

**List of Attachments for Public Hearing No. 2**  
**Community Development Block Grant**  
**Funding Allocations for FY 2015-16 &**  
**One-Year Action Plan**

**Conduct a Public Hearing and Approve Community Development Block Grant (CDBG) Funding Allocations for FY 2015-16 and Adopt the One-Year Action Plan**

**(Staff Contact: Felix Reliford, 408-586-3071)**

**Attachments:**

2A – Draft CDBG Action Plan

2B – Community Advisory Commission (CAC) Funding Tally Recommendations

2C – CDBG Cost Chart

2D – Planner's Memo to City Council

2E – 3/4/2015 CAC Meeting Minutes

**CITY OF MILPITAS**  
Neighborhood Services Division

**2A**

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March 12, 2015

**City of Milpitas Draft Action Plan for FY 2015-2016 (30 Day Review Period)**

Dear Service Provider:

Enclosed for your review and comments is a copy of the City of Milpitas Draft Action Plan which describes the eligible programs, projects and activities to be undertaken with Community Development Block Grant (CDBG) funds within the next fiscal year 2015-2016. The review period for City of Milpitas Draft Action Plan Amendments will be from **March 13 to April 13, 2015**.

Upon completion of the review period, the Draft Action Plan will be revised to incorporate any significant input and/or comments received from the public and will be forwarded to Milpitas City Council for adoption. The Draft Action Plan also includes the requests for CDBG funding from the Service Providers for FY 2015-2016. The final determination of CDBG funds to be allocated to Service Providers, adoption of the Action Plan will be determined at City Council meeting on **April 21, 2015**. You will be notified of the future meeting date for the CDBG funding priorities.

If you have any questions, input or comments regarding the Draft Action Plan please do not hesitate to contact me at (408) 586-3071. Written or e-mail comments can be sent to:

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Sincerely,

Felix J. Reliford  
Interim Principal Housing Planner



## City of Milpitas

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# DRAFT ACTION PLAN

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## Fiscal Year 2015-2016



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## Executive Summary

The City of Milpitas anticipates that it will be receiving **\$393,490** in Community Development Block Grant (CDBG) funds in fiscal year 2015-2016. A total of **\$59,023.50** will be allocated to **10 different public service providers**. These public services include a various programs such as: 1) domestic violence, 2) senior legal aid, 3) supplemental supplies of food, 4) homeless shelter and support services, 5) recreational assistance programs, 6) youth and senior services, 8) legal assistance, 9) adult day care services, and 10) fair housing services.

With regards to non-public service activities, Milpitas will allocate a total of **\$255,768.50** to **4 different non-public service providers**, these services will include: 1) exterior building paint project for Terrace Gardens Senior Housing, 2) safety, accessibility repairs for very low income seniors and homeowners and 3) funding for weatherization and energy efficient rehabilitation, and 4) street resurfacing throughout low-moderate neighborhoods in the City of Milpitas. The Milpitas City Council approval also included consolidating prior years Housing Rehabilitation Loan Program funds into one project.

With the addition of approximately **\$50,000** of expected Program Income from the Single Family Rehabilitation Loan Program, Milpitas will be spending approximately **\$443,490** on public and non-public services (including **Program Administration \$68,698.00** in which \$10,000 will be used for Fair Housing Services).

Milpitas will also allocate of **\$135,442.40** in Single Family Housing Rehabilitation Loan Program/Revolving Loan Funds. The loans from the rehabilitation program serves as a revolving loan fund that goes back into the program. The funds will also be expended in this upcoming year, but does not come from FY 2015-2016 entitlement funds. Twenty percent of the rehabilitation loan program or **\$33,860.60** will be allocated towards program administration.

The 30-day public review period on the Milpitas Action Plan will be March 13 to April 13, 2015. Milpitas Citizens Advisory Committee held a public hearing on the CDBG funding on March 4, 2015 and will forward its recommendation to Milpitas City Council. The Milpitas City Council will hold a public hearing on the CDBG funding and One-Year Action Plan for adoption on **April 21, 2015**. 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.

**CDBG funding allocations are not finalized. Finalized funding will occur during the Milpitas City Council meeting that will take place April 21, 2015.**

**CITY OF MILPITAS**  
**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**  
**ANNUAL ACTION PLAN**  
**Fiscal Year 2015-2016**

Pursuant to the Department of Housing and Urban Development (HUD) funding requirements and in conformance with 24 CFR Part 91, Consolidated Submission for Community Planning and Development Programs, City of Milpitas has prepared and will be adopting its 2015-2016 Action Plan. The Action Plan is submitted annually and describes the eligible programs, projects and activities to be undertaken with funds that are expected to be made available during the Fiscal Year 2015-2016 and their relationship to the City's priorities and needs for housing, homelessness and community development.

In August 2012, City of Milpitas submitted its Five-Year Consolidated Plan (2012-2017) to HUD. The Milpitas Consolidated Plan has been reviewed and approved by HUD. The Consolidated Plan identifies the long-term goals and objectives achieved and consistent with the annual Action Plan Report. Included with the submission of the Action Plan is the Standard Form 424, Proposed Projects and Certifications as required the by Community Development Block Grant (CDBG) Program regulations. The goals and objectives identified in the Milpitas Action Plan are in full compliance with the approved and adopted policies and procedures outlined in the Milpitas CDBG Citizen Participation Plan.

The City of Milpitas will be updating it Analysis of Impediments (AI) to Fair Housing Choice Report to in 2015 in anticipation of the preparation for the future Consolidated Plan (2018-2023). The previous AI Report was adopted in 2011.

On December 30, 2014, City of Milpitas General Plan Housing Element (2015-2023) was certified by State of California Department of Housing and Community Development (HCD). The Milpitas City Council will be reviewing and considering adopting Housing Element on April 21, 2015.

**Response and Comments on the Milpitas Draft Action Plan**

Any comments on the City of Milpitas Draft Action Plan should be sent to the following address before April 14, 2015 (all mail must be postmarked by this date):

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## **Part I: Resources**

Milpitas will continue to pursue and encourage local non-profit housing and support service agencies to pursue all available public and private funding to achieve the Consolidated Plan's goals. It is expected that funding from a combination of federal, state, and local sources will be used to pursue the majority of the identified public services and housing strategies. Milpitas will also encourage non-profit entities to work with financial institutions and develop plans for leveraging private and public funds to the maximum extent possible considering the specific project involved. Funding resources will be coordinated and leveraged whenever possible to maximize their potential.

Before awarding funds for projects to be carried out by other entities, Milpitas will review the project-financing plan to ensure that all agencies are utilizing all available funding and are leveraging funds to the maximum extent possible. Milpitas will not adhere to any specific matching requirements for use of the City's CDBG funds. Milpitas will continue to require organizations to make the maximum effort to match City's funds through other public and private sources on a minimum one to one ratio (whenever possible).

Where this matching standard is not achieved, the non-profit organization will be required to provide a detailed listing of the resources pursued and the reasons and rationale for the lack of matching funds. Milpitas' CDBG funds will only be awarded for a project, if Milpitas determines the non-profit entity pursued all available resources for the project and due to the nature of the project, the matching standard could not be achieved.

The following sections identify some of the major resources to be pursued by Milpitas, local non-profits, County of Santa Clara and other eligible resources. Milpitas will continue to encourage local non-profit agencies to pursue all available funding resources, which may be applicable to their particular project. Milpitas will also continue to monitor these programs, projects and activities to promote its housing and community development goals and objectives through active policy development and use of available federal and non-federal funding sources.

### **Federal Programs**

#### ***Community Development Block Grant (CDBG) Funds***

The CDBG Program will provide the largest funding source for a variety of supportive services and housing for low and moderate-income households in Milpitas. As an entitlement city, Milpitas receives CDBG funding directly through HUD. Milpitas 2015-2016 CDBG allocation will be \$393,490. It is estimated Milpitas will also receive a substantial amount from the repayment of loans in the amount of approximately \$50,000 in Program Income from Single Family Housing Rehabilitation Loan Program. In addition, Milpitas will allocate \$135,442.40 from its Single Family Housing Rehabilitation Revolving Loan Funds that are not from FY 2015-2016 grant amount and another \$33,860.60 for its program administration. The loans from the rehabilitation program serve as a revolving loan fund that goes back into the program.

Therefore, the CDBG Funding allocation for fiscal year 2015-2016 will include the following:

\$393,490	CDBG Grant Fund FY 2015-2016
<u>\$50,000</u>	Estimated Program Income*
<b>\$443,490</b>	<b>Total CDBG Funding FY 2015-2016**</b>

\*Estimated Program Income from the Single Family Housing Rehabilitation Program

(\*\*) Does not Include Unused Revolving Loan Funds (\$135, 442.40 for Housing Rehabilitation Loan and \$33,860.60 for its program administration) and Reprogrammed Funds

### ***HOME Program***

Milpitas may be seeking other financial resources to assist in financing affordable housing projects. This process may include the formation of a consortium with other cities in Santa Clara County. Milpitas has never received a direct allocation of HOME funds from HUD, funding will be requested from the State of California under its competitive HOME Investment Program. Milpitas staff has attended several HOME Program seminars and workshops to become familiar with the regulations and requirements of the program. Milpitas along with other cities considering the HOME Consortium has currently established on-going meetings with HUD to work through the logistics of to meet the federal regulations.

### ***Section 8 Rental Assistance Program***

This program provides rental assistance payments to private owners who lease their units to assist low-moderate income families. Milpitas will continue to support and encourage the Santa Clara County Housing Authority (SCCHA) efforts to obtain Section 8 vouchers for residents of Milpitas. Milpitas is negotiating with affordable housing developers to obtain their participation in accepting Section 8 vouchers in future affordable housing projects. Currently, a total of 615 Milpitas families have Section 8 vouchers. Another 1,892 families are on the SCCHA waiting list. It should be noted that when the SCCHA has opened up their Section 8 Voucher Waiting (again), Milpitas residents will be notified of this housing opportunity with notices on the City's Website and Cable TV.

### ***Section 220 and 221 - Low Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA)***

Milpitas has worked with the property owner, Santa Clara County Housing Authority and HUD to maintain long-term affordability for the 171 units at Sunnyhills Apartments. Under the current agreement the units will remain affordable. City of Milpitas will continue to monitor the status of this project to maintain affordable housing opportunities for its residents and to ensure long-term affordability.



## ***Low Income Housing Tax Credit Program (LIHTC)***

Milpitas will continue to work with developers to explore financing affordable housing projects with Low Income Housing Tax Credits (LIHTC). Milpitas will work with local housing developers to seek additional funding to close any financing gap for affordable housing projects. Milpitas will also work with local housing developers on pursuing and obtaining 9% and 4 % LIHTC to finance future affordable housing projects. Milpitas will also continue to assist several of the affordable housing developers applying for low-income housing tax credit to financially assist their projects.

## **State Programs**

### ***Proposition No. 46***

In November 2002, the voters of the State of California approved Proposition No. 46, a \$2.1 billion housing bond allocation for funding (grants, loans, etc.) for various types of affordable housing projects. Most of the State funding requires that each city or county has its General Plan Housing Element, approved and certified (in full compliance with state housing laws) with the State of California, Department of Housing and Community and Development (HCD). The City of Milpitas Housing Element was approved and certified by HCD in January 2015.

The Transit Area Specific Plan is based on the Transit Oriented Development (TOD) planning concepts and designs that are consistent with the City of Milpitas proposed Transit Area Plan which will consist of permitting higher densities within ¼ miles of transit stations, encourage pedestrian-friendly community and include approximately 5,500 new dwelling units, 280,000 square feet of commercial retail and 496,921 square feet of office space.

