

RESOLUTION NO. 19-02

A RESOLUTION OF THE HOUSING COMMISSION OF THE CITY OF CUPERTINO RECOMMENDING APPROVAL OF THE FY 2019-20 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ANNUAL ACTION PLAN TO CITY COUNCIL FOR FINAL ADOPTION

WHEREAS, the Housing and Community Development Act of 1974 provides that funds be made available for the CDBG Program; and

WHEREAS, the City of Cupertino will receive a \$369,264 CDBG entitlement grant from the United States Department of Housing and Urban Development (HUD) to be allocated for fiscal year (FY) 2019-20 and estimates allocating \$7,944 in CDBG program income; and

WHEREAS, the City of Cupertino is required to submit a FY 2019-20 Annual Action Plan (Exhibit 1) to HUD for review and approval prior to being allowed to expend CDBG funds for FY 2019-20; now, therefore:

BE IT FURTHER RESOLVED that the Housing Commission of the City of Cupertino hereby recommends approval of the FY 2019-20 Annual Action Plan to City Council for final adoption; and

PASSED AND ADOPTED at a special meeting of the Housing Commission of the City of Cupertino this 16th day of May, 2019 by the following vote:

Vote Members of the Housing Commission

AYES: Chair Zhao, Vice Chair Daruwalla, Cunningham, Bose

NOES: None

ABSENT: None

ABSTAIN: None

ATTEST:

APPROVED:

_____/s/Kerri Heusler_____
Kerri Heusler
Housing Manager

_____/s/John Zhao_____
John Zhao
Chair, Housing Commission

**City of Cupertino
FY 2019-20 Annual Action Plan**



CUPERTINO

Annual Update of the City's Consolidated Plan for Period
July 1, 2019 to June 30, 2020

Public Review and Comment Period
May 1, 2019- June 1, 2019

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

Approved by City Council

Resolution No. _____

Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The City of Cupertino (City) Fiscal Year (FY) 2019-20 One Year Action Plan (FY 2019-20 Action Plan) contains the City's one-year plan to carry out housing and community development activities funded by Federal formula grant funds received from the U.S. Department of Housing and Urban Development (HUD), Community Development Block Grant (CDBG) program. This Action Plan covers the fifth of five program years covered by the City's 2015-2020 Consolidated Plan approved by the Cupertino City Council on April 7, 2015.

The Housing Division of the Community Development Department is the lead agency for the Consolidated Plan and submits the Annual Action Plan for the City's CDBG program. The City is also a participant in the County of Santa Clara Home Investment Partnership Program (HOME) Consortium.

HUD requires entitlement jurisdictions to submit an annual Action Plan to report the distribution of federal entitlement grant funds over the Consolidated Plan's five-year period identifying how funding allocations help meet the goals covered in the Consolidated Plan.

The total funds available for the City includes a total of \$377,264.00 in CDBG funds. This includes \$369,264.00 in CDBG entitlement funds and \$7,944.00 in program income. The City's Action Plan covers the time period from July 1, 2019 to June 30, 2020, (HUD Program Year 2019 (PY2019)). The City's FY 2019-20 Action Plan reports on the status of needs and outcomes the City expects to achieve in the coming year. All of the activities mentioned in this Action Plan are based on current priorities. By addressing these priorities, the City hopes to meet those objectives stated in the 2015-2020 Consolidated Plan. All the proposed projects and activities are intended to principally benefit residents of the City who have extremely low-, low- and moderate-income, and populations that have special needs, such as the elderly, disabled, and homeless.

2. Summarize the objectives and outcomes identified in the Plan

The City of Cupertino is a city in Santa Clara County (County), directly west of San Jose on the western edge of the Santa Clara Valley with portions extending into the foothills of the Santa Cruz Mountains. The population is 60,777 according to the U.S. Census "Quickfacts" (<https://www.census.gov/quickfacts/fact/table/cupertinocitycalifornia/PST045217>). The City has one of the most educated resident populations in the country and is one of the most expensive cities to live in with a median home value of \$2,210,000. The median list price per square foot in Cupertino is \$1,062 (<https://www.zillow.com/cupertino-ca/home-values/>).

