. As for the tenant/landlord dispute side, they worked on 10 cases. During this reporting period, Project Sentinel Staff conducted the following outreach and education activities relevant to City of Milpitas:

April 21, 2016 – Presentation for Western Manufactured Association | San Jose, CA: Senior Fair Housing Coordinator presented fair housing at the Silicon Valley Chapter of the Western Manufactured Association. Of the 30 attendees, 1 rewash a resident of City of Milpitas.

- May 11, 2016 – Presentation for Milpitas Kiwanis Club | Milpitas, CA: Testing and Outreach Coordinator gave a presentation on protected classes under Fair Housing laws and focused on disability, familiar status, and national origin. Of the 16 people who attended, 11 residents were from Milpitas.

**Statistical Summary: 3rd Quarter (January 1 – March 31, 2016)**

Project Sentinel handled a total of 10 cases, and did 1 outreach this quarter. During this reporting period, Project Sentinel Staff conducted the following outreach and education activities relevant to City of Milpitas:

- February 1, 2016 – Milpitas Executive Lions Club | Milpitas,, CA: Fair housing coordinator and case manager made a presentation on tenant/landlord relationship and the rights/responsibilities that come with the management of property.

### **Statistical Summary: 2nd Quarter (October 1 - December 31, 2015)**

Project Sentinel handled a total of 8 cases, which 2 were fair housing, 1 fair housing consultation, and 4 outreaches in the second quarter.

During this reporting period, Project Sentinel Staff conducted the following outreach and education activities relevant to City of Milpitas:

- October 25, 2016 – Make a Difference Day Event | Milpitas, CA: Staff tabled a booth hosted by the Milpitas Executive Lions Club for residents to ask questions relating to tenant-landlord issues and fair housing. Twelve people visited the booth, of which nine (9) were Milpitas residents.
- November 3, 2015 – Barbara Lee Senior Center | Milpitas, CA: Staff from Project Sentinel conducted a presentation at the Barbara Lee Senior Center, in which two (2) residents attended to ask detailed related questions related to fair housing and housing discrimination.
- November 17, 2015 – Next Door Solutions to Domestic Violence | San Jose, CA: Staff gave a presentation to victims of domestic violence on their rights and Fair Housing laws based on gender/sex, familiar status, and protection of domestic violence survivors. Of the four (4) attendees, 1 resident was from Milpitas.
- November 19, 2015 – National Association of Residential Property Managers | San Jose, CA: Fair Housing Legal Director from Project Sentinel gave a presentation to the National Residential Property Managers on fair housing laws. Of the 39 attendees, 2 were residents of Milpitas.

### **Statistical Summary: 1st Quarter (July 1 -September 30, 2015)**

Project Sentinel handled a total of 26 cases and 4 outreaches. Of the total of 26 cases, 3 of them were fair housing cases and 1 consultation was done.

During this reporting period, Project Sentinel Staff conducted the following outreach and education activities relevant to City of Milpitas:

- September 3, 2015 – Meeting with City Staff | Milpitas, CA: Project Sentinel's staff met with City's Housing and Neighborhood Service Manager and Principal Planner to discuss strategies to expand outreach to diverse communities and housing issues that is affecting residents of Milpitas.
- September 3, 2015: Project Sentinel's staff distributed brochures on fair housing to the Barbara Lee Senior Center.
- September 30, 2015: Tester Training | San Jose, CA: Project Sentinel's staff conducted a tester recruitment and training. Two individuals attended, in which one was a Milpitas resident.
- September 21, 2015: Project Sentinel's staff distributed brochures at City Hall and restocked at the Milpitas Senior Center and Milpitas Police Department.

### **General Summary: Fair Housing Services and Community Outreach**

During the past program year, Project Sentinel provided the following fair housing and tenant/landlord dispute resolution services:

- Project Sentinel investigated a total of fifty-five (55) cases for the City of Milpitas. Of those 55, eleven (11) were fair housing investigations that were more intensive and longer in duration.
- A total of 11 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.

- Housing and training seminars for tenants, owners, and managers were provided throughout Milpitas and documents were translated in languages commonly used in Milpitas i.e. Tagalog, Spanish, Vietnamese etc.

### ***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 a mechanism to increase the affordable housing opportunities 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 have used this permit process to increase the density on their high-density multi-family projects, offering affordable housing units as the public benefit.

Milpitas continues to implement its 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 proposed in Milpitas. The adopted Midtown Specific Plan will accommodate a range of 4,000-5,000 dwelling units of various housing types and styles.

Milpitas continues to implement its Transit Area Specific Plan for those properties that are located within VTA mile of the transit stations, Santa Clara Valley Transportation Authority (VTA) light rail and Bay Area Rapid Transit (BART). Residential properties within this designated area will be classified as multi-family, high-density residential development with a transit-oriented overlay. Densities up to 75 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 also provided funding to HomeFirst and Project Sentinel, which provides a renter education program that includes information about legal protection against discrimination. Milpitas programs such as single family housing rehabilitation, first-time homebuyers has actively pursued an affirmative action plan. In addition there are rehabilitation loans and first-time homebuyer loans to assist very-low and low-income households are available to qualified residents of the City of Milpitas.