To date approximately 4,218 new dwelling units has been approved in the Transit Area Specific Plan with an additional 324 dwelling units being considered from future entitlement.

### ***California Housing Finance Agency (CHFA)***

Milpitas will continue to explore a series of affordable housing programs offered by the California Housing Finance Agency. This agency was created in 1975 to help meet the State's need to provide affordable housing to low and moderate-income persons and families. CHFA provides below-market interest rate mortgage capital through the sale of tax-exempt notes and bonds. This agency provides below market rate financing for single family and multi-family housing as well as multi-family rehabilitation loans. CHFA has also recently offered funding through their Help Program.

Milpitas has also has a *Property Values Resale and Restriction Agreement and Option to Purchase* affordable housing documents reviewed and approved in July 2005 by CHFA, which provide an opportunity to leverage Milpitas funds with additional financial resources from this state agency. To date, approximately 77 Milpitas first-time homebuyers have been assisted with the use of CHFA funding.

### ***State Allocated Tax Credits (Low-Income Housing Tax Credit)***

Milpitas will continue to work with and assist developers in applying to the State for allocation of tax credits to finance low-income rental housing developments. The tax credits are syndicated to corporations in exchange for project equity. The tax credit allocation consist of 9% (which is more competitive and based on a point system) and 4% provides an additional funding source for affordable housing. Several Milpitas housing developers has request the city's participation in preparation and processing (application entitlement, site control environmental review, etc.) their tax credit applications.

### ***Mortgage Revenue Bonds***

Milpitas can apply to the State for authority to issue tax-exempt mortgage revenue bonds for the purpose of funding affordable housing development. Milpitas has authorized tax-exempt mortgage revenue bonds to assist the developer at the DeVries Place Senior Housing Project which provided 102 extremely and very low-income housing units. Milpitas will continue to assist affordable housing projects with tax-exempt mortgage revenue bonds.

## **Local Programs**

### ***Milpitas Housing Authority (Former Milpitas Redevelopment Agency)***

Milpitas Housing Authority has allocated approximately **\$60 million** to acquire, construct, and develop affordable housing within the City of Milpitas. To date, Milpitas Housing Authority has assisted in financing **1,050 affordable housing units**.

In October 2013, the Milpitas Housing Authority donated a 5.94 acre parcel (appraised value \$12.4 million) to a senior affordable housing developer for the construction of 389 senior housing units. The project will consist of **48 very low income affordable housing units**. It is anticipated the construction of the project will start in the summer/fall of 2015.

The elimination of redevelopment as a financial tax increment vehicle will substantially impact the ability to provide affordable housing within Milpitas and statewide. The Milpitas Housing Authority will serve as the successor agency to the former redevelopment agency and will perform its duties and responsibilities related to housing activities and programs.

### ***Housing Rehabilitation Loan Program***

The program funded from CDBG provides low-interest rate loans and grants to very low and low-income property owners through the Milpitas Housing and Rehabilitation Loan Program. The Housing Rehabilitation Loan Program provides up to 90% of the home equity value per household for home improvements and repairs. Annual program income (revolving loan funds) goes back into the program to assist future low and moderate-income property owners. City of Milpitas anticipates approximately \$50,000 in Program Income from the rehabilitation loan program. During the 2015-2016 CDBG fiscal year, Milpitas will be allocating approximately \$169,303 (\$135,442.40 Single-Family Rehabilitation Loan

Program and \$33,860.60 Housing Rehabilitation Loan Program Administration) from its Unused Revolving Loan Fund to support these activities.

### ***Housing Trust Silicon Valley***

City of Milpitas continues support the Housing Trust Silicon Valley fund to raise \$20 million to construct a variety of affordable housing types for:

- **First-Time Homebuyers Program:** creating 2,105 new first-time homebuyers which includes 451 teachers, 227 engineers, 118 health care professionals and 623 public employees
- **Developer Loan Program:** assisted 1,703 families
- **Homelessness Prevention Program:** assisted 4,268 families and individuals with housing needs

Since its conception, the Housing Trust has raised approximately over \$38 million and has leveraged this amount to over \$1.32 billion to create 8,076 housing opportunities for families and individuals within Santa Clara County. To date, a total sixty-five (65) loans in the amount of \$568,877 were approved for Milpitas First-time Homebuyer residents with low-interest rates from the Housing Trust Silicon Valley.

### ***Second Mortgage Program***

Milpitas has adopted a Second Mortgage Program to assist first-time homebuyers with their down payments on several affordable housing projects. The City of Milpitas is also negotiating with several other developers to increase the general affordable housing stock citywide.

### ***Affordable Housing for Milpitas Unified School District Teachers***

Milpitas has worked with Milpitas Unified School District (MUSD) to provide affordable housing units for qualified school teachers. A certain percentage of the affordable housing units in selected projects (rental and for-sale) will be allocated for Milpitas Unified School District teachers. The purchase price for these units appears to be affordable for Milpitas Unified School District teacher salaries. Milpitas has provided a presentation and applications to MUSD.

### ***Payment of Development Fees for Affordable Housing Projects***

The former Milpitas Redevelopment Agency (RDA) has paid developers impact fees in support of affordable housing. With the dissolution of the RDA Milpitas will find different methods to entice developers to encourage the development of affordable housing. Milpitas has continued to waive or subsidize a portion of development impact fees. To date, Milpitas Housing has subsidized approximately **\$5.8 million** of development fees to increase the supply of affordable housing throughout the community.

### ***Milpitas Mobilehome Park Rent Control Ordinance***

Milpitas has 527 mobile home park units located in three separate parks throughout the City. Since 1992, Milpitas has adopted a Mobilehome Park Rent Control Ordinance, which maintains affordable

rents for resident tenants. The Rent Control Ordinance serves as means to provide affordable housing units to very low and low income households.

## Private Resources

### *Private Lending Institutions*

Milpitas will continue to encourage private lending institutions to assist in the development of low and moderate-income housing. The Community Reinvestment Act (CRA) encourages and assists the institutions they regulate to assist in affordable housing projects. Milpitas has negotiated Disposition Development Agreement (DDA) and an Owner Participation Agreement (OPA) with developer to provide financial assistance and to insure long-term affordability of housing units. Several affordable housing developers use private resources and other types of conventional lending to financially assist with their projects.

## Geographic Distribution

The proposed projects and activities for fiscal year 2015-2016 will be implemented citywide and will not be targeted to any particular areas of the City. However, all groups will benefit from CDBG resources. As Milpitas has a diverse population and will provide assistance with populations of special needs.

The CDBG funds allocated are public services directed and targeted to groups with special needs or prioritized by City Council i.e. seniors, rehabilitation etc. These neighborhoods, such as Sunnyhills, Selwyn, Shirley and Dempsey Road, Temple and Calaveras Blvd., have high concentrations of minority populations. All groups will benefit from the allocation of CDBG funds through the Housing Rehabilitation Loan Program, City of Milpitas Recreation Department Programs, Adult Day Care Services, Health Trust, Milpitas Food Pantry, Next Door Solutions, and Project Sentinel. Special needs populations such as female-headed households, seniors, youth’s at-risks, handicapped teens and homeless population are several groups that will receive funding.

The data shows City of Milpitas population for 2012 is 71,552. According to 2012 Statistical Research Data, population for Milpitas are broken down as the follow:

<b>Ethnicity</b>	<b>Number</b>	<b>Percent</b>
Black of African American	2,432	3.4%
Asian	42,215	59.0%
Hispanic or Latino (of any race)	8,676	12.1%
White (Non-minority population)	17,100	23.9%
American Indian/Alaska Native	352	0.5%
Native Hawaiian/ Pacific Islander	777	1.1%
<b>Total</b>	<b>71,552</b>	<b>100%</b>

Source: Statistical Research Data, 2012

## Leveraging Plan

For CDBG projects and activities funded, each will need to provide supportive documentation to their application by listing other leverage sources of funding. For local matching funding requirements, Milpitas will utilize its CDBG funding and other local funds as available and applicable. To maximize leveraging of its own funds and increase the funds available for housing, Milpitas plans to continue the following activities:

- Support the purchase, rehabilitation and construction of affordable units by non-profit and for-profit housing developers and to provide financial assistance whenever possible
- Provide support and encourage non-profit, community based housing developers and service providers to low and moderate-income person(s) and households
- Promote private sector rehabilitation with the CDBG Housing Rehabilitation Program
- Promote joint development with other governmental or quasi-governmental agencies to implement community development programs

Milpitas has participated in joint projects such as the Countywide Fair Housing Report, Santa Clara County Housing Trust Fund and HomeFirst Shelter, Homeless Runaway Youth Housing and Countywide Fair Housing Task Force projects. City of Milpitas will continue to participate in the “Santa Clara County Fair Housing Month,” held on February each year sponsored by the Santa Clara County Association of Realtors. Milpitas has also participates in the County of Santa Clara Office of Affordable Housing Homeless Survey that was conducted in January 2015. These are just a few examples of how the City of Milpitas has leveraged it funds to address housing needs and other supportive services.

## Part II: Activities to be Undertaken

Milpitas has participated in the Community Development Block Grant Program for the past twenty-eight years, and is completing its nineteen year as an entitlement city. Milpitas will receive \$393,490 from HUD upon the acceptance of this Action Plan and the accompanying certificates for FY 2015-2016. Furthermore, it is anticipated that Milpitas will receive approximately \$50,000 Program Income from regular scheduled payments made on past housing rehabilitation loans program year and additional \$135,442.40 will be reprogrammed from the revolving loan fund for future housing rehabilitation loan and also another \$33,860.60 for its program administration. Estimated total of CDBG funding for FY 2015-2016 would be approximately \$443,490, not including rehabilitation loan funds.

### Homeless and Other Special Needs Activities

For fiscal year 2015-2016 Milpitas has committed a portion of its Community Development Block Grant Program funds to non-profit agencies providing public services to the homeless, those at-risk of being homeless and homeless households with children. A narrative is provided below of the activities that are aimed at assisting the City’s homeless population.

To address emergency shelter and transitional housing needs of homeless individuals and homeless families, Milpitas will continue to:

- Continue to support the **HomeFirst (formerly Emergency Housing Consortium)**, which will provide food, shelter and supportive services. CDBG funds of \$5,021.25 to HomeFirst for providing temporary shelter to estimated **500 nights of supportive shelter to 10-20 unduplicated homeless Milpitas residents.**
- Milpitas has also provided CDBG funding to HomeFirst for the past 19 years, including the development of a 50-unit shelter (224 beds) for the homeless, former homeless and at risk low-income families.
- **One-Year Goal to Address Homelessness:** Milpitas will continue to provide financial assistance and working with various agencies (HomeFirst, Milpitas Food Pantry, Next Door Solution to Domestic Violence and YMCA Silicon Valley - Domestic Violence Program (YWCA)) to reach out to unsheltered and shelter persons to address homelessness.
- Transitional and permanent housing, job skills and case management counseling will be used to further assist homeless persons through supportive organizations as YWCA, Next Door, and HomeFirst.
- **Live Oak Adult Day Services**, which provides adult day care for estimated **8-10** frail, dependent at-risk senior residents in Milpitas day care facilities. Services includes: case management, counseling and referrals and socialization opportunities. The organization will receive \$5,337.75 in FY 2015-2016 in CDBG funding.
- **Charities Housing Development Corporation** has taken over management of Milpitas Senior Homes LLC of 10 extremely frail and extremely low-income senior citizens to preserve affordable rents and also provide needed renovation and construction repairs in the form of \$32,797 in FY 2015-2016 of CDBG funding.
- Continue to monitor the risk of the Sunnyhills Apartment Complex being converted to fair market rate units. Milpitas will also work with the property owners, local non-profits, Santa Clara County Housing Authority, and HUD to maintain the complex as affordable shared housing and thus prevented the displacement of the existing residents.
- Fund Project Sentinel \$25,000 in FY 2015-2016 with a combination of CDBG Administration and Milpitas Housing Authority Funds. To date, Project Sentinel operates a tenant/landlord mediation program and helped resolve over **167** tenant/landlord disputes, prevented unnecessary evictions of tenants and handled **39** fair housing complaints and investigations. This program also provides tenants with information and referral services on tenant/landlord issues. Project Sentinel is projected to assist at least 250 Milpitas residents with these services.