The Action Plan provides a summary of how the City will utilize its CDBG allocation to meet the needs of the City's lower income population. According to the U.S. Census "Quickfacts" data, 4.7% of all residents within the City had incomes below the federal poverty level. Additionally, according to the 2017 Point in Time Homeless Census, there are 127 unsheltered homeless individuals living within the City of Cupertino. This number represents an increase of 74% from the 73 individuals that were counted in 2015.

As mentioned previously, a total of \$377,208.00 is available for funding projects and programs during the 2019-20 Program Year which correlates with the City’s FY 2019- 20 (July 1, 2019 to June 30, 2020). The City anticipates receiving \$369,264.00 from the federal CDBG program and approximately \$7,944.00 in program income.

Cupertino has access to a variety of federal, state, and local resources to achieve its housing and community development priorities. Table A, FY 2019-20 CDBG Budget, summarizes the uses of the funds proposed during FY 2019-20. Specific funding resources will be utilized based on the opportunities and constraints of each particular project or program.

Applicant Agency	Budget
West Valley Community Services (WVCS) - Community Access to Resources and Education (CARE)	\$35,646.16
Live Oak Adult Day Care Services - Senior Adult Day Care	\$20,935.04
Rebuilding Together Silicon Valley (RTSV) - Housing Repair and Rehabilitation Program	\$81,875.00
WVCS - Vista Village Rehabilitation Project	\$43,310.20
Maitri- Anjali Transitional House	\$120,000.00
Administration	\$75,441.60

Table 1 - Table A. Fiscal Year 2019-20 Budget

3. Evaluation of past performance

The City is responsible for ensuring compliance with all rules and regulations associated with the CDBG and HOME entitlement grant programs. The City’s Annual Action Plans and CAPERs have provided many details about the goals, projects and programs completed by the City. The City recognizes that the evaluation of past performance is critical to ensure the City and its subrecipients are implementing activities effectively and that those activities align with the City’s overall strategies and goals. The City evaluates the performance of subrecipients providing public services on a quarterly basis. Subrecipients are required to submit quarterly progress reports, which include client data, performance objectives, as well as data on outcome measures. Prior to the start of the PY, program objectives are developed collaboratively by the subrecipient and the City, ensuring that they are aligned with the City's overall goals and strategies. The City utilizes the quarterly reports to review progress towards annual goals.

Cupertino was successful in addressing the goals and objectives cited in the FY 2018-19 (July 1, 2018 – June 30, 2019) Action Plan. CDBG funds were used to carry out activities that benefited low- and moderate-income persons. Only CDBG administration funds did not directly serve low- and moderate-income persons. Eligible funded public service activities included senior services and emergency housing services. These activities continue to make a positive impact on identified needs in the community and are providing services that might otherwise have gone unmet. Eligible funded capital housing projects included a single-family residence minor repair program which served low-income homeowners city-wide by addressing accessibility and health and safety measures and an affordable multi-family residential rehabilitation project. As can be expected, community needs continue to exceed the available resources.

4. Summary of Citizen Participation Process and consultation process

The City, in collaboration with other jurisdictions and a consultant team, launched a comprehensive outreach strategy to enhance and broaden citizen participation in the preparation of the Consolidated Plan. The team informed the public that it was in the process of creating the 2015-2020 Consolidated Plan, and encouraged public participation in the process by conducting a Regional Needs Survey and hosting regional forums in collaboration with other jurisdictions in the County, and conducting local hearings.

In addition to the extensive consultation conducted for the Consolidated Plan, as noted above, the City solicited additional input for the FY 2019-20 Annual Action Plan. As required by HUD, the City provides multiple opportunities for public review and comment on the Action Plan and on any substantial amendments to it.

Per the City's adopted Citizen Participation Plan, the City held a 30-day public review comment period for the Action Plan. The City published notifications of upcoming public hearings and the 30-day public review comment period in the local Cupertino Courier newspaper of general circulation. The City held two advertised public hearings on May 16, 2019 and June 18, 2019. The Action Plan 30-day public review period occurred from May 1, 2019 through June 1, 2019.

5. Summary of public comments

To date, no comments have been received.

6. Summary of comments or views not accepted and the reasons for not accepting them

The City accepts and responds to all comments that are submitted. As mentioned above, no public comments were received regarding the FY 2019-20 Action Plan.

7. Summary

Please see above.

