

**City of Cupertino
2018/19 Consolidated Annual
Performance Evaluation Report**



CUPERTINO

Prepared by the Department of Community Development
10300 Torre Avenue
Cupertino, CA 95014

Approved by
Housing Commission
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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

Below is a description of the progress the City of Cupertino has made in achieving the goals outlined in its strategic plan and annual action. In fiscal year (FY) 2018/19, the City achieved its annual goals and met the five (5) year goals outlined in the Consolidated Plan. It should be noted that in FY 2016/17, the City decided to change the funding source of ECHO Housing, its fair housing non-profit service partner, to Below Market Rate Affordable Housing Funds (BMR AHF). While the change has resulted in no CDBG funds being utilized for fair housing services, the City continued to fund ECHO Housing to provide fair housing services through FY 2017/2018. During the application process for FY 2018/2019, the fair housing services contract was awarded to Project Sentinel. Project Sentinel is based in Santa Clara and has provided the City of Cupertino with rental mediation services. The contract with Project Sentinel includes fair housing and rental mediation services. The contract is funded with the City’s BMR AHF funds, which will be discussed later in the report. Project Sentinel has met or exceeded its annual goals for FY 2018/2019 but these goals and accomplishments are no longer reported in IDIS.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee’s program year goals.

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

| Goal | Category | Source / Amount | Indicator | Unit of Measure | Expected Strategic Plan | Actual Strategic Plan | Percent Complete | Expected Program Year | Actual Program Year | Percent Complete |
|--------------------|--------------------|--------------------|---|------------------------|-------------------------|-----------------------|------------------|-----------------------|---------------------|------------------|
| Affordable Housing | Affordable Housing | CDBG: \$176,201.65 | Vista Village Rental units rehabilitated | Household Housing Unit | 12 | 38 | 317% | 5 | 5 | 100% |
| Affordable Housing | Affordable Housing | CDBG: \$64,000 | Rebuidling Together Homeowner Housing Rehabilitated | Household Housing Unit | 35 | 34 | 97% | 7 | 7 | 100% |

| | | | | | | | | | | |
|--------------------------|--|-------------------|---|------------------|-----|-----|-------|-----|-----|------|
| Fair Housing | Non-Housing Community Development | CDBG: \$0 | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 45 | 10 | 22.2% | 15 | 0 | 0% |
| Homelessness | Homeless | CDBG: \$35,000 | CARE Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 500 | 417 | 83.4% | 100 | 100 | 100% |
| Strengthen Neighborhoods | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$20,431.15 | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 105 | 186 | 177% | 21 | 35 | 167% |

Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The City Council adopted the 2015-2020 Consolidated Plan on April 7, 2015. Overall, the City has performed well at meeting the major goals outlined in the Consolidated Plan. In total, the City’s CDBG program assisted one hundred forty-seven (147) persons access needed services. Of these persons, one hundred (100) were extremely-low income, and forty-seven (47) were low income.

As illustrated in Table 1, the City has effectively utilized the CDBG funding to target the provision of services to seniors as well as the provision of services to at-risk low-income individuals and families. Unfortunately, the City has not been effective at producing new units for low-income and special needs households. The major barrier to accomplishing this goal has been the real estate market in Cupertino and the lack of available land. However, in FY 18/19, the City utilized CDBG funds to provide funding to rehabilitation five units of affordable rental housing units at Vista Village Apartments. These units provide affordable rental housing options to extremely-low-, very-low, and low-income households.

Additionally, the City has increased its efforts to promote development of affordable housing throughout the City. The City joined the Santa Clara County HOME Consortium in 2015. HOME funds can be used to fund eligible affordable housing projects for acquisition, construction, and rehabilitation. Starting in FY 2015-16, developers of affordable housing projects were eligible to competitively apply through an annual RFP process. Applications are submitted to the Santa Clara County Office of Supportive Housing (OSH) for the HOME funds to help subsidize affordable housing projects within the City. If the City receives HOME funds from its participation in the HOME Consortium, the required twenty-five percent (25%) matching funds will be provided from the City's BMR AHF. Currently, the BMR AHF has an available balance of approximately \$6,000,000.

The Veranda, which was developed by Charities Housing and opened in July 2019, received \$500,000 in HOME funds through the HOME Consortium. The property provides eighteen (18) units of low-income senior housing and one (1) property manager unit. The City provided a twenty-five (25%) match as part of total contribution of 43% (\$5,172,000.00) of the development costs for this project.