In order to help homeless persons, including those with special needs, to make the transition to permanent housing and independent living, the following activities will be carried out:

- Milpitas will continue to fund the operation of a variety of support services. These services help individuals with basic necessities until they are able to provide for all of their needs on their

own including **Milpitas Food Pantry** (which provides food to over estimated **4,000 persons**). These services include providing free bags of food to low-income households, counseling, and information and referral assistance to help individuals find services most suited to their particular needs. The upcoming CDBG funding will provide \$14,519 to the Milpitas Food Pantry to continue their mission. In addition, the City of Milpitas is reduced the Milpitas Food Pantry's monthly rent from \$1,600 to \$1.00 to allow the organization to focus more of their funds towards services instead of overhead.

## **County of Santa Clara Homelessness Task Force**

Milpitas continues to participate in the **County of Santa Clara Task Force to End Homelessness in 10 Years**. The Homelessness Task Force was established by Santa Clara County Board of Supervisors, which consists of elected officials, County Departments (Mental Health, Social Services, Alcohol and Drugs, Corrections, Sheriff, and Office of Affordable Housing-including County Homeless Coordinator), Homeless Advocates, Community and Business Leaders and Funders.

The goals of the Homelessness Task Force will come up with a comprehensive strategy to reduce the homeless population over the next 10 years. The consulting firm, Home Base from San Francisco has been hired to assist the Task Force. Home Base has started to conduct initial surveys of the homeless population within the county. Homeless individuals were employed to help assist with the count to guide volunteers to various locations to get a more comprehensive count. People were paid \$5 for completing the survey.

The County has also started several initiatives including the launching of a County Homeless Management Information System, which allows for a single shared database of homeless services, as well as the allocation of more than \$10 million to 14 new affordable housing projects.

Milpitas has participated in the Countywide Homeless Survey conducted by the County Office of Affordable Housing in January 2015. The participation in the homeless survey will assist County of Santa Clara in receiving Emergency Shelter Grant (ESG) funds from HUD in addressing homelessness and special need populations countywide.

## **Activities to Assist Non-Homeless Persons with Special Needs**

### ***Senior Citizens***

- Provide \$112,713 in CDBG funding for Milpitas senior housing project, **Terrace Gardens** for exterior and façade improvement. The project includes mildew removal, scraping, sanding, and caulking, and exterior painting. The new paint project, is projected to have a useful lifetime of 10 years. A total of **184** Milpitas senior residents reside in the senior housing project.
- **Senior Adults Legal Assistance (SALA)** program provides free civil legal services to estimated **30-36** senior citizens within Milpitas. SALA will receive \$5,109.81 from FY 2015 – 2016 CDBG funding.

- \$6,350.69 in CDBG funding is proposed for **The Health Trust** for nutritionally balanced home-delivered hot daily meals for estimated **10-20** homebound Milpitas seniors.
- \$49,610 in FY 2015 – 2016 CDBG funds is allocated for **Rebuilding Together** for safety repairs and improve accessibility and provide mobility for estimated **20-27** Milpitas seniors and very low and low-income residents.

### ***Female-Headed Households and Victims of Domestic Violence***

- **Next Door Solution to Domestic Violence:** Provides shelter up to 30 days for victims of domestic abuse, including their children. A total of **20-30** Milpitas residents are anticipated to benefit from these services. Next Door will receive \$5,105.88 from FY 2015- 2016 CDBG funding from the City of Milpitas.
- **Young Women’s Christian Association Silicon Valley (YWCA):** Provides case management and support services which includes: 24-hour, toll-free bilingual crisis line, counseling, therapy, emergency shelter, legal advocacy and referrals to women, children and families. YWCA is slated to receive \$5,078.56 from City of Milpitas’ FY 2015-2016 CDBG funding.

### ***Youths***

- **Milpitas Recreation Assistance (RAP) Program:** This program provides subsidies for qualified low-income Milpitas children to participate in Milpitas recreation programs at the Milpitas Sport Center. A total of estimated **40-48** Milpitas children will receive assistance through CDBG funding grant of \$7,206.26.
- **Child Advocates of Silicon Valley:** The program provides stability for vulnerable children and teenagers up to the age of 21 years old who are in the foster care system. The organization provides a Court Appointed Special Advocate to each child through their entire time in the foster care. City of Milpitas will provide \$5,290.31 in CDBG funding to the organization.

### ***General***

- The **City of Milpitas’ Public Works Department** will receive \$60,648 in FY 2015-2016 CDBG funding to provide a variety of pavement resurfacing that includes installation of new ADA compliant, pedestrian curb ramps at various locations within the City of Milpitas to assist disabled persons. Locations were chosen based on population that showed a population of at least 51 percent of low-moderate area median income.

### **Other Actions**

The most significant obstacle to addressing the underserved needs for fiscal year 2015-2016 is the lack of sufficient federal, state, and local funds to carry out all the necessary programs, activities and projects.



## **Remove Barriers to Affordable Housing**

For fiscal year 2015-2016, Milpitas will continue to work with agencies involved in carrying out affordable housing projects. Milpitas will support and assist through neighborhood and tenant community meetings, flyers, cable TV, and City's website to inform the public about the proposed housing projects and support housing services.

Milpitas will continue to provide CDBG funds to Project Sentinel who provides information and dispute resolution services to Milpitas tenants, mobilehome owners and landlords. Milpitas will continue to monitor its long-term restriction agreements for affordable housing compliance. Milpitas will continue to implement its Mobilehome Rent Control Ordinance (1992), which limits the increase in rents that can be charged to tenants. Approximately 70% of tenants in the mobilehome parks are senior citizens.

Milpitas will continue to review its permit-processing procedures to assist in expediting the review and approval of all affordable housing developments. Milpitas has addressed governmental constraints to housing within its updated Housing Element. Milpitas has adopted (2009-2014) its General Plan Housing Element, which establishes the five-year housing goals, policies and objectives, and the Midtown Specific Plan, to assist in developing approximately 5,000 mixed types of housing units to meet the ABAG Regional Fair Share Allocation.

Appropriate densities (up to 60 dwelling units/per acre with ¼ mile of Transit Overlay Districts and 20 to 40 dwelling units per acre in other areas- minimum densities permitted) are including provide multi-family housing for large and extended family households. **The Transit Area Plan is anticipated to accommodate densities that would allow up to an additional 5,500 new dwelling units (excluding the proposed 3,000 units from the Midtown Specific Plan). The Milpitas Planning Commission and City Council have approved both plans.**

The Integral, Harmony, Pace, Citation Homes, Milpitas Station, Lyon Homes, Taylor Morrison, Capitol Towers projects has been approved which will include over 2,985 new dwelling in the general proximity of the new VTA/BART Milpitas Station.

In January 2015, Milpitas General Plan Housing Element was certified by the State of California, Department of Housing and Community Development (HCD) and found to be in compliance with the State Housing Laws. The Housing Element is a comprehensive long-term plan to address the housing needs of Milpitas. The document identifies and analyzes the existing, and projected housing needs of the City and states goals, policies, quantified objectives and implementation programs for the preservation, improvement and development of housing.

Milpitas continues to streamline its permit processing by expediting the approval process for affordable housing projects. Staff meets with housing developers at an early stage in the development review process to address any potential issues or problems associated with the proposed project. Problems are dealt with at the early stage in the project review to prevent unnecessary and costly delays.

## **Analysis of Impediments to Fair Housing Report (AI Report)**

In May 2011, City of Milpitas updated and adopted its Analysis of Impediments to Fair Housing Report (AI Report). Milpitas is currently addressing those issues of impediments to fair housing choices that have been identified in the report. The updated Analysis of Impediments to Fair Housing Report examines policies and practices limiting a resident's ability to choose their housing in an environment free from discrimination. The next update will be performed in 2015. The AI Report identified a series of recommendations that the City has implemented to reduce discrimination in housing. These recommendations include:

1. **Demographics:** Continue to increase the distribution of fair housing pamphlets and brochures in multiple languages
2. **Housing Stock:**
  - a. Continue to carry out plans for high-density development in the Midtown and Transit Specific Plan Areas
  - b. Continue to the use of the density bonuses and monitoring the conditions of the City's housing stock
3. **Land Use and Zoning:**
  - a. Maintain awareness of HUD policy and update code if necessary for group homes
  - b. Continue to monitor the State regulations for group's homes of 7 to 12 persons
4. **Public Policies and Housing Affordability:** Continue to implement the affordable housing policies outlined in the Milpitas Midtown/Transit Specific Plan, HUD's 5 Year Consolidated Plan and the General Plan Housing Element, which encourages and supports affordable housing
5. **Advertising:** Continue to regularly monitor the Milpitas Post and San Jose Mercury News for discriminatory real estate advertisements.
6. **Cases of Housing Discrimination:** Increase outreach efforts to all segments of the population and target the City's Asian community
7. **Awareness of Local Fair Housing Services:** Project Sentinel will provide these services to increase fair housing. Project Sentinel will increase the amount of outreach made to housing legal and social services agencies, develop systematic plan to follow up with agencies upon completion of outreach programs, update the City's website to include information about Fair Housing Law, fair housing services and provides links to websites of agencies that investigate fair housing discrimination.

The City of Milpitas continues to take the following actions to address the recommendations in the AI Report:

1. **Demographics:** Milpitas will continue to embrace the cultural diversity of its residents. Milpitas Senior Center offers a variety of different recreational services to senior citizens, which include ethnic celebrations for various cultures, arts and crafts, and special lunches. Previously, Milpitas conducted a community meeting on the Senior Needs Assessment Study. The meeting was conducted in three different languages (Chinese, Vietnamese, and Spanish) at the Milpitas Senior Center for the benefit of the participants. Milpitas Recreation Division holds several ethnic celebrations and festivals throughout the year to embrace ethnic diversity in the community. Milpitas offers tai chi (reduce stress relaxation exercises) and shiatsu massage

classes. Milpitas also translates many flyers, brochures, and other forms of outreach and advertising (including fair housing programs and services) in several languages. Milpitas funds several of agencies that provides services to different cultural groups.