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	Cupertino	City of Cupertino Community Development Department

Table 2 – Responsible Agencies

Narrative

The Consolidated Plan shows how the City plans to use its CDBG funds to meet the housing and community development needs of its residents. To update its 2015-2020 Consolidated Plan, the City collaborated with the County and other entitlement jurisdictions in the County to identify and prioritize housing and community development needs across the region, and to develop strategies to meet those needs. The FY 2019-20 Annual Action Plan represents the fifth year of CDBG funding of the 2015-2020 Consolidated Plan.

Consolidated Plan Public Contact Information

Kerri Heusler, Housing Manager
City of Cupertino Housing Division
10300 Torre Avenue
Cupertino, CA 95014
Phone: 408-777-3251
Email: KerriH@cupertino.org

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The Action Plan is a one-year plan which describes the eligible programs, projects and activities to be undertaken with funds expected during FY 2019-20 and their relationship to the priority housing, homeless and community development needs outlined in the 2015-20 Consolidated Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

During FY 2019-20, the City will continue to work with non-profit organizations in providing programs and services for low-income households; private industry, in particular financial and development groups, to encourage the development of affordable housing opportunities regionally and in the City; and other local jurisdictions in carrying out and monitoring regional projects in a coordinated and cost-effective manner. The City will provide technical assistance to the public service agencies it funds and will continue to attend the Regional CDBG/Housing Coordinators meeting.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The County Continuum of Care (CoC) is a multi-sector group of stakeholders dedicated to ending and preventing homelessness in the County. The CoC's primary responsibilities are to coordinate large scale implementation of efforts to prevent and end homelessness in the County. The CoC is governed by the County CoC Board (CoC Board), which stands as the driving force committed to supporting and promoting a systems change approach to preventing and ending homelessness in the County.

The CoC Board is comprised of individuals who also serve on the Destination: Home (D:H) Leadership Board. D:H is a public-private partnership committed to collective impact strategies to end chronic homelessness, and leads the development of community wide strategy related to the CoC's work.

Currently, the County's Office of Supportive Housing (OSH) is the Collaborative Application for the CoC. OSH is responsible for implementing by-laws and protocols that govern the operations of the CoC and ensuring that the CoC meets the requirements outlined under the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH). In 2015, D:H and the CoC released a Community Plan to End Homelessness in the County (the Plan), which outlined a roadmap for community-wide efforts to end homelessness in the County by 2020. The strategies and action steps included in the plan were informed by members who participated in a series of community summits designed to address the needs of homeless populations from April to August 2014. The Plan identifies strategies to address the needs of

homeless persons in the County, including chronically homeless individuals and families, families with children, veterans, and unaccompanied youth. Additionally, it also intended to address the needs of persons at risk of homelessness.

The City participates in the CoC. The City's Housing Manager regularly attends the CoC meetings. Members of the CoC meet on a monthly basis in various work groups to ensure successful implementation components of the Plan action steps. A Community Plan Implementation Team, which includes members of the CoC and other community stakeholders, meets quarterly to evaluate progress toward the Plan's goals, identify gaps in homeless services, establish funding priorities, and pursue an overall systematic approach to address homelessness.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City does not receive ESG funds.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 3 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Abilities United
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
2	Agency/Group/Organization	Afghan Center
	Agency/Group/Organization Type	Cultural Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
3	Agency/Group/Organization	Casa de Clara San Jose Catholic Worker
	Agency/Group/Organization Type	Services-homeless Services-Health
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
4	Agency/Group/Organization	CATHOLIC CHARITIES OF SANTA CLARA COUNTY
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
5	Agency/Group/Organization	CITY OF CAMPBELL
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
6	Agency/Group/Organization	City of Cupertino Community Development Department Housing Division
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
7	Agency/Group/Organization	City of Gilroy
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.

8	Agency/Group/Organization	City of Mountain View
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
9	Agency/Group/Organization	Bill Wilson Center
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
10	Agency/Group/Organization	City of Palo Alto - Human Relations Commission
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
11	Agency/Group/Organization	City of San Jose
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
12	Agency/Group/Organization	City of Santa Clara
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
13	Agency/Group/Organization	City of Sunnyvale
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
14	Agency/Group/Organization	Coldwell Banker
	Agency/Group/Organization Type	Business Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
15	Agency/Group/Organization	Community School of Music and Arts
	Agency/Group/Organization Type	Community family services

	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.
16	Agency/Group/Organization	COMMUNITY SERVICES AGENCY OF MOUNTAIN VIEW AND LOS ALTOS
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum as part of the 2015-2020 Consolidated Plan process.