It should also be noted that the City utilizes a performance measurement system to monitor its progress at meeting its goals and objectives. The performance measurement system lists objectives, outcomes, indicators as well as one-year goals and five-year objectives for each goal statement. Goals include providing an adequate supply of residential units for all economic segments of the population and providing housing that is affordable for a diversity of Cupertino households.

CR-10 - Racial and Ethnic composition of families assisted

**Describe the families assisted (including the racial and ethnic status of families assisted).
91.520(a)**

Table 2 - Table of assistance to racial and ethnic populations by source of funds

| | CDBG |
|-------------------------------------|-------------|
| White | 83 |
| Black or African American | 8 |
| Asian | 49 |
| American Indian/Alaska Native/White | 2 |
| Other multi-racial | 5 |
| Total | 147 |
| Hispanic | 22 |
| Not Hispanic | 125 |

In total, the City's CDBG program served one hundred and forty-seven (147) individuals. Of those individuals, approximately fifty-six percent (56%) were White; five percent (5.4%) were African American; thirty-three percent (33.3%) were Asian; and five percent (4.8%) were either American Indian/American Native, American Indian/Alaska Native/White or Other, Multi-racial. Approximately, fifteen percent (14.9%) were Hispanic.

CR-15 - Resources and Investments 91.520(a)

Table 3 - Resources Made Available

| Source of Funds | Source | Resources Made Available | Amount Expended During Program Year |
|-----------------|--------|--------------------------|-------------------------------------|
| CDBG | HUD | \$369,541.00 | \$352,267.12 |

Narrative

Please see above.

Table 4 - Identify the geographic distribution and location of investments

| Target Area | Planned Percentage of Allocation | Actual Percentage of Allocation | Narrative Description |
|-------------|----------------------------------|---------------------------------|--------------------------------------|
| N/A | N/A | N/A | The funds were distributed citywide. |

Narrative

Not applicable. The City has not established specific target areas to focus the investment of CDBG funds.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City encourages all non-profit housing developers to leverage funding resources. It is the City's goal to leverage all funding with other resources. All the public service projects carried out with CDBG funds from the City involved the leveraging of other funding sources.

For instance, many of the non-profits funded by the City receive monies from the United Way, charitable foundations, local jurisdictions, and/or other federal funding.

Other Federal Grant Programs

In addition to the entitlement dollars listed above, the federal government has several other funding programs for community development and affordable housing activities. These include: the Section 8 Housing Choice Voucher Program, Section 202, Section 811, the Affordable Housing Program (AHP) through the Federal Home Loan Bank, and others. It should be noted that, in most cases, the City would not be the applicant for these funding sources as many of these programs offer assistance to affordable housing developers rather than local jurisdictions.

County of Santa Clara and Local Housing and Community Development Sources

There are a variety of countywide and local resources that support housing and community development programs. Some of these programs offer assistance to local affordable housing developers and community organizations while others provide assistance directly to individuals. These resources are discussed below.

Below Market-Rate Affordable Housing Fund (BMR AHF)

The BMR AHF receives its revenue from the payment of housing mitigation fees from non-residential (office, commercial, retail, research and development (R&D), hotel and industrial) and residential development. The non-residential housing mitigation fee jobs/housing nexus study acknowledges housing needs created by the development of office, commercial, retail, hotel, R&D and industrial development. A fee is applied to new square footage of non-residential development in the City. The fees collected are deposited in the City's BMR AHF and are to be used for the provision of affordable housing.

A portion of the BMR AHF funds will be targeted to benefit extremely low-income households and persons with special needs (such as the elderly, victims of domestic violence, and the disabled, including persons with development disabilities).

In FY 2018/19, the City allocated \$43,000 in BMR AHF to local non profit organizations that provide fair housing services, BMR program administration, landlord/tenant rental mediation, and an affordable rental housing renovation project. Additionally, the City allocated \$80,000 in BMR AHF Capital Housing Projects for the rehabilitation of Greenwood Court. The four units at Greenwood Court were converted from a transitional housing program to permanent affordable housing for extremely low- and very low-income households. The funds were utilized to repair and renovate the property.