2. **Housing Stock:** Milpitas has worked with housing developers to produce **1,410 affordable housing units with long-term affordability restrictions for very low, low and moderate-income households**. Incentives such as waiver or subsidy of development impact fees, density bonus ordinance, use of Milpitas Housing Authority funds for grants and loans have been used to encourage developers to construct affordable housing.
3. **Land Use and Zoning:** To date, Milpitas has changed the zoning of over 1,000 acres of land from commercial and industrial to residential and mixed use developments. Milpitas has expedited those applications proposing affordable housing developments during the review process. Milpitas has taken several land use and zoning actions to permit and encourage development of affordable housing including:
  - a. Adoption of a density bonus ordinance to encourage multi-family developments. Milpitas amended its Zoning Ordinance to incorporate the new State Law as it pertains to the new density bonus regulations.
  - b. Expediting development applications for affordable housing projects.
  - c. Providing CDBG grants to Service Providers for transitional and permanent housing for the homeless.
  - d. Negotiated with private developers on providing affordable housing units in their private development projects.
  - e. Waiving and/or subsidizing development fees to offset the cost to provide affordable housing units.
  - f. Provide informational seminars on affordable housing and;
  - g. Assigning Milpitas Housing Authority to assist in providing affordable housing units.
4. **Zoning Ordinance Amendments:** Milpitas will be amending its Zoning Ordinance pursuant to the certified Housing Element Implementation Plan. The plan requires the approval of zoning amendments to allow homeless shelters, transitional and permanent supportive housing, farm-worker housing and single room occupancies (SRO's) by "right" instead of the conditional use permit process.
5. **Public Policies and Barriers to Affordability:** The Milpitas General Plan Housing Element, Five-Year Consolidated Plan, the Midtown Specific Plan and the Transit Area Plan include specific policies, goals and objectives to support and encourage the development of affordable housing to low and moderate-income households. The Milpitas Housing Authority provides the following housing opportunities as it relates to public policy and barriers to affordability:
6. **City of Milpitas Housing Rehabilitation Program:** Over the past eleven years this program has provided approximately **\$3.7 million** for rehabilitation loans to very low and low-income homeowners.

7. **HomeFirst Services of Santa Clara County:** CDBG funds provide shelter, housing opportunities and supportive services for homeless individuals, families and youths.
8. **Project Sentinel:** The program investigates housing discrimination and provides fair housing and tenant-landlord mediation services.
9. **Transit Overlay District:** This zoning ordinance overlay district was established to encourage and support high-density residential development within ¼ mile of transit stations (including an additional 5,500 new units).
10. **Section 8 Program:** Milpitas supports, encourages and provides public information to residents that are looking to participate in the Housing Authority of Santa Clara County. Notices will be provided to Milpitas residents when the Section 8 Program Waiting Lists opened to the general public.
11. **Disabled Accessibility:** Milpitas provides developers with an accessibility checklist when constructing new housing units. Funds from Santa Clara County Fair Housing Retrofit Funds will also be used to leverage city funds for ADA compliance. Milpitas also provides funding for Rebuilding Together, which makes ADA home repairs and improvements.
12. **Housing Affordability:** Milpitas will continue to provide financial assistance to housing developments, which provide a certain percentage of their units to low and moderate-income households. The Milpitas Housing Authority will also provide down payment assistance with the 20% Low-Income Housing Set-Aside Funds for first-time homebuyers.
13. **Green Building Ordinance:** In summer of 2009, Milpitas adopted standards and procedures to assistance households (included lower-income households) on energy efficiency and making home costs more affordable.
14. **Housing Element Implementation Plan:** The follow-up to the certified Housing Element requires Zoning Ordinance amendments to permit homeless shelters, transitional and permanent and single room occupancy uses by “right.”
15. **Advertising:** Milpitas will continue to monitor discrimination in local housing advertisement that may uses unfair models. Milpitas has worked with Project Sentinel to provide fair housing services which includes flyers, brochures (in different languages), educational materials to local newspapers, meeting with local landlords to explain tenant/landlord fair housing rights, etc. Milpitas will also continue to monitor other forms of discrimination relating to people with disabilities, familial status, and families with children and senior citizens.
16. **Cases of Housing Discrimination:** Between the dates of July 1, 2011 to June 30, 2014 Project Sentinel conducted 73 investigations that were filed on the basis of housing discrimination in the City of Milpitas. The majority of cases involved discrimination on the basis of handicap/disability and ethnicity. The high percentage of cases filed on the basis of disability could be the result of greater public awareness of housing discrimination. Since both the FHAA

and ADA are relatively new legislation; the public is learning about the new policies and gaining knowledge of where to file a complaint.

The majority of these cases investigated were counseled, meaning that no significant evidence of housing discrimination was found. Even though 49% of the cases investigated displayed compliance with the Fair Housing Law, the investigation of these cases remain significant, because it shows awareness about fair housing law. There were also a considerable proportion of cases that were referred to either DFEH, an attorney, or obtained some other form of Referral. A referral is usually made when concrete evidence of housing discrimination is uncovered during the investigation. Out of the 13 referrals made, 7 were cases of housing discrimination on the basis of disability and the remaining cases were filed on the basis of ethnicity. Two case settlements were obtained in the monetary amount of \$14,500 with required fair housing training.

- 17. **Awareness of Local Fair Housing Services:** Flyers and brochures on fair housing services are presently available at City Hall. Monitoring of housing service providers includes discussions on their outreach effort and promoting fair housing. Milpitas will update its website to provide additional information about fair housing law and provide links to websites of agencies that investigate fair housing discrimination.

The CDBG cities within Santa Clara County have prepared a Countywide Fair Housing Report to address a variety of fair housing issues. The report identifies causes, impacts, alternative actions and recommendations of housing needs. Also, the cities and County of Santa Clara have established a Countywide Fair Housing Task Force to continue to address the recommendations in the report.

### **Enhance Coordination between Public and Private Housing and Social Service Agencies**

Milpitas will continue to encourage housing-related organizations to work together, collaborate and share their expertise with one another, especially those agencies that provide and manage housing, and social services.

### **Program Specific Requirements**

#### **Funds Expected to be Available**

##### **CDBG**

2015-2016 Entitlement Grant	\$393,490
Program Income FY 2015-2016 (*)	\$50,000
Unused Revolving Loan Funds (**)	<u>\$169,303</u>
<b>Total:</b>	<b>\$612,793</b>

\*Estimated Program Income from the Single Family Housing Rehabilitation Program

\*\* Including Unused Revolving Loan Funds and Reprogrammed Funds; \$33,860.60 will be used for rehabilitation program administration and the balance of \$135,442.40 for the housing rehabilitation loan program.

## Evaluate and Reduce Lead-Based Paint Hazards

The City of Milpitas will continue to enhance public sector efforts to inform private property owners about the hazard of lead-based paint. Risk assessment and hazard reduction can be more easily accomplished while performing other major repair work (i.e. rehabilitation repairs and improvements). The major obstacle to most mandated programs continues to be cost. Milpitas will continue to work with representatives from the city and county, housing organizations, public health agencies, children's advocacy groups, tenant and property owner's organizations and private physicians to address this matter. The continuing goals are to identify and inform property-owners of public and private resources available to reduce or abate lead based paint.

Because of the age of the Milpitas housing stock (approximately 60% of the units within Milpitas were built after 1970), Milpitas' housing stock is relatively new and contains very little lead-based hazardous material. The City of Milpitas will continue to work with the County of Santa Clara Environmental Health Department, as additional funding becomes available, in the design and implementation of programs related to the detection, abatement, prevention and education of the incidence of lead-based paint in the housing stock.

Presently, Milpitas along with several other CDBG cities in Santa Clara County are working with HUD to establish adequate capacity to comply with the Lead-Based Paint Rule (24 CFR Part 35). This task includes identifying trained, licensed, and certified personnel to conduct lead-based paint inspections, housing rehabilitation projects that will require inspections and funding sources.

Milpitas has started to negotiate with local contractors and establish a process to address lead-based paint in housing units. Milpitas has allocated CDBG Housing Rehabilitation Administration to implement its Lead-Based Paint Program to conduct environmental testing for lead-based paint prior to performing the required single-family rehabilitation home repairs and improvements. **Over the past several years, a total of 6 single-family homes were inspected for lead-based paint. Based on the initial inspections, no lead-based paint has been found in any Milpitas homes that have been inspected.**

Milpitas has also received from the County of Santa Clara a copy of their "hot zones" map which overlays three different indicators: (1) housing built before 1950, (2) poverty and (3) children under the age of six (based on census tracts) to identify areas where the risk of lead poisoning is potentially the highest. Nearly all of the reported cases of lead poisoning in the county came from the "hot zones."

## Reduce the Number of Families in Poverty

Milpitas will continue to support a variety of support services used by low-income households. The main goal shall be to prevent very low-income persons, especially, those earning 30% or less of median income from becoming homeless. The long-term goal is to provide more affordable housing options and economic opportunities so this group is not paying majority of their income on housing. For fiscal year 2015-2016 Milpitas will continue to support agency such as Milpitas Food Pantry. Rebuilding Together will provide housing service for estimated 20-27 Milpitas residents to correct health and safety hazards, enhance accessibility for disabled people, and improve energy efficiency to make housing cost more affordable for seniors on fixed-incomes.

Milpitas also obtains Quarterly Statistical Data of Public Families from the County of Santa Clara to monitor and track the number of Milpitas residents that are involved with Cal WORKS, other social services to determine the greatest need for CDBG funds. Several key categories such as Cal Works and Medi-Cal caseloads have been slightly reduced from the past year for Milpitas residents. A total of 464 Cal WORKS cases (2.7%) of the total in Santa Clara County are Milpitas households.

### Develop Institutional Structure

Milpitas will continue to work with and support non-profit organizations, which provide programs and services to low and moderate-income households. Milpitas will also continue to work with private industries, in particular financial and development groups, to encourage the development of affordable housing opportunities in Milpitas.

## PART III: STRATEGIC PLAN-FY 2015-2016

Milpitas will continue to encourage local housing social service providers to pursue all available public and private funding to achieve the goals identified in the Action Plan. It is anticipated that funding from a combination of federal, state and local resources will be used to pursue a majority of the identified strategies. Funding resources will be coordinated and leveraged whenever possible to maximize their potential. Milpitas plans to use available programs, services, and special initiative resources in a coordinated and integrated manner to achieve its affordable and supportive housing goals, as well as an expansion of support activities and programs related to assisting low-income families and individuals.

### Summary

The following is a summary of Milpitas priorities and plans to be pursued over the next year of the Action Plan. It was derived from the overall analysis of needs, market and inventory conditions as described in the Action Plan. These plans take into consideration the following factors revealed in the analysis of Milpitas Housing Authority’s housing affordability, availability and adequacy:

- In 2012 and 2015, Milpitas Consolidated Plan and Housing Element has been approved and certified by HUD and State of California, Department of Housing and Community Development
- Milpitas Regional Fair Share Housing Allocation (2015-2023) from ABAG is 3,290 units which consist of the following:

**Regional Housing Needs Allocation (2015-2023)**

Income Category	Percentage	# of Housing Units
Very-Low	31%	1,004
Low	17%	570
Moderate	17%	565
Above Moderate	35%	1,151
Total	100%	3,290

Source: Association of Bay Area Governments (ABAG)

To date, Milpitas has met approximately 58% of its previous very low, low and moderate-income housing needs. A total of 154% of its above moderate-income housing needs have been met.