Brochures, public handouts and other fair housing information (i.e. information on security deposits, tenant responsibilities, remedies for obtaining repairs, tenant/landlord mediation, how-to protect tenant rights etc.) are available at the Information Counter at Milpitas City Hall. Copies of all handout information are provided in Spanish, Chinese and others included Tagalog and Vietnamese.

The Planning and Building Departments will continue to enforce policies, ordinance and procedures to guarantee that all disabled and special needs persons has reasonable accommodations as it relates to housing developments. 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 operations of a variety of support services and programs to address the needs of homeless persons and the special needs of persons that may require supportive housing. The supportive services and programs include the following:

Other supportive services funded in the City of Milpitas includes:

- **Milpitas Food Pantry** served about 1,578 extremely-low and very low-income individuals through weekly food supplements and household items.
- In addition **The Health Trust** provides Meals on Wheels to eight (8) homebound seniors.
- Supportive housing programs includes funding for **HomeFirst**, which provides shelter and supportive services to homeless adults, youths and families (255 shelter days for 14 Milpitas residents).
- **Next Door Solutions to Domestic Violence** and **YWCA Silicon Valley**, which provides supportive services for victims of domestic violence and their children collectively: sheltered a total of 2 individuals with 32 nights at the emergency shelter. Also both organizations provided supportive non-residential services for 124 individuals through referrals from the Milpitas Police Department.
- 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.

## ACCOMPLISHMENTS

### *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 2015-2016. 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***

- **Milpitas Food Pantry** provides monthly supplemental food supplies to 1,578 extremely-low to low-income families.
- **Live Oak Adult Day Services** provides adult day care serves for 6 frail and dependent at-risk seniors residents.
- **HomeFirst** provides shelter and supportive services to homeless men, women and families for emergency shelter and case management to find housing opportunities. Programs include housing, education, employment and self-sufficiency. A total of 255 nights of shelter have been provided to 14 Milpitas residents.
- **Housing Trust Silicon Valley** continues to work to provide over 1,049 families in securing permanent housing with the *Finally Home Security Deposited Grant Program* to end homelessness and help those at-risk of being homeless. The individuals that benefited from the program include seniors, minors, female-head of households, chronically homeless and those directed from the County's Housing 1,000 clients.
- **County of Santa Clara Housing Authority** continues to work with City of Milpitas to maintain and support existing Section 8 vouchers for Milpitas residents.

## ***Program and Services to Prevent Persons and Families from Becoming Homeless***

- Milpitas has provided financial assistance to the Milpitas Food Pantry, which provided food, clothing, and other assistance to homeless persons.
- Milpitas continues to monitor the Sunnyhills Apartments (151 units) and the other 180 Section 8 Program tenants 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***

- **Next Door Solution to Domestic Violence** and **YWCA Silicon Valley** provided collectively comprehensive shelter services for 2 women and their children with over 32 nights of shelter. In addition provided over 73 individuals with counseling, support groups, individual and group therapy legal assistance with restraining orders and advocacy. In addition, provided supportive services to another 115 referrals from the Milpitas Police Department.

## ***Actions to Assist Non-Homeless Elderly Persons***

- Milpitas has funded several programs which provided assistance and services to the elderly population such as: **Rebuilding Together** provided 24 home improvements services to senior homeowners; **Senior Adults Legal Assistance** provided 54 free legal services to Milpitas elderly; **Project Sentinel** provided fair housing and mediation service; and **Milpitas Food Pantry** provided food for 1,578 households.

- **The Health Trust** provided daily, nutritionally-balanced meals on wheels, social interaction and additional wellness for 8 home-bound Milpitas seniors.
- **Live Oak Adult Day Care Services** provided 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 provided services for 6 Milpitas senior residents.
- **Terrace Gardens Senior Housing Renovations and Improvements** provided CDBG funding for the façade improvements by replacing original paint with mildew removal and 10 years useful lifetime paint.

### ***Actions to Assist Persons with Physical or Mental Disabilities***

The City of Milpitas has committed General Funds, Capital Improvement Project (CIP) and CDBG funds for the following on-going projects (2015-2020):

- City Buildings ADA Compliance Review involves the review of all City Buildings constructed prior to 2000 to confirm compliance with access requirements in accordance with American with Disabilities Act, to identify any deficiencies and recommend improvements. The City of Milpitas has allocated \$50,000 for this project.
- Alviso Adobe Renovation provides new park improvement and restoration that include structural stabilization, seismic strengthening and improvement in walkaways, parking lot and picnic areas. The City of Milpitas has identified \$1,000,000 from the Park Fund.
- Murphy Park Picnic Playground Renovation provides for renovation improvements that increase the picnic area and ADA compliance assessment and improvements. The project will be funded \$3,750,000.
- An estimated \$2,875,000 is funded for this project through the Park Fund and the Midtown Park Fund.
- Park Access Improvements and Resurfacing will provide for improvement and rehabilitation of vehicle, bike and pedestrian access for City parks. The project will be funded in the following year for about \$600,000.