Identify any Agency Types not consulted and provide rationale for not consulting

Not applicable.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Continuum of Care Council	The Continuum of Care works to alleviate the impact of homelessness in the community through the cooperation and collaboration of social service providers. This effort aligns with the Strategic Plan's goal to prevent and end homelessness.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
City of Cupertino General Plan Housing Element	City of Cupertino	The Housing Element serves as a policy guide to help the City plan for its existing and future housing needs. This effort aligns with the Strategic Plan's goal to assist in the creation and preservation of affordable housing for low-income and special needs households.
Regional Housing Needs Assessment (RHNA) for the Santa Clara County	Association of Bay Area Governments	This plan analyzes the total regional housing need for Santa Clara County and all of the Bay Area. This effort aligns with the Strategic Plan's goal to assist in the creation and preservation of affordable housing for low-income and special needs households.
Community Plan to End Homelessness in Santa Clara	Destination: Home	This plan analyzes the total regional housing need for Santa Clara County and all of the Bay Area. This effort aligns with the Strategic Plan's goal to assist in the creation and preservation of affordable housing for low-income households.

Table 4 - Other local / regional / federal planning efforts

Narrative

Please see discussion above.

AP-12 Participation - 91.401, 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

The Housing Division of the Community Development Department is the lead agency for overseeing the development of the Consolidated Plan and Action Plan.

Per the City’s adopted Citizen Participation Plan, the City is to allow a 30-day public review comment period for the Action Plan. The City has published notifications of upcoming public hearings and the 30-day public review comment period in the local Cupertino Courier newspaper of general circulation. The City held two advertised public hearings on May 16, 2019 and June 18, 2019. The Action Plan 30-day public review period occurred from May 1, 2019 through June 1, 2019. The City has not received any public comments to-date.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Non-targeted/broad community	The Housing Commission met on March 14, 2019 to discuss the FY 19-20 funding allocations.	Non-profit agencies discussed their funding request and thanked the City for its continued support.	Not applicable.	
2	Public Meeting	Non-targeted/broad community	The City Council held a public hearing April 2, 2019 to discuss the FY 19-20 funding allocations.	Members of the public discussed the funding requested and thanked the City for its continued support.	Not applicable.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Newspaper Ad	Non-targeted/broad community	A public hearing notice was published in the Cupertino Courier and the public comment period was held from May 1, 2019 through June 1, 2019.	No comments received.	Not applicable.	
4	Public Meeting	Non-targeted/broad community	The Housing Commission held a public hearing on May 16, 2019 to approve the FY 19-20 Annual Action Plan.	There were no public comments received on the Action Plan.	Not applicable.	
5	Public Meeting	Non-targeted/broad community	The City Council meet on June 18, 2019 to approve the FY 19-20 Annual Action Plan	No comments received.	Not applicable.	

Table 5 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

In FY 2019-20, the City will allocate approximately \$377,208.00 to eligible activities that address the needs identified in the Consolidated Plan.

It should be noted that while the HUD CDBG allocations are critical, the allocations are not sufficient to overcome barriers and address all needs that low-income individuals and families face in attaining self-sufficiency. The City will continue to leverage additional resources as described below to provide support and services to the populations in need within the community.

The City is not eligible to receive direct funding under the HOME Investment Partnership Act (HOME), Emergency Solutions Grant (ESG), or Housing Opportunities for Persons with AIDS (HOPWA). These programs are also covered under the Consolidated Plan

Regulations.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$369,264.00	7,944.00	\$0	\$377,208.00	\$0	CDBG funds will be used for the creation and preservation of affordable rental units, improvements in low income neighborhoods, and public services that benefit low income and special needs households.