- Between 2000 and 2013 Milpitas population increased 8% in comparison to 9% for Santa Clara County. Milpitas households increased 13% in comparison to 8% for the County (BAE, *Milpitas Housing Element*, 2013)
- The median income in Santa Clara County is \$105,500, which is one of the highest area median income in the United States (California Department of Housing and Community Development, 2014)
- Milpitas average household size is 3.43 (California Department of Finance, 2014)
- City of Milpitas percentage of total population in poverty was 4.3% (687 households) (American Community Survey, 2011; BAE, 2013)
- By 2020, City of Milpitas will increase the number of residential dwelling units by 20% (BAE, *Milpitas Housing Element* 2013)
- Milpitas median age increased from 33.4 years in 2000 to 37.1 years in 2013 (U.S Census, 2010)
- Milpitas households have relatively high income. Median household income is roughly \$94,000 in comparison to \$87,000 Countywide. Approximately 47% of Milpitas households earn over \$100,000, whereas 12% earn less than \$25,000 (BAE, *Milpitas Housing Element*, 2013)
- If Milpitas is going to achieve its Regional Housing Needs Allocation (RHNA) goals, a total of 410+ housing units will be required to be built over the next 8 years (2015-2023) (BAE, *Milpitas Housing Element*, 2013)
- In 2013, approximately 67% of Milpitas Residents own their homes in comparison to 70% in 2000. (BAE, *Milpitas Housing Element*, 2013)
- In 2007 median price home in Milpitas was \$640,000, but fell to \$400,000 in 2009 (housing recession). In 2013, median sale price was \$580,000 which represents a 31% increase since 2009. (BAE, *Milpitas Housing Element*, 2013)
- The average rents (\$1,933) in Milpitas is lower than most cities in Santa Clara County however, occupancy rates (98%) is similar to other cities in the county. (BAE, *Milpitas Housing Element*, 2013)
- Approximately 83% of Milpitas extremely low-income residents experience housing costs burden, 91% very low-income, 63% low-income, 43% moderate-income and 5% above moderate-income. In total, 44% of all Milpitas Residents experience housing cost burden. (BAE, *Milpitas Housing Element*, 2013)
- Milpitas has completed the Transit Area Specific Plan that will accommodate approximately 5,500 new dwelling units, in which is anticipated that 20% of these units should be (1,100 units) affordable to low and moderate-income households.
- Milpitas has 19,184 occupied housing units (12,825 of which were owner-occupied and 6,359 renter-occupied). (BAE, *Milpitas Housing Element*, 2013)
- Milpitas housing vacancy rate was 3.1%. (California Department of Finance, 2014)

Milpitas must direct its Federal, State and local resources to housing programs and activities that directly benefit very low and low-income households. In-fill development and accessory units will be encouraged. More attention will be directed to the needs of extremely low-income individuals and households. Milpitas will continue to explore innovative resources to aid in development of affordable housing and support services to benefit lower income households.



## Priority Analysis and Strategy Development

This section reviews the fiscal year 2015-2016 Milpitas plans and priorities to be pursued over the next year and how they relate to the Consolidated Plan (July 1, 2018-June 30, 2023) in addressing the needs identified in the Housing and Homeless Needs Assessment.

The Consolidated Plan Priority Needs Summary ranks Milpitas priorities. Priorities will set a precedent of how funding will be allocated from Federal, State, and local resources. Activities that are not prioritize, will have no assistance.

The Consolidated Plan Priority Needs Summary shows that the “high” priority provide assistance to very low and low-income households and to homeless individuals and families and other persons of special needs, as well as activities aimed at preventing homelessness.

A “Medium” Priority is given to assisting low-income households in a wide variety of housing and support services.

A “Low” Priority is given to those groups currently small in number or least in need of assistance. However, should additional funding become available, the City will implement programs and activities as appropriate.

### **Strategy 1: Continue to provide funding to non-profit agencies and organizations, which serve the very low and low-income Milpitas residents and the homeless**

Milpitas will continue to provide funding to those non-profit agencies and organizations, which provide housing and other support services to very low and low-income households. Agencies and organizations such HomeFirst, Milpitas Food Pantry, Next Door to Domestic Violence, YWCA and Senior Adult Legal Services, which are funded through the City of Milpitas Community Development Block Grant Program, will be required to provide services to low-income households in Milpitas, especially, those households with special needs for affordable housing and support services.

### **Strategy 2: Rehabilitation of substandard units will be encouraged and financial assistance will be provided whenever possible**

The Milpitas Housing Rehabilitation Loan Program is funded by CDBG. The program will continue to assist low-income households. Rehabilitation will also include energy efficient methods for single and multi-family units.

Milpitas is exploring apartment rehabilitation and has identified several multi-family projects, in need of improvements and repairs. Milpitas will explore other types of funding sources (i.e. Home, Section 108, etc.) to finance the apartment rehabilitation program. Milpitas’ Code Enforcement Section and Building Division will continue to abate substandard housing conditions in affected units. The Code Enforcement Section will continue to respond to citizen complaints regarding housing code problems and Project Sentinel will continue to provide mediation and negotiate tenant and landlord disagreements.

In addition, funded organizations such as Rebuilding Together and Charities Housing Development Corporation continue their mission of rehabilitating much older homes for extremely low income and homes desperately needed of repairs and accessibility.

### **Strategy 3: Conservation of Existing Affordable Housing Stock**

Milpitas will continue to encourage the conservation of the rental housing stock because rental units are the most affordable housing for lower income households. Milpitas will assist local non-profits with regulatory and technical issues as well as to help identify potential funding resources.

The Santa Clara County Housing Authority (SCCHA) administers the Section 8 Program. Milpitas will continue to work with the Housing Authority to maintain the existing Section 8 subsidy levels and to encourage additional subsidies for Milpitas residents whenever possible. As previously mentioned, Milpitas is exploring the development of an apartment rehabilitation program.

A total of 615 Milpitas residents have vouchers and are living in Section 8 units. Another 1,892 residents are on the waiting lists.

Milpitas will maintain its existing Mobilehome Rent Control Ordinance to ensure the continued affordability to the 527 mobile home units. Approximately 70% of the tenants at the mobilehome parks are low-income senior citizens. Milpitas will also assist, as feasible, a local non-profit or tenant organization in the buyout or conversion to tenant ownership if such a proposal is presented Milpitas Neighborhood Beautification Ordinance (NBO) has also established program guidelines and award programs for maintaining and improving the general housing stock in individual neighborhoods.

### **Strategy 4: Participation by the Private Sector in Development of Affordable Housing**

Through alternative financing programs in the public and private sectors, whenever possible, Milpitas will encourage developers (non-profit and for-profit) to leverage their funding to the furthest extent possible. Several non-profit and for-profit developers have expressed interest in working with the City to develop another senior housing project. Milpitas has provided \$1.1 million in funding for the Housing Trust Silicon Valley Fund to raise over \$30 million (with the goal to leverage this funding to \$1.3 billion) to assist 5,000 families in affordable housing. This allocation would provide approximately 3,000 affordable rental apartments, support 800 first-time homebuyers with down payment assistance, and serve more than 1,000 homeless individuals and families through housing and support services. A large portion of the funding has been provided from several major high-tech corporations in Silicon Valley such as Intel, Applied Materials, and Cisco Systems.

Milpitas has worked with and will continue to work with developers on their approved and proposed residential development projects. As stated by the City's affordable housing policy, it is anticipated that 20% of all the residential units in the projects should and encourage to be affordable, and designate a portion to be very low, low and moderate income. It is estimated that the private sector will invest over \$285 million into the residential development projects in Milpitas over the next 5 years.

## ***Housing Bond Advisory Committee***

Milpitas participates in the County of Santa Clara Housing Bond Advisory Committee which established a permanent funding pool for affordable housing projects within Santa Clara County.

## ***County of Santa Clara, Office of Affordable Housing***

County of Santa Clara has established an Office of Affordable Housing. This agency will be working with the local jurisdictions to address the affordable housing needs countywide. The City of Milpitas will be an active participant in the Office of Affordable Housing.

## **Strategy 5: Provision of Equal Housing Opportunities**

Milpitas will continue to provide financial support to programs that provide fair housing and counseling services to Milpitas residents including Project Sentinel and other similar programs. Milpitas has prepared and continues to implement its Analysis of Impediments to Fair Housing Choice Report, which identifies (potential) barriers to obtaining fair housing. The Cities within Santa Clara County and the County have prepared a countywide Supportive Housing Initiative Report to assist in addressing several issues including constraints to affordable housing and removing housing barriers. Milpitas will continue to work with Project Sentinel to address fair-housing issues and participate in tenant-landlord resolutions with regards to housing discrimination.

As previously stated Milpitas updated its Analysis of Impediments to Fair Housing Choice Report which identifies and provides a strategy to address potential housing impediments to fair housing choices.

## **Strategy 6: Other Processes and Procedures to be reviewed that Prohibit or Negatively Impact Affordable Housing Opportunities**

### ***In-Fill Development***

Milpitas will continue to review in-fill development sites to determine their appropriateness for multi-family developments. However, the amount of land available for in-fill development has been reduced over the number of years to accommodate various types of development, including affordable housing projects. The Midtown Specific Plan has assisted on developing in-fill development parcels of land that can accommodate future housing developments.

### ***Provision of Sufficient Land Zoned for Multi-Family Units***

Over the past several years, Milpitas has identified approximately 1,000 acres of land that has been rezoned for housing sites. Milpitas has updating and revising its General Plan Housing Element as required by State of California Housing Element Law. The Housing Element has identified appropriate housing sites to provide general plan amendments and underline zoning changes to increase the density on parcels of land to accommodate future high-density multi-family developments. In January 2015, State of California, Department of Housing and Community

Development found the Milpitas General Plan Housing Element in compliance with state housing laws. Also, Milpitas Midtown Specific Plan proposes land use alternatives to 1,000 acres of land, which would accommodate a variety of housing types in the range from approximately 3,000 housing units. The Transit Area Specific Plan would permit densities for an additional 5,500 units.

### ***Density Bonus Ordinance***

Milpitas will continue to implement the Density Bonus Ordinance, which allows a developer to obtain concessions and incentives (financial and reduction of development standards) for developing very low, low income, and senior citizens housing projects. The units must remain affordable for at least thirty (30) years pursuant to deed restrictions. Milpitas has granted financial concessions in the form of reduction in park-in-lieu, building and plan checking fees. Milpitas has also granted reductions in development standards (required parking, setbacks, park dedication, etc.) to accommodate affordable housing developments.

Milpitas has amended its Zoning Ordinance to incorporate the new State Density Bonus provisions with allow housing developers flexibility in providing affordable housing units.

### ***Milpitas Affordable Housing Policy***

Milpitas affordable housing policies state that each residential developer should provide 20% affordable housing (very low, low and moderate-income) in their projects. The actual level of affordability is negotiated on a project-by-project basis. City Staff requires the level of affordability by reviewing the Association of Bay Area Governments' Regional Housing Needs Allocation (2015-2023) and requires each developer to provide it fair-share of affordable units in the project.

Based on the level of financial assistance (and city housing needs) provided to the developer (including grants, loans, grants and loans combination, payment of developer impact fees, first-time homebuyer down payment assistance, etc.), City Staff determines the appropriate level of affordable housing required in each project.

### ***Payment of Development Fees***

The Milpitas City Council will continue to consider requests to waive or subsidize City fees for developer to assist in reducing the cost to developers that develop affordable housing units. These fees include building and fire permits, plan checking, parkland dedication, water and sewer, school impact and traffic mitigation fees controlled by the City, and cost of entitlement applications. The wavier of development impact fee are tied the number of affordable housing units within each individual projects. Milpitas has subsidized approximately **\$5.6 million in development impact fees to financially assist in affordable housing projects.**

### ***Homeless Facility Sites***

The City will be amending its Zoning Ordinance to “permit by right” the provisions of emergency housing facilities and transitional housing facilities in specific zoning categories (i.e. residential,

commercial, and industrial). Pursuant to the certified Housing Element, Milpitas will be preparing Zoning Ordinance Amendments to permit homeless shelters, transitional, permanent, and single room occupancy units

### ***Procedural Reforms***

Milpitas will continue to review its development procedures and recommend appropriate changes to facilitate the construction of affordable housing units. All internal governmental constraints to expedite approval of affordable housing projects will be reviewed and addressed in a timely manner. Milpitas is currently implementing “**Road Map to Service Improvements,**” to review and enhance customer service.