General Fund Human Service Grants (HSG) Program

In FY 2018/19, the City Council allocated \$83,600 from the General Fund to public and human service agencies within the City of Cupertino. The monies were utilized to fund a long-term care ombudsman, client services for victims of domestic violence, and legal assistance to seniors.

As mentioned previously, the City joined the Santa Clara County HOME Consortium in 2015. HOME funds can be used to fund eligible affordable housing projects for acquisition, construction, and rehabilitation. Starting in FY 2015-16, developers of affordable housing projects were eligible to competitively apply through an annual RFP process. Applications are submitted to the County OSH for the HOME funds to help subsidize affordable housing projects within the City. If the City receives HOME funds from its participation in the HOME Consortium, the required twenty-five percent (25%) matching funds will be provided from the City's BMR AHF. Currently, the BMR AHF had an available balance of approximately \$6,000,000. As mentioned previously, the Veranda, which was developed by Charities Housing, applied for and received \$500,000 in HOME funds from the HOME Consortium. The property

provided (eighteen) 18 units low-income senior housing and one (1) property manager unit. The City provided a twenty-five percent (25%) match for the project.

It should be noted that the City does not own any vacant land that is suitable for development.

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CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely-low income, low-income, moderate-income, and middle-income persons served.

Table 5 - Number of Households

| | One-Year Goal | Actual |
|--|----------------------|---------------|
| Number of homeless households to be provided affordable housing units | 0 | 0 |
| Number of non-homeless households to be provided affordable housing units | 12 | 12 |
| Number of special-needs households to be provided affordable housing units | 0 | 0 |
| Total | 12 | 12 |

Table 6 - Number of Households Supported

| | One-Year Goal | Actual |
|--|----------------------|---------------|
| Number of households supported through rental assistance | 0 | 0 |
| Number of households supported through the production of new units | 0 | 0 |
| Number of households supported through the rehab of existing units | 12 | 12 |
| Number of households supported through the acquisition of existing units | 0 | 0 |
| Total | 12 | 12 |

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The City's annual goals were met in FY 2018/2019. Rebuilding Together assisted seven homeowners with the rehabilitation of their homes. WVCS completed rehabilitation repairs on five affordable housing rental units which are occupied by extremely-low, very-low, and low-income households.

Discuss how these outcomes will impact future annual action plans.

As discussed above, the City met its annual goals. The City will continue to address the needs highlighted in its 2015-2020 Consolidated Plan and does not foresee any changes to its Annual Action Plan. As mention above, although fair housing activities are no longer funded with

CDBG dollars, the City continues to fund a fair housing service provider with its BMR AHF funds. The fair housing service provider meets its annual fair housing goals.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Table 7 – Number of Persons Served

| Number of Persons Served | CDBG Actual | HOME Actual |
|---------------------------------|--------------------|--------------------|
| Extremely Low-income | 100 | 0 |
| Very Low-income | 19 | 0 |
| Low-income | 28 | 0 |
| Moderate-income | 0 | 0 |
| Above Moderate-income | 0 | 0 |
| Total | 147 | 0 |

Narrative Information

In total, one hundred and forty seven (147) persons were served through the City’s CDBG funded services. Of the individuals/households served, one hundred (100) were extremely-low income, forty-seven were low-income.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.

Through the assistance of Santa Clara County Measure A funds, six (6) units are reserved at The Veranda as permanent supportive housing units for homeless seniors, aged sixty-two (62) or older, with disabling conditions. The Veranda is one of the first developments to take advantage of Measure A funding.

In 2017, the City provided \$3,672,000 in BMR AHF to The Veranda, a low-income senior development. Of the nineteen (19) units at The Veranda (there is one manager's unit at the property), six (6) have been set aside as Measure A units designed to serve extremely low-income formerly homeless individuals. Through the City's participation in the Santa Clara County HOME Investment Partnerships Program (HOME) Consortium, The Veranda secured \$500,000 in HOME funds. The City also provided an additional \$1,000,000 in funds through the Housing Trust Silicon Valley for a total contribution of \$5,172,000.

Addressing the emergency shelter and transitional housing needs of homeless persons.

The City supports efforts to end homelessness. The City allows zoning for emergency shelters. This has allowed the Faith in Action Silicon Valley Rotating Shelter Program to set-up overnight shelter beds in churches throughout the City. As part of the 2014- 2022 Housing Element update, the City updated its zoning code to comply with SB No. 2 regarding emergency shelters.