Table 6 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Entitlement Funds

The City leverages financial resources to maximize the reach and impact of the City’s HUD programs. The City joined the County HOME Consortium in 2015 and on June 15, 2017 extended its participation on the consortium through FY 2020. 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 25% matching funds will be provided from the City’s Below Market Rate (BMR) Affordable Housing Fund (AHF). Currently, the BMR AHF has an available balance of approximately \$6,000,000. The

Veranda, which will be developed by Charities Housing, applied for and received \$500,000 in HOME funds from the HOME Consortium in November, 2018. The property will provide 18 units of low-income senior housing and one property manager unit. The City provided a 25% match for the project. Construction of the project began in April, 2018 and is expected to be completed in June, 2019.

Other Federal Grant Programs

In addition to the CDBG entitlement dollars, the federal government has several other funding programs for community development and affordable housing activities. These include: Section 8 Housing Choice Voucher Program, Section 202, Section 811, the Federal Home Loan Bank Affordable Housing Program (AHP), 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.

State Housing and Community Development Sources

In California, the Department of Housing and Community Development (HCD) and the California Housing Finance Agency (CalHFA) administer a variety of statewide public affordable housing programs that offer assistance to nonprofit affordable housing developers. Examples of HCD's programs include the Multifamily Housing Program (MHP), Affordable Housing Innovation Fund (AHIF), Building Equity and Growth in Neighborhoods Program (BEGIN), and CalHOME. Many HCD programs have historically been funded by one-time State bond issuances and, as such, are subject to limited availability of funding. CalHFA offers multiple mortgage loan programs, down payment assistance programs, and funding for the construction, acquisition, and rehabilitation of affordable ownership units. The State also administers the federal Low-Income Housing Tax Credit (LIHTC) program, a widely used financing source for affordable housing projects. As with the other federal grant programs discussed above, the City would not apply for these funding sources. Rather, local affordable housing developers could apply for funding through these programs for particular developments in the City.

Additionally, the County also receives Mental Health Services Act (MHSA) funds from the State for housing.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City has no surplus vacant land that would be available for the development of housing or the provision of services. The City of Cupertino FY 2019-20 Action Plan covers the time period from July 1, 2019 to June 30, 2020 (HUD Program Year 2019). The City's

FY 2019-20 entitlement amount is \$369,264.00. Additionally, the City estimates approximately \$7,944.00 in program income, bringing the total estimated budget for FY 2019-20 to \$377,208.00. It should be noted that at the time the draft Annual Action Plan was prepared the final CDBG allocations had not been provided by HUD. The City staff brought forward funding recommendations to the Housing Commission and City Council with a contingency plan in anticipation of a change in the projected entitlement funding amount for FY 2019-20. The City put into place a CDBG Contingency Plan because of the uncertainty in the federal budget and the revised timeline provided by HUD to submit the Action Plan. While HUD allocations are critical, the allocations are not sufficient to overcome barriers and address all needs that low-income individuals and families face in attaining self-sufficiency. The City will continue to leverage additional resources as described above to provide support and services to the populations in need within the community.

The City is not eligible to receive direct funding under the HOME, ESG, or HOPWA. These programs are also covered under the Consolidated Plan Regulations.

Discussion

Please see information provided in previous sections.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing	2015	2019	Affordable Housing	Citywide	Affordable Housing	CDBG: \$245,185.20	Rental units rehabilitated: 5 Household Housing Unit Homeowner Housing Rehabilitated: 7 Household Housing Unit
2	Homelessness	2015	2019	Homeless	Citywide	Homelessness	CDBG: \$35,646.16	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted
3	Strengthen Neighborhoods	2015	2019	Non-Homeless Special Needs Non-Housing Community Development	Citywide	Community Services and Public Improvements	CDBG: \$20,935.04	Public service activities other than Low/Moderate Income Housing Benefit: 21 Persons Assisted
4	Fair Housing	2015	2019	Non-Housing Community Development	Citywide	Fair Housing	CDBG: \$0	Public service activities other than Low/Moderate Income Housing Benefit: 15 Persons Assisted

Table 7 – Goals Summary

Goal Descriptions

1	Goal Name	Affordable Housing
	Goal Description	Assist in the creation and preservation of affordable housing for low income and special needs households.
2	Goal Name	Homelessness
	Goal Description	Support activities to prevent and end homelessness.
3	Goal Name	Strengthen Neighborhoods
	Goal Description	Support activities that strengthen neighborhoods through the provision of community services and public improvements to benefit low income and special needs households.
4	Goal Name	Fair Housing
	Goal Description	Promote fair housing choice.