### ***Modification to Development Standards***

Milpitas will continue to review its development standards and recommend modifications to development standards, which pose an unnecessary impediment to the construction of affordable housing units. Development standards (i.e. parking, setbacks, height, private and public open space, etc.) have been reduced on several affordable housing projects to limit the unnecessary burden or financial costs to support the project.

### ***Institutional Structure***

Milpitas will continue to implement financing affordable housing and supportive housing strategies through the Building, Planning, and Neighborhood Services Divisions. The development process has been reviewed to become streamlined to expedite and promote “fast-tracking” of affordable housing projects.

Milpitas will continue to work with other cities and the County of Santa Clara to address the issues of homelessness and other regional issues. Several collaborative efforts involved all of the cities and the County of Santa Clara such as Catholic Charities. Milpitas has participated (data and funding) in the Countywide Homeless Survey. The majority of housing strategies will be accomplished by supporting non-profit organizations providing programs and services to low and very low-income households. Milpitas will also work with private for-profit industry, in particular financial and development groups, to encourage the development and affordable housing opportunities in the City.

## **Part IV: Monitoring and Oversight**

### ***Overcoming Gaps***

There are a number of gaps in program and service delivery. There is a need to improve coordination of services on a Citywide and Countywide basis and increase funding available to provide adequate services. The CDBG entitlement cities and County of Santa Clara staff continue meeting to discuss data, resources and other ways to coordinate requests for information to both the public and private

countywide agencies. These meetings have been beneficial to help better understand the County and the non-profit social service structure. HUD also continues to meet with this group of cities and the County to clarify issues and assist in our planning process and efforts.

### ***Monitoring of CDBG Subrecipients***

Milpitas continues to monitor the activities and programs of its subrecipients that receive CDBG funding. Monitoring visits are scheduled in advance by staff to meet and address the following issues:

- Meet and discuss with subrecipients their annual goals and objectives
- Review their financial reports and supplemental documentation to insure that the CDBG funds are being used and allocate appropriately
- Conduct CDBG Workshops to assist new CDBG subrecipients on the program regulations, requirements, and other technical assistance
- Identify areas of improvement to increase the level of communications between the City and its subrecipients
- Assist subrecipients on obtaining additional funds and new resources to carryout programs and services

It is anticipated that these actions stated above would be useful to further the overall goals and objectives identified throughout the Milpitas 2015-2016 Action Plan and the Five-Year Consolidated Plan.

### ***Performance Measurements***

The City of Milpitas 2015-2016 Action Plan has incorporated performance measurements associated with the programs and activities that are funded during the next fiscal year. The performance measurements is a program management tool to establish the organizational process for gathering information to determine the status and level of programs and activities being funded in order to meet the established goals and objectives.

The Performance Measurements objectives are identified in three (3) categories:

- Creating Suitable Living Environments
- Providing Decent Affordable Housing
- Creating Economic Opportunities

Based on the selected performance measurement objectives stated above, the appropriate outcomes are identified below to best reflect the desired outcomes achieved through the funding of CDBG the programs and activities in the Action Plan:

- Availability/Accessibility
- Affordability
- Sustainability

The Outcomes and Objectives Codes are identified in Table 3A (Summary of Specific Annual Outcomes) and the Description of Projects attached to the Action Plan:

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environ.	SL-1	SL-2	SL-3
Economic Opportunity	E0-1	E0-2	E0-3

In conclusion, the performance measurements used to determine the outcome of programs and activities funded through the Action Plan will allow the residents of Milpitas, decision-makers, HUD and other interested parties obtain a better understanding on the program results that directly and indirectly impact and benefit the residents within the community.

### ***Citizens Participation Process***

On April 21, 2015, City of Milpitas will hold a public hearing on the adoption of the Milpitas 2015-2016 Action Plan to obtain public comments prior to the final adoption and submittal to HUD.

Public notices of the meeting were placed in the Milpitas Post for the required 30-day review period (March 13 to April 13, 2015) prior to the hearing date letters were sent out to over **17** Public Service and Housing Providers to comment on the Draft Action Plan. Attached is a list of Public Service and Housing Providers that received letters.

Since the performance measurements identified above does not warrant substantial or significant change to the Action Plan as outlined in the City of Milpitas Community Development Block Grant Citizen Participation Process, the information has been submitted and incorporated into the document and does not constitute an amendment to the Action Plan. The performance measurements are identified as new Federal Government/HUD reporting requirements as part of the compliance with the CDBG Program regulations.

The goals and objectives identified in the Draft and Final Action Plan are in full compliance with the local policies and procedures adopted in the Milpitas' Citizen Participation Plan.

The following actions and schedule allowed maximum citizen participation in the review of the Milpitas' 2015-2016 Action Plan.

#### **January 2, 2015 and February 2, 2015**

Advertised Request for Community Development Block Grant proposals in the Milpitas Post Newspapers (Twice: January 2 and 16, 2015). Notices were also included in the City's Cable TV and Web Site. Public notices were available during the entire 30-day application acceptance period (January 2, 2015 - February 2, 2015).

#### **January 2, 2015 to February 2, 2015**

CDBG application period opened for 30 days to receive applications.

**February 20, 2015**

Advertised in Milpitas Post Newspaper for Community Advisory Committee (CAC) meeting to review CDBG application proposals (Meeting Date: March 4, 2015).

**March 4, 2015**

CAC meeting to listen to CDBG applicants' presentations, deliberate, and provide final recommendations to City Council.

**March 13, 2015 to April 13, 2015**

Advertised in Milpitas Post Newspaper for 30 days to provide the general public the opportunity to review and comment on the Draft Action Plan. Also, copies of the plan were sent to Service and Housing Providers and other interested parties. Copies were available in the Milpitas Public Library, City Hall Information Desk counter at City Hall.

**April 3, 2015**

Advertised in Milpitas Post Newspaper for City Council review of CDBG Funding Proposals and adoption of Draft Action Plan (City Council Meeting: April 21, 2015).

**April 21, 2015**

Milpitas City Council held a public hearing to obtain input and comments on the Draft Action Plan, Adopts Final Action Plan, and CDBG Funding for FY 2015-2016.

**May 15, 2015**

Submit Final Action Plan to HUD.

**August 15, 2015 to September 15, 2015**

Public review and comments Period Starts for Consolidated Annual Performance and Evaluation Report (CAPER) for FY 2014-2015.

**September 15, 2015**

Milpitas City Council holds public hearing to obtain input and comments on the Draft CAPER Report.

**September 25, 2015**

Submit Consolidated Annual Performance and Evaluation Report (CAPER) to HUD



City of Milpitas CDBG FY 2015-2016 Proposed Funding

Organization	Project	Proposed Funding	CDBG National Objective	Desired Outcomes
<b>Public Services</b>				
Child Advocates of Silicon Valley	Advocacy Program for Foster Youth	\$5,290.31	Create a Suitable Living Environment	Availability/Accessibility
Home First	Shelter and Supportive Services for Milpitas Homeless	\$5,025.25	Create a Suitable Living Environment	Availability/Accessibility
Live Oak Adult Day Services	Adult Day Care	\$5,337.75	Create a Suitable Living Environment	Availability/Accessibility
Milpitas Food Pantry	Milpitas Food Pantry & Clothes Closet	\$14,519.00	Create a Suitable Living Environment	Availability/Accessibility
Next Door Solutions to Domestic Violence	The Shelter Next Door & Supportive Services	\$5,105.88	Create a Suitable Living Environment	Availability/Accessibility
Recreation Services Department	Milpitas Recreation Program	\$7,206.25	Create a Suitable Living Environment	Availability/Accessibility
Senior Adults Legal Assistance (SALA)	Legal Assistance to Elders	\$5,109.81	Create a Suitable Living Environment	Availability/Accessibility
YWCA Silicon Valley	Domestic Violence Services for Milpitas Residents	\$5,078.56	Create a Suitable Living Environment	Availability/Accessibility
Project Sentinel	Milpitas Housing Services (Fair Housing & Tenant - Landlord Counseling)	*	Create a Suitable Living Environment	Availability/Accessibility
The Health Trust	Meals on Wheels	\$6,350.69	Create a Suitable Living Environment	Availability/Accessibility
<b>Non-Public Services</b>				
Charities Housing Development Corporation/Milpitas Senior Homes LLC	Milpitas Senior Homes Improvements	\$32,796.88	Provide Decent Affordable Housing	Affordability/Sustainability
City of Milpitas Public Works Department	Street Resurfacing Project	\$60,648.25	Create a Suitable Living Environment	Accessibility
Rebuilding Together Silicon Valley	Rebuilding Housing Repairs and Accessibility Modifications	\$49,610.13	Create a Suitable Living Environment	Affordability/Sustainability
Terrace Gardens Senior Housing, Inc.	Terrace Gardens Senior Housing	\$112,713.25	Create a Suitable Living Environment	Affordability/Sustainability

\* Project Sentinel receives \$10,000 from CDBG Administration and \$15,000 from Milpitas Housing Authority

**Total \$314,792.00**

Non-Public Service CDBG Budget \$255,768.50  
 Public Service CDBG Budget \$59,023.50  
 CDBG Administration Budget \$78,698.00

# COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ANNUAL ACTION PLAN | PLANNED ACTIVITIES Fiscal Year 2015-2016

## Public Services

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1. **Child Advocates of Silicon Valley \$5,290.31**: Provides court appointed special advocates (CASA) by using the CAC volunteers to provide stability for vulnerable children and teenagers up to the age of 21 years old in the foster care system. CASA volunteers are trained on various issues to child neglect, abuse, to provide the best guidance and support of the foster children. Approximately 10-16 Milpitas children will benefit from these services.
2. **HomeFirst Services of Santa Clara County \$5,025.25**: The project will provide shelter and supportive services to approximately 15-20 unduplicated homeless City residents with emergency shelter, hot meals and supportive services. HomeFirst will provide 500 person shelter days (psds) with supportive services that include, but not limited to: hot meals, case management, employment assistance, medical services, and financial assistance.
3. **Live Oak Adult Day Services \$5,337.75**: Live Oak will provide recreational adult day care for frail, dependent, low-income seniors with age-appropriate social activities. Also included with services are hot meals and dietary supplements. The program also provides respite for family caregivers. The program will benefit approximately 8-10 Milpitas residents.
4. **Milpitas Food Pantry \$14,519.00**: Milpitas Food Pantry provides the City of Milpitas' poorest residents by providing 3 days of emergency food but also provide week's worth of foods to families. Families can also receive toiletries and new clothing. The Milpitas Food Pantry serves 3,000-4500 Milpitas residents.
5. **Next Door Solutions to Domestic Violence \$5,105.88**: Next Door provides up to 30 days for victims of domestic abuse, including their children. Approximately, 20-30 Milpitas residents would be served by this organization.
6. **Project Sentinel \$25,000\***: Provides fair housing services and investigation services of housing discrimination and complaints. The organization also provides tenant-landlord counseling services. All Milpitas residents can use these services.
7. **Recreation Assistance Program (City of Milpitas) \$7,206.25**: Provides assistance to low-income families or households that need financial assistance to participate in the many recreation services offered by the City. All the funds will go toward subsidizing each participant if qualified. Approximately 40-48 youths and seniors will benefit from this program.
8. **Senior Adults Legal Assistance (SALA) \$5,109.81**: Provides free legal services to Milpitas' senior citizens. Approximately 30-35 Milpitas seniors will benefit from the services.