A total of approximately \$13,275,000 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 does not currently provide any funding for alcohol or other drug related problems as City Council has directed priorities for the funding.

## ***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***

Milpitas has provided funding CDBG funding and set priorities to meet underserved individuals and families, especially that of youth. The following programs serve the needs of underserved youths:

- **Child Care Advocates** recruits, trains and support volunteers to court-appointed children in the foster care system to remain a constant supportive presence throughout the whole foster care process, some until they are adults. With the CDBG funding they were able to serve 37 Milpitas children.
- **City of Milpitas' Recreation Assistance Program** provides financial assistance to very-low and low-income Milpitas households for recreational programs at 50% of the costs in which 59 low-income youths and seniors received.

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

Milpitas continues to work 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 1,248 affordable housing units with long-term affordability restriction agreements, with an additional 56 affordable units approved with staff and developers.

Also, the Mobile home Park Rent Control Ordinance preserves affordable rent to 527 mobile home units. Milpitas continues to work 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.

Project Sentinel (the City's Fair Housing provider) aims to eliminate fair housing barriers by publicizing and advertised their services through the City's cable TV, website and Information Counter in various languages, in addition through the newspaper outlets as Milpitas Post.

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

Milpitas has continued to fund a variety of supportive 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** provided meals to supplement 1,578 extremely-low to very low-income households.

Fair Housing and tenant-landlord mediation is provided through **Project Sentinel** and **Senior Adults Legal Services** in addressing fair housing issues and complaints regarding landlords. Landlords may increase rent above and beyond the means of many low and moderate income renters and preventing unnecessary evictions.

Milpitas has also continued to work with County of Santa Clara's Social Services Agency to refer low-income families for financial assistance. As of the latest report, April 2016, Santa Clara County has experienced a decline in all public assistance programs including CalWorks, Refugee Cash Assistance, General Assistance, and Foster Care Cash Aid programs, with the exception of Medi-Cal. The number of Medi-Cal cases has increased throughout the County. For the City of Milpitas, a year ago, there were 8,443 Medi-Cal cases, as of April 2016 Milpitas has a total of 8,499 cases. Following the County's trend, CalWorks has also decreased in Milpitas. A year ago in April 2015, there was 253 CalWorks cases, today, there are 192 cases making a total of 2.3% of the County's number.

### ***Actions Taken to Ensure Compliance with Program and Comprehensive Planning Requirements***

Milpitas consistently monitors its CDBG grantee sub-recipients and projects to ensure compliance with the program goals and objectives and comprehensive planning requirements. Monitoring includes review of quarterly reports 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 with Capital Improvement Projects (CIP) funding to provide improvements on street infrastructure to drainage improvements for low and moderate-income neighborhoods. These improvements includes ADA compliance, infrastructure, public safety, pedestrian walkways, and urban runoff pollution program.

## **SELF-EVALUTION OF PROGRESS IN ADDRESSING IDENTIFIED NEEDS AND OBJECTIVES**

Milpitas appears to be on target to meet most of its anticipated objectives outlined with Five-Year Consolidated Plan. Public Service programs and supportive services have been carefully prioritized and funded to benefit an inclusive population of Milpitas. Housing, public services, seniors and homeless populations has been given special care and attention in addressing their need.

The two main goals and objectives are:

- 1) Assisting first-time homebuyers in participating in the Mortgage Credit Certificate Program
- 2) The development of the Senior Housing Project

Though (participation in?) the Mortgage Credit Certificate Program for first-time homebuyers was reduced almost 80% prior, it has been a push by the Santa Clara County to get more participation. The City will work with the County to make these opportunity available for first-time homebuyers.

Milpitas has provided support and financial assistance for the three (3) 100% affordable project (Aspen Family Apartments - 100 units, Terrace Gardens – 148 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).

Milpitas Public Facilities and Improvement needs has 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 (2012-2017) and in process of updating its new Consolidated Plan for 2018-2023.

## **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 20, 2016 to September 6, 2016. A public advisement notice was placed in the local Milpitas Post Newspaper and the San Jose Mercury advertising the availability of the CAPER Report on August 20, 2016 in addition the Public Hearing held on September 20, 2016. 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. The Milpitas City Council held a public hearing on September 20, 2016 at 7:00 p.m. at Milpitas City Hall and adopted the CAPER.

### ***Summary of Public Comments Received***

There were no public comments received by the City of Milpitas to be incorporated into the final CAPER.

### ***Public Comments***

There were no public comments received by the public to be included in this final CAPER.