AP-35 Projects - 91.420, 91.220(d)

Introduction

The Consolidated Plan goals below represent high priority needs for the City and serve as the basis for the strategic actions the City will use to meet these needs. The goals, listed in no particular order, are:

1. Assist in the creation and preservation of affordable housing for low income and special needs households.
2. Support activities to prevent and end homelessness.
3. Support activities that strengthen neighborhoods through the provision of community services and public improvements to benefit low income and special needs households.
4. Promote fair housing choice.

#	Project Name
1	City of Cupertino Planning & Administration
2	Community Access to Resource and Education (CARE)
3	Senior Adult Day Care
4	Housing Repair and Rehabilitation Program
5	Vista Village Rehabilitation Project
6	Maitri Anjali Transitional House

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City awards CDBG funding to nonprofit agencies to provide public services and housing for low-income and special needs households. The City operates on a two-year grant funding cycle for CDBG public service grants (FY 2018-19, 2019-20), and a one-year cycle for CDBG capital housing projects (FY 2019-20). Projects are only considered for funding within the Consolidated Plan period if they address the goals discussed above. The City's overall allocation priorities are as follows:

- CDBG administrative funds will not exceed the 20% cap of the estimated entitlement amount and program income.
- CDBG public service funds will not exceed the 15% cap of the estimated entitlement amount and program income.
- CDBG capital housing project funds will not exceed the 65% cap of the estimated entitlement amount and program income.
- Available uncommitted funds from the prior FY is proposed to be allocated for additional eligible CDBG capital housing projects.

AP-38 Project Summary

Project Summary Information1	Project Name	City of Cupertino Planning & Administration
	Target Area	Citywide
	Goals Supported	Affordable Housing Homelessness Strengthen Neighborhoods Fair Housing
	Needs Addressed	Affordable Housing Homelessness Community Services and Public Improvements Fair Housing
	Funding	CDBG: \$75,441.60
	Description	Funds to be used by the City for the planning and administration of the CDBG program.
	Target Date	June 30, 2020
	Estimate the number and type of families that will benefit from the proposed activities	Not applicable.
	Location Description	Citywide
	Planned Activities	Administer the Administrative costs for the overall management, coordination, and evaluation of the CDBG program, and the project delivery costs associated with bringing projects to completion.
2	Project Name	Community Access to Resource and Education (CARE)
	Target Area	Citywide
	Goals Supported	Strengthen Neighborhoods
	Needs Addressed	Homelessness Community Services and Public Improvements
	Funding	CDBG: \$35,646.16
	Description	Support activities to prevent and end homelessness and support activities that strengthen neighborhoods through the provision of community services and public improvements to benefit low- income and special needs households.
	Target Date	June 30, 2020
	Estimate the number and type of families that will benefit from the proposed activities	Serve a total of 100 unduplicated households by providing case management and support services.

	Location Description	Citywide
	Planned Activities	The CARE program incorporates both case management and wrap around services to help at-risk and vulnerable household's manage crisis and provide stabilization to help them move towards self-sufficiency. The target population of the CARE program includes low-income seniors, families with children, at-risk youth and adults. The CARE program includes case management, access to food pantry and emergency financial assistance.
3	Project Name	Senior Adult Day Care
	Target Area	Citywide
	Goals Supported	Strengthen Neighborhoods
	Needs Addressed	Community Services and Public Improvements
	Funding	CDBG: \$20,935.04
	Description	Provides specialized program of adult day care for frail elderly dependent adults who are residents of the City of Cupertino.
	Target Date	June 30, 2020
	Estimate the number and type of families that will benefit from the proposed activities	21 unduplicated frail, depended, low-income Cupertino seniors.
	Location Description	Serves all residents. Services provided at 20920 McClellan Road, Cupertino.
	Planned Activities	Provide services for seniors at-risk of being institutionalized. Provide specialized program such as recreation, mental stimulation, companionship and meals to seniors.
4	Project Name	Housing Repair and Rehabilitation Program
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing Community Services and Public Improvements
	Funding	CDBG: \$81,875.00
	Description	Preserves affordable housing by transforming homes through critical repairs, accessibility modifications and energy efficient upgrades for low-income homeowners and community centers, at no cost to the service recipient. The majority of the low-income homeowners served are elderly seniors and/or people with disabilities, who are physically and financially unable to maintain safe and warm living conditions for themselves and their families.