9. **The Health Trust \$6,350.69**: The Health Trust provides meals on wheels to increase social interaction and additional wellness services to home-bound seniors. Approximately 6-8 homebound Milpitas Seniors will benefit from these services.
10. **YWCA Silicon Valley \$5,078.56**: Provides 24-hour comprehensive services for victims of domestic abuse and their children. Approximately 40-44 residents will benefit from these services.

**Total Public Service \$59,023.50**

*\*Project Sentinel will receive \$10,000 from CDBG Administrative Funds and \$15,000 from Milpitas Housing Authority for a total of \$25,000.*

## **Non-Public Services**

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1. **Charities Housing Development Corporation/Milpitas Senior Homes LLC \$32,796.88**: Charities Housing will preserve affordable housing to help 10 extremely low income seniors by preserving two properties. The two properties are in need of dire repair and renovation. This project will benefit 10 Milpitas senior residents.
2. **Public Works Department (City of Milpitas) \$60,648.25**: The project will provides a variety of pavement resurfacing that includes the installation of new ADA compliant, pedestrian accessible curb ramps at various locations within the City to assist disabled persons. This will benefit the all pedestrians in the City of Milpitas.
3. **Rebuilding Together Silicon Valley \$49,610.13**: The organization will help seniors and low to very low income homeowners that need safety repairs, accessibility improvements, and other home improvements to increase mobility. This will help approximately 20-27 Milpitas' households.
4. **Terrace Gardens Senior Housing, Inc. \$112,713.25**: Assist in the façade and exterior improvement of a senior housing project. The project will include mildew removal, scraping, sanding and a new paint project. A total of 184 residents will benefit from this project.
5. **Milpitas Housing Rehabilitation Loan Program (Revolving Loan) \$135,442.40\***: The funds will be used as rehabilitation loans to low to very low income households qualify for extensive and/or improving mobility and accessibility.

**Total Non-Public Service \$255,768.50**

**Total Housing Rehabilitation Loan Program\* \$135,442.40**

**Total of all Non-Public Service Funds \$391,210.90**

*\*Milpitas Housing Rehabilitation Loan Program will come from current revolving loan funds and do not come out from CDBG entitlement funds.*

## Project Administration

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1. **General CDBG Program Administration \$78,698.00:** Funding will be used to administer and monitor the general CDBG program by City of Milpitas staff. \$10,000 of which will be allocated for Project Sentinel for Fair Housing Services.

\$78,698	General Program Administration
<u>(\$10,000)</u>	Project Sentinel for Fair Housing Services
<b>\$68,698</b>	<b>Total General Program Administration</b>

2. **Milpitas Housing Rehabilitation Loan Administration Program \$33,860.60:** This funding will be used to implement and monitor the City's Housing and Rehabilitation Program by City staff.

**Total Project Administration \$102,558.60**

## Fiscal Year 2015 – 2016 Planned Activities Funds

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<i>Public Service</i>	\$59,023.50
<i>Non-Public Service</i>	\$255,768.50
<i>Program Administration</i>	\$78,698.00
<b><i>Total CDBG Grant Allocation FY 15-16</i></b>	<b>\$393,490.00</b>

<i>Estimated Program Income</i>	\$50,000.00
<i>Housing Rehabilitation Loan Program</i>	\$135,442.40
<i>Housing Rehabilitation Loan Administration Program</i>	\$33,860.60
<b><i>Total Unused Revolving Loan Funds and Reprogramed Funds</i></b>	<b>\$219,306.00</b>

**Total FY 2015-2016 Funds \$612,796.00**

CDBG FY 2015-16 CAC TALLY SHEET

**2B**

**PUBLIC SERVICES**

Organization		Project		BATILO	KATHAPURKAR	LEON	MANASSAU	MOHSIN	ROSARIO	SHARMA	TRUONG	Recommendation (AVERAGE)
1	Child Advocates of Silicon Valley	Advocacy Program for Foster Youth		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 7,322.50	\$ 5,000.00	\$ 5,290.31
2	Habitat for Humanity East Bay/Silicon Valley Inc.	City of Milpitas Financial Counseling		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Home First	Shelter and Supportive Services for Milpitas Homeless		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,202.00	\$ 5,000.00	\$ 5,025.25
4	Live Oak Adult Day Services	Adult Day Care		\$ 7,500.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,202.00	\$ 5,000.00	\$ 5,337.75
5	Milpitas Food Pantry	Milpitas Food Pantry & Clothes Closet		\$ 15,176.50	\$ 15,000.00	\$ 16,523.50	\$ 19,523.50	\$ 14,523.50	\$ 10,000.00	\$ 15,405.00	\$ 10,000.00	\$ 14,519.00
6	Next Door Solutions to Domestic Violence	The Shelter Next Door & Supportive Services		\$ 5,000.00	\$ 8,000.00	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 8,847.00		\$ 9,000.00	\$ 5,105.88
7	Recreation Services Department	Milpitas Recreation Program		\$ 6,347.00	\$ 6,000.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,803.00	\$ 7,500.00	\$ 7,206.25
8	Senior Adults Legal Assistance (SALA)	Legal Assistance to Elders		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,676.50	\$ 5,202.00	\$ 5,000.00	\$ 5,109.81
9	YWCA Silicon Valley	Domestic Violence Services for Milpitas Residents		\$ 5,000.00	\$ 5,023.50	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,605.00	\$ 5,000.00	\$ 5,078.56
10	Catholic Charities of Santa Clara County	Long Term Care Ombudsman Program		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Fresh Lifelines for Youth (FLY)	Law Program		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Project Sentinel*	Milpitas Housing Services (Fair Housing & Tenant - Landlord Counseling)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	The Health Trust	Meals on Wheels		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,282.00	\$ 7,523.50	\$ 6,350.69
<b>Total</b>				<b>\$ 59,023.50</b>	<b>\$ 59,023.50</b>	<b>\$ 59,023.50</b>	<b>\$ 59,023.50</b>	<b>\$ 59,023.50</b>	<b>\$ 59,023.50</b>	<b>\$ 59,023.50</b>	<b>\$ 59,023.50</b>	<b>\$ 59,023.50</b>

Total Public Services Funding: CAC recommendation (\$59,023.50).

\$ 59,023.50

Project Sentinel will receive \$10,000 from CDBG administrative funds and \$15,000 from Milpitas Housing Authority for a total of \$25,000 for the FY 2015-2016.

**CDBG FY 2015-16 CAC TALLY SHEET**

**NON-PUBLIC SERVICES**

Organization	Project	BATILO	KATHAPURKAR	LEON	MANASSAU	MOHSIN	ROSARIO	SHARMA	TRUONG	Recommendation (AVERAGE)
1 Charities Housing Development Corporation/Milpitas Senior Homes LLC	Milpitas Senior Homes Improvements	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 52,375.00	\$ 30,000.00	\$ 32,797
2 City of Milpitas Public Works Department	Street Resurfacing Project	\$ 65,768.50	\$ 80,000.00	\$ 61,598.50	\$ 61,598.50	\$ 61,598.50	\$ 61,598.50	\$ 31,425.00	\$ 61,598.50	\$ 60,648
3 Rebuilding Together Silicon Valley	Rebuilding Housing Repairs and Accessibility Modifications	\$ 40,000.00	\$ 20,000.00	\$ 89,170.00	\$ 39,170.00	\$ 89,170.00	\$ 39,170.00	\$ 41,031.00	\$ 39,170.00	\$ 49,610
4 Terrace Gardens Senior Housing, Inc.	Terrace Gardens Senior Housing	\$ 120,000.00	\$ 125,768.50	\$ 75,000.00	\$ 125,000.00	\$ 75,000.00	\$ 125,000.00	\$ 130,937.50	\$ 125,000.00	\$ 112,713
<b>Total</b>		<b>\$ 255,768.50</b>	<b>\$ 255,768.50</b>	<b>\$ 255,768.50</b>	<b>\$ 255,768.50</b>	<b>\$ 255,768.50</b>	<b>\$ 255,768.50</b>	<b>\$ 255,768.50</b>	<b>\$ 255,768.50</b>	<b>\$ 255,768.50</b>