In FY 2018-19, the City provided \$25,000 to Maitri through the General Fund Human Service Grant's (HSG) Program. Maitri provides transitional housing for adult women and children who are victims of domestic violence. The majority of the household served by Maitri are homeless.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

In FY 18/19, the City of Cupertino provided \$35,000 in CDBG funds to WVCS to administer its Community Access to Resources and Education (CARE) program. The main focus of CARE is to bring services and resources closer to at-risk populations, coordinate assistance internally and externally, and help navigate hospital, social services, and legal systems. It is designed to enable access to critical basic needs services and help clients navigate the maze of benefits, from Medicare and Social Security to affordable housing options, health care, and specialized care.

The one stop benefit assistance service helps provide assistance with applications to benefits including CalWORKs, CalFresh, Medi-Cal, Free/Reduced lunch, and Healthy Kids. The supportive services also help clients build financial stability by providing monthly budget relief through access to the food pantry, and discounts on their utility bill and emergency financial assistance for unforeseen emergencies. This range of supportive services and case management helps at-risk individuals and households maintain stability and prevents homelessness due to a financial crisis.

Additionally, in FY 18/19, the City provided General Fund HSG and/or BMR AHF to the following organizations:

- Senior Adult Legal (SALA) – Received \$10,600 from the HSG. SALA provided free legal services to fifty-two (52) Cupertino residents age sixty (60) or older. Eighty six percent (86%) were seen at a SALA appointment at the Cupertino Senior Center and the rest were served through a SALA site in another city or the agency's Central Office in San Jose. All clients were presumed low/moderate income (51% to 80% AMI) by HUD because they are elderly (age 60 or older). In addition, 42% were age 75 or older, a demographic placing them at risk of abuse, isolation, or institutionalization.
- Maitri – Received \$25,000 from the Human Services Grant. The Anjali Transitional House (TH) served 33 women and children for 5,171 bednights and provided adult residents with 321 individual case management sessions. The TH provided residents with a safe, longer-term housing option (up to nine months), as well as culturally appropriate and customized support that helped them gain the self-confidence and skills needed to rebuild their lives.
- Catholic Charities - \$8,000 from the Human Services Grant. Catholic Charities provided needed advocacy of elders living in long-term care facilities. In total, 513 unduplicated residents were contacted during the fiscal year.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

As mentioned above, the City provided \$35,000 in CDBG funds to WVCS to administer its Community Access to Resources and Education (CARE) program. The program provides case management and short-term rental assistance to support homeless families transitioning to permanent housing. Additionally, the program allocates Red Cross emergency rental grants and emergency utility payments to assist low-income individuals and families on the verge of homelessness maintain their housing.

In FY 2018/2019, the City provided \$40,000 in General Fund HSG to West Valley Community Services for the Haven to Home program. The goal of the Haven to Home (HTH) is to help currently un-housed Cupertino individuals and families secure permanent housing, maintain employment, enhance income opportunities and financial stability. The supportive services critical to the success of this program are intensive case management, housing search, landlord

mediation, benefits clinic, and financial coaching. HTH aims to end homelessness and prevent homelessness by coordinating multilevel services and leveraging further resources in the community in order to build long-term stability and self-sufficiency for participants. Through this funding in FY 2018/2019, WVCS served 50 homeless individuals and families whose last address was in Cupertino.

In total in FY 2018/2019, the City allocated approximately \$55,431.15 in CDBG and \$83,600.00 in HSG money to provide a variety of support services for low-income Cupertino households. Services provided include the provision of food, clothing, legal assistance, emergency rental assistance, and a variety of other services.

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CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

Not applicable. The Housing Authority of the County of Santa Clara (HACSC) owns and manages four public housing units, which are all located in the City of Santa Clara. There is no public housing in Cupertino.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

While the majority of their units have been converted to affordable housing stock, HACSC is proactive in incorporating resident input into the agency's policy-making process. An equitable and transparent policy-making process that includes the opinions of residents is achieved through the involvement of two tenant commissioners, one being a senior citizen, on the HACSC board.

Actions taken to provide assistance to troubled PHAs

Not applicable.

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CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

As part of the City's FY 2019-20 Work Program, the City is working on an update to the Below Market Rate (BMR) Linkage Fees. As part of this update, the City is conducting an economic feasibility analysis to review fees associated with development and potential policy updates to the BMR Program.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

As mentioned in the Consolidated Plan, the City's highest need is for affordable units for low-income and special needs households. One of the primary impediments to creating the affordable units is the high cost of land in Cupertino and rising construction costs. In order to fund 100% affordable developments, the City adopted a housing mitigation program in 1993. Originally, the program required all new residential developments to dedicate 10% of its housing as affordable.

In 2002, the City updated the Housing Element and raised the requirement to 15%. For smaller developments with less than seven units, developers can build one BMR unit or pay an in-lieu fee. This in-lieu fee allows the City to accumulate funds to use for affordable developments. In the past ten years, the City has accumulated over five million dollars in fees. These fees have been used to fund the Stevens Creek Village 40-unit development for single-persons and small households; Vista Village, a 24-unit development aimed at housing small and medium size families; and Senior Housing Solutions' purchase of a home for use as senior congregate care.

To ensure that the mitigation fees continue to be adequate to mitigate the impacts of new development on affordable housing needs, the City completed a nexus study update in 2015. The purpose of the nexus study update was to allow the City to consider appropriate mitigation fee charges and possible affordable percentage requirements. The City Council adopted the updated residential and non-residential housing mitigation fees on May 5, 2015. The fees went into effect on July 6, 2015. The City's fee schedule is updated annually in July.

The City has increased its efforts to promote development of affordable housing throughout the City. The City joined the Santa Clara County HOME Consortium in 2015. HOME funds can be used to fund eligible affordable housing projects for acquisition, construction, and rehabilitation. Starting in FY 2015-16, developers of affordable housing projects were eligible to competitively apply through an annual RFP process. Applications are submitted to the County OSH for the HOME funds to help subsidize affordable housing projects within the City.

The Veranda, which was developed by Charities Housing, applied for and received \$500,000 in HOME funds from the HOME Consortium for FY 18/19. The property provided 18 units of low-income senior housing and one property manager unit (for a total of 19 units). The property opened in July 2019. The City provided a twenty-five (25%) match as part of total contribution of 43%

(\$5,172,000.00) of the development costs for this project.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The number of units with potential lead-based paint hazards in the City is likely less than 500. Lower income households will occupy some percentage of these units, but how many is not known. In addition to working with the County Health Department to identify and assist any children with elevated blood lead levels, the City will, as part of its efforts to address the rehabilitation needs of its housing stock, provide assistance to persons seeking to mitigate lead hazards in the home.

Currently, City staff has a policy to test any property being assisted with CDBG funds for the presence of lead based paint if the property was constructed prior to 1978. If the property tests positive for the presence of lead based paint, then the City assists with the abatement of the paint. In all cases, the property owners and tenants are notified of the presence of the lead based paint. The City also assists the contractor with finding contractors trained on how to deal with lead based paint or receiving training themselves.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

As mentioned earlier, the City funds WVCS's Community Access to Resources and Education (CARE) program to provide those living below the poverty level with food, clothing and emergency rental assistance. These are basic necessities that those living at or below the poverty level cannot afford due to limited incomes. WVCS also provides job search assistance and basic computer classes in an attempt to reduce the number of persons living below the poverty level. Additionally, the City makes it a high priority to provide affordable rental units to extremely-low income households.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City continues to participate with other local jurisdictions in sharing information and resources regarding CDBG and other housing programs. Meetings take place on a quarterly basis. Additionally, when projects are funded by multiple jurisdictions, the jurisdictions involved cooperate in an effort to reduce duplication of work and reduce project monitoring costs.

City staff will continue the following collaborative efforts to improve institutional structure:

- Joint jurisdiction Request for Proposals and project review committees
- Coordination on project management for projects funded by multiple jurisdictions
- HOME Consortium between member jurisdictions for affordable housing projects

The City is also represented at the Santa Clara County Association of Planning Officers (SCCAPO) and Silicon Valley Leadership Group's Housing Action Coalition (HAC) meetings. These meetings are especially important in fostering regional approaches to providing affordable housing.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City benefits from a strong jurisdiction and region-wide network of housing and community development partners, such as Regional Housing Working Group and the CoC. To improve intergovernmental and private sector cooperation, the City participated with other local jurisdictions and developers in sharing information and resources.