**\$ 255,768.50**

**Total Non-Public Services Funding: CAC recommendation (\$255,768.50).**

CDBG 2015-2016 Applications Cost Analysis

Project Name	Subrecipient	Service	Public Service/Non-Public	National Objective	Project Description	Grant Request	Total Project Cost	% of Federal Share (CDBG)	Local Share (other sources)	% of Local Share	(Recommended as of 2/3/15) Final Funded Amount	% From CDBG Funding	Total # Served From Project	# of Milpitas Residents	# of those Residents VL or Low Income	% of Low Income	
NON-PUBLIC SERVICES	Street Resurfacing Project	City of Milpitas' Public Works Department	General Public	Non-Public Services	Benefit to Low and Moderate Income Persons or Households	Provide resurfacing in Milpitas needed streets and area while emphasizing ADA ramps for the disabled.	\$ 80,000	\$ 80,000	100.00%	\$ -	0.00%	\$ 61,598.50	77.00%	24,256	24,256	It is not possible to get exact income of each household as it is not available via Census. However, we can find the median income, the tracts we chose all were under the low mod income limits	
	Milpitas Senior Homes Improvements	Charities Housing Development Corporation/Milpitas Senior Homes LLC	1. Home Repair/Rehabilitation	Non-Public Services	Benefit to Low and Moderate Income Persons or Households	Process of transitioning ownership of 2 single family homes from Senior Housing Solutions to continue to provide housing for low-income seniors. Project requires additional funding to mitigate negative cash flow to cover expenses of rehabilitation needs.	\$ 30,000	\$ 30,000	100.00%	\$ -	0.00%	\$ 30,000.00	100.00%	10	10	10	100%
	Rebuilding Housing Repairs and Accessibility Modifications	Rebuilding Together Silicon Valley	1. Home Repair/Rehabilitation	Non-Public Services	Benefit to Low and Moderate Income Persons or Households	Preserve and maintain affordable housing and safe environment through repair and maintenance activities to owner occupied units and community facilities.	\$ 100,000	\$ 123,065	81.26%	\$ 23,065	18.74%	\$ 39,170.00	31.83%	55	55	55	100%
	Terrace Gardens Senior Housing	Terrace Gardens Senior Housing, Inc.	3. Rental Apartment Rehabilitation	Non-Public Services	Benefit to Low and Moderate Income Persons or Households	Paint exterior of residential buildings which includes mildew removal, scraping, sanding, etc. that ensures at least 10 years of useful lifetime.	\$ 200,000	\$ 435,000	45.98%	\$ 235,000	54.02%	\$ 125,000.00	28.74%	184	184	184	100%
<b>TOTAL</b>						<b>\$ 410,000</b>	<b>\$ 167,016</b>	<b>81.81%</b>			<b>\$ 255,768.50</b>						
PUBLIC SERVICES	Advocacy Program for Foster Youth	Child Care Advocates of Silicon Valley	2. Youth/Teen Services	Public Service	Benefit to Low and Moderate Income Persons or Households	Provides children with one person to be supportive presence throughout foster care and remains with the child as a friend or mentor until he or she exits system.	\$ 10,000	\$ 1,505,398	0.66%	\$ 1,495,398	99.34%	\$ 5,000.00	0.33%	780	32	32	100%
	City of Milpitas Financial Counseling	Habitat for Humanity East Bay/Silicon Valley, Inc.	3. Homeless Sheltering/Services	Public Service	Benefit to Low and Moderate Income Persons or Households	Provide marketing and outreach to households to introduce homeownership and counseling.	\$ 25,000	\$ 52,650	47.48%	\$ 27,650	52.52%	\$ -	0.00%	70	70	67	95%
	Shelter and Supportive Services for Milpitas Homeless	Home First	3. Homeless Sheltering/Services	Public Service	Benefit to Low and Moderate Income Persons or Households	Provide 20 unduplicated homeless City residents with emergency shelter, hot meals and supportive services. Project provides 500 Person Shelter Days with supportive services, hot meals, case management and employment to financial assistance.	\$ 5,000	\$ 388,520	1.29%	\$ 383,520	98.71%	\$ 5,000.00	1.29%	4,800	20	20	100%
	Adult Day Care	Live Oak Adult Day Services	1. Senior Services	Public Service	Benefit to Low and Moderate Income Persons or Households	Provide a specialized program of recreational adult day care for frail, dependent, low-income seniors providing age-appropriate social activities and recreation.	\$ 5,000	\$ 1,126,229	0.44%	\$ 1,121,229	99.56%	\$ 5,000.00	0.44%	300	10	10	100%
	Milpitas Food Pantry & Clothes Closet	Milpitas Food Pantry	General Public	Public Service	Benefit to Low and Moderate Income Persons or Households	Serve extremely to very low income families, disabled, seniors and homeless with foods and clothes.	\$ 25,000	\$ 90,000	27.78%	\$ 65,000	72.22%	\$ 12,676.50	14.09%	4,500	3,825	3,825	100%
	The Shelter Next Door & Supportive Services	Next Door Solutions to Domestic Violence	5. Battered Women Sheltering/Services	Public Service	Benefit to Low and Moderate Income Persons or Households	Provide 24/7 bilingual English/Spanish shelter and supportive services for Milpitas victims and domestic violence (DV) and their children. Services include: food, clothing, peer counseling, legal advocacy, walk-in crisis counseling, support groups, 24-hour hotline and other DV services.	\$ 10,000	\$ 30,154	33.16%	\$ 20,154	66.84%	\$ -	0.00%	2,800	65	62	95%
	Milpitas Recreation Program	Recreation Services Department	1. Senior Services, 2. Youth and Teen Services	Public Service	Benefit to Low and Moderate Income Persons or Households	Offer financial assistance to programs of senior services, youth and afterschool child care and other general recreation programs. Maximum of \$250/family for afterschool childcare or maximum of \$150 individual with 50/50 match on fees for other eligible programs.	\$ 25,000	\$ 25,000	100.00%	\$ -	0.00%	\$ 7,500.00	30.00%	166	166	166	100%
	Legal Assistance to Elders	Senior Adults Legal Assistance (SALA)	1. Senior Services	Public Service	Benefit to Low and Moderate Income Persons or Households	Free legal services to Milpitas seniors primarily by expanding appointments at Barbara Lee Senior Center and by serving seniors by phone that are homebound or with emergencies. In addition, with funds make one community outreach/presentation to City of Milpitas residents.	\$ 5,000	\$ 20,000	25.00%	\$ 15,000	75.00%	\$ 5,000.00	25.00%	38	38	36	95%
	Domestic Violence Services for Milpitas Residents	YWCA Silicon Valley	5. Battered Women Sheltering/Services	Public Service	Benefit to Low and Moderate Income Persons or Households	Provide bilingual intervention and prevention services to women, children, and families and male survivors of domestic violence. Services includes comprehensive case management, counseling, therapy, education, etc.	\$ 10,000	\$ 1,406,862	0.71%	\$ 1,396,862	99.29%	\$ 5,000.00	0.36%	1,200	88	82	93%
	Long Term Care Ombudsman Program	Catholic Charities of Santa Clara County	1. Senior Services	Public Services	Benefit to Low and Moderate Income Persons or Households	Advocate for rights of seniors and disabled residents in long term care facilities. Main responsibilities of ombudsman is to investigate and resolve complaints made by or behalf of residents of quality care or abuse.	\$ 5,000	\$ 320,679	1.56%	\$ 315,679	98.44%	\$ -	0.00%	12,000	100	100	100%
	Law Program	Fresh Lifelines for Youth (FLY)	2. Youth/Teen Services	Public Services	Benefit to Low and Moderate Income Persons or Households	Target incarcerated or at-risk Milpitas youth between the ages of 15-18 with two semesters of Law Program that inspires youth to change their behavior and build skills and confidence to make positive changes.	\$ 20,000	\$ 397,227	5.03%	\$ 397,227	100.00%	\$ 6,847.00	1.72%	50	50	50	100%
	Milpitas Housing Services (Fair Housing & Tenant - Landlord Counseling)	Project Sentinel	General Public	Public Services	Benefit to Low and Moderate Income Persons or Households	Provide fair housing and tenant-landlord disputes resolution and counseling services. Includes community outreach and education activities.	\$ 25,000	\$ 51,592	48.46%	\$ 26,592	51.54%	\$ 10,000.00	19.38%	7,000	225	158	70%
Meals on Wheels - Milpitas Project	The Health Trust	1. Senior Services	Public Services	Benefit to Low and Moderate Income Persons or Households	Provides homebound seniors who are nutritional risk with home-delivered hot meals as well as provide wellness checks and case management.	\$ 10,000	\$ 40,000	25.00%	\$ 30,000	75.00%	\$ 7,000.00	17.50%	650	20	10	50%	
<b>TOTAL</b>						<b>\$ 180,000</b>	<b>\$ 419,562</b>	<b>24.35%</b>			<b>\$ 59,023.50</b>						

City Council Priorities

Non-Public Priorities

1. Home Repair/Rehabilitation
2. Affordable Housing
3. Rental Apartment Rehabilitation

Public Service Priorities

1. Senior Services
2. Youth/Teen Services
3. Homeless Sheltering/Services
4. Child Care
5. Battered Women Sheltering/Services



## City of Milpitas

**2D**

Neighborhood Services Division | 455 E. Calaveras Boulevard, Milpitas, CA 95035

**DATE:** April 21, 2015  
**TO:** City Council  
**FROM:** Felix Reliford, Interim Principal Housing Planner  
**SUBJECT:** **REVISED** 2015-2016 CDBG Application Process due to Updated Funding Allocation

City of Milpitas will receive \$393,490 in Community Development Block Grant (CDBG) funds from HUD as an entitlement city, for fiscal year 2015-2016. Seventeen (17) applications were received for CDBG funding; of which all qualify for funding. It is the task of the Community Advisory Commission to review the applications, hear from the applicants and members of the public, and develop funding recommendations, which will be forwarded to the City Council for final review and adoption.

Federal regulations limit funding public services activities to 15% of the amount of the City's CDBG grant (maximum \$59,024). Public services include, but not limited to such activities as: child care, job training, education programs, fair housing activities, services for senior citizens, and services for homeless persons, etc. A review of the eligible applications indicates that 13 of the 17 applications will compete for \$59,024 available to fund public service activities.

Federal regulations require the balance (65%) or \$255,769 to be allocated towards non-public services. The non-public service proposals submitted by the City of Milpitas' Public Works Department, Rebuilding Together, Charities Housing, and Terrace Gardens Senior Housing Inc. projects are not subject to the public service ceiling. Activities, which are exempt from the public service ceiling, include, but are not limited to, activities which involve: new construction, acquisition of land or existing buildings, rehabilitation, or installation of improvements or facilities. Therefore, there are four (4) agencies in competition for \$255,769.

Federal regulations also states a maximum of 20% of the City's CDBG grant may be used for Planning and Administration activities (maximum of \$78,698).

On December 18, 2014, the City Council adopted the two-year (2015-2016) funding priorities as guidelines to assist the CAC in evaluating the grant applications. For the public service category, the following priorities were established, in order of preference:

1. Senior Services
2. Youth Teen Services
3. Homeless Sheltering / Services
4. Child Care
5. Battered Women Sheltering / Services

For the non-public service applications, the following priorities were approved:

1. Home Repair / Rehabilitation
2. Affordable Housing
3. Rental Apartment Rehabilitation

As recommended by the CAC, the City Council, on December 18, 2014, also reaffirmed three established policies relating to the CDBG Program:



- 25% of all Public Service funds must be spent within the City of Milpitas. Based on the CDBG Program allocation for public services (\$59,024), 25% of these funds is \$14,756;
- A minimum funding level of \$5,000 shall be allocated for all public and non-public services; and
- \$10,000 from CDBG Program Administration for Fair Housing Services

Attached in your agenda packet is information to assist you during your review process. All program proposals subject to the public service ceiling are listed on page 1 and 2, and all program proposals, which are not subject to the ceiling on Page 3. Each page includes a column indicating the amount requested by each agency; the CDBG funding amount, if any, the Agency received from the City of Milpitas for fiscal year 2014-2015; and, a column titled 2015-2016 recommended funding for you to insert your funding recommendations. A separate table is also prepared which summarizes and compares the various applications; their relationship to adopted City funding priorities, their service to Milpitas residents and staff's funding recommendations.

On March 4, 2015, the CAC held a public hearing to review applications and prepare recommendations for City Council and on April 21, 2015, the City Council will review the CAC funding recommendations.

Please contact Felix Reliford at 408-586-3071 if you need assistance or additional information.

Thank you.

**MEETING MINUTES****MILPITAS COMMUNITY ADVISORY COMMISSION  
Milpitas City Hall, Council Chambers  
Wednesday, March 4, 2015**

- I. **Pledge of Allegiance** – Chair Batilo called the meeting to order at 7:00 P.M. and led the Pledge of Allegiance.
- II. **Roll Call** - Present: Chair Batilo, Vice Chair Mohsin, Commissioners Kathapurkar, Leon, Manassau, Rosario, Sharma, Truong  
  
Alternate Commissioners Present: Bilbao  
  
Absent: Beard
- III. **Seating of Alternates** – None
- IV. **Approval of Agenda** – Vice Chair Mohsin motioned, and Commissioner Sharma seconded, to remove item IX, Commissioners Round Table, from this meeting agenda. Motion carried unanimously.
- V. **Approval of Minutes – Minutes of February 4, 2015** – Commissioner Rosario motioned, and Vice Chair Mohsin seconded, for approval of the meeting minutes. Motion carried unanimously.
- VI. **Public Forum** – No items
- VII. **Announcements** – None
- VIII. **Liaison Report** – None
- IX. **Commissioners Round Table** – Continued to April meeting
- X. **New Business:**

**A. Review of Community Development Block Grant (CDBG) Applications for FY2015-16**

The Commission conducted an annual review of CDBG funding applications for FY 2015-16. There were 17 eligible applications received, 13 for public services and 4 for non-public services.

Staff provided a brief presentation to about the City's CDBG allocation in addition to the Council's requirements that include a minimum allocation of \$5,000 for public services. Applicants were provided three minutes to describe their application. Sixteen services providers presented their applications and then received questions from the Commission.

Following the presentations, Commissioner Sharma motioned, and Commissioner Leon seconded, to close the public hearing. Commissioner Leon said there should be advertising for these organizations providing services in Milpitas, possibly through utility bills. The Commission took a short break to deliberate the applications.

The Commission reviewed staff's funding recommendations and each Commissioner provided their own funding recommendations. After further deliberations, the Commission finalized their allocations that met the Council requirements.

Commissioner Kathapukar motioned, and Commissioner Troung seconded, to accept the tally amounts for Public Services and forward the recommendations to City Council.

Commissioner Mohsin motioned, and Commissioner Rosario seconded, to accept the tally amounts for Non-Public Services and forward the recommendations to City Council.

**B. Tree Planting Event**

Continue this item to another meeting.

Commissioner Kathapurkar motioned, and Commissioner Manassau seconded, to continue the item to another meeting.

**XI. Unfinished Business** – No items

**XII. Adjournment** – The meeting was adjourned at 11:00 pm to the next meeting of April 1, 2015.