In addition to the actions listed above, the City continues to partner with nonprofit agencies to host a yearly Housing Fair to provide residents with access to developers, BMR managers, and housing agencies and programs. The City also leveraged its BMR AHF to assist nonprofit affordable housing developers, including assisting Charities Housing with the financing of The Veranda, a 100% affordable senior housing development, by providing a 25% match requirement to the County's HOME Consortium funds in FY 2018/2019.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

On January 12, 2012, the City Council adopted a new Analysis of Impediments (AI) to Fair Housing Choice and the recommended policies and actions to respond to the fair housing impediments identified in the document. The document states that the primary impediments to fair housing choice are access to affordable housing and knowledge of fair housing services. The City has implemented the following in response to the impediments identified in the AI:

- Facilitate access to below market rate (BMR) units. The City will continue to assist affordable housing developers and market rate developers in advertising the availability of BMR and affordable units via a link on the City's website and the United Way's 2-1-1 program, phone referrals, and other media outlets. The City will also facilitate communications between special needs service providers and affordable housing developers, to ensure that home seekers with special needs have fair access to available units.
- City staff continues to contract with a fair housing provider to conduct outreach and education regarding fair housing for home seekers, landlords, property manager, real estate agents, and lenders.
- In addition to outreach, the fair housing provider will conduct fair housing testing in local apartment complexes.
- The City will periodically review the Zoning Ordinance to ensure regulations are consistent with fair housing laws and do not constrain housing production. If particular zoning requirements impede fair housing or production, the City will amend the regulations.
- The City will continue to support the HACSC to ensure adequate outreach to minority, limited English proficiency, and special needs populations regarding the availability of public housing and Section 8 vouchers.
- The City will continue to plan for higher residential and employment densities where appropriate to maximize linkages between employers and affordable housing.
- The City will continue to work with local transit agencies to facilitate safe and efficient routes for the various forms of public transit.

The City is in the process of updating the Analysis of Impediments (AI) to Fair Housing Choice. The updated AI and AFFH will be completed in February 2020.

Project Sentinel received \$43,000 from the City's BMR AHF for support of fair housing, tenant and landlord counseling, and dispute resolution services rental mediation activities. As noted earlier in the report, the fair housing services activities were previously funded with CDBG funds. In FY 2018/19, the City elected to fund the fair housing activities as part of its contract with Project Sentinel. To combat illegal housing discrimination and ensure civil rights protection, Project Sentinel provides comprehensive fair housing services of complaint investigation, consultation, information and referral, and community outreach and education. Fair housing investigations that reveal evidence of illegal discrimination are addressed through education, conciliation, and referral to HUD or DFEH filings, or litigation. Investigative work efforts include paired testing, surveys, witness interviews, and document review.

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CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City continues to actively monitor all subrecipients and projects ensuring compliance with program and comprehensive planning requirements. Monitoring involves review of quarterly reports, invoices with backup material, and review of agency audit reports. Annual on-site monitoring is carried out for all CDBG subrecipients and consists of reviewing client files, financial records, policies, procedures and compliance with federal requirements as detailed in the subrecipient contracts.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

A draft CAPER was made available on the City website (www.cupertino.org/housing) and at City Hall for the required 15-day public comment period (August 23 – September 11, 2019). An advertisement was placed in the Cupertino Courier, a newspaper of general circulation on August 23, 2019, advertising the availability of the CAPER for public review and comment. If citizens could not physically come into City Hall to review the report, a report could be mailed or e-mailed to the citizen free of charge. The City also makes available a TDD phone number for the hearing impaired. The City also conducted a public hearing at the Cupertino Housing Commission meeting held on September 12, 2019 allowing the public an opportunity to comment on the CAPER.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

Not applicable.

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

Not applicable.

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**APPENDIX A
LEGAL AD AND PUBLIC NOTICE
CITY OF CUPERTINO, CONSOLIDATED ANNUAL PERFORMANCE EVALUATION
REPORT FY 2018/2019**

To be inserted when available

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**APPENDIX B
PUBLIC COMMENT
CITY OF CUPERTINO, CONSOLIDATED ANNUAL PERFORMANCE EVALUATION
REPORT FY 2018/2019**

To date, no public comments have been received on the FY 2018/2019 Consolidated Annual Performance Evaluation Report (CAPER).

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