	Target Date	June 30, 2020
	Estimate the number and type of families that will benefit from the proposed activities	7 households
	Location Description	Citywide
	Planned Activities	Provide home safety repairs, mobility and accessibility improvements for low- income households in Cupertino with the primary consideration being the correction of safety hazards.
5	Project Name	Vista Village Rehabilitation Project
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$43,310.20
	Description	This project will help revitalize Vista Village affordable housing complex with various repairs and renovations. This project aligns with the agency's vision of transforming the lives of low-income households by providing a safe and affordable home.
	Target Date	June 30, 2020
	Estimate the number and type of families that will benefit from the proposed activities	1 affordable rental housing unit housing a low-income household
	Location Description	10104 Vista Drive, Cupertino, CA 95014
	Planned Activities	The repairs include laminate flooring, painting, new kitchen countertops, cabinets, replacing old carpets, and a new laminate floor for the bathroom. The cost also includes motel relocation expenses for the residents currently occupying the unit.
	Project Name	Maitri - Anjali Transitional House
	Target Area	Confidential location in Santa Clara County
	Goals Supported	Affordable Housing and special needs households
	Needs Addressed	The rehabilitation of the Anjali House will help to preserve affordable housing for survivors of domestic violence and their children
	Funding	\$120,000.00

	Description	Through new roofing, updated appliances and fixtures, new paint and landscaping, and other eligible rehabilitation activities, Maitri will make the Anjali House more livable and sustain an affordable housing opportunity. The rehabilitation work will make the current facility safer and more hygienic to protect the clients' needs and to preserve the building.
	Target Date	June 30, 2020
	Estimate the number and type of families that will benefit from the proposed activities	Four housing units will be repaired. The units house 32 Cupertino residents who are leaving domestic violence situations. Of the 32 residents, 26 are extremely low-income and 6 are very low income. 12 are youth and 20 are adults.
	Location Description	Confidential location in Santa Clara County
	Planned Activities	<p>The planned activities include:</p> <ul style="list-style-type: none"> • Roof Replacement • Painting all Four Units • Bathtub and Bathroom Flooring replacement • Kitchen and flooring repair • Landscaping • Funds will also be used to cover personnel costs to manage and oversee the project activities, vendor coordination, project purchases, compliance and grant requirements, and client convenience during the renovations.

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

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

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100

Table 9 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Not applicable.

Discussion

Please see discussion above.

DRAFT

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The homeless assistance program planning network is governed by the CoC and the D:H Leadership Board, who serves as the CoC Board of Directors. The membership of the CoC is a collaboration of representatives from local jurisdictions comprised of community-based organizations, the Housing Authority of Santa Clara (HACSC), governmental departments, health service agencies, homeless advocates, consumers, the faith community, and research, policy and planning groups. The homeless services system utilized by the CoC is referred to as the Homeless Management Information System (HMIS). The HMIS monitors outcomes and performance measures for all the homeless services agencies funded by the County. The CoC and its service providers transitioned to a new system referred to as Clarity. The system provides additional tools and resources to assist the CoC and service providers to track information regarding clients served.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

The City will provide \$35,646.16 in CDBG funds to WVCS for the CARE program. The CARE program supports activities to prevent and end homelessness. The CARE program incorporates both case management and wrap around services to help at-risk and vulnerable households manage crisis and provides stabilization to help the clients move towards self-sufficiency. The target population of the CARE program includes low-income seniors, families with children, at-risk youth and adults. The CARE program includes case management, access to food pantry and emergency financial assistance.

Additionally, the City will provide \$40,000 in BMR funds to WVCS HTH program. The goal of the 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, WVCS will serve 50 homeless individuals and families whose last address was in Cupertino by moving them into permanent housing. The target population for this grant will be families or individuals who have become homeless in the City.

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

In January 2017, a Point in Time (PIT) count was conducted for the County by the City of San Jose in conjunction with the County. The PIT is an intense survey used to count the number of homeless living throughout the County on the streets, in shelters, safe havens or in transitional housing, or in areas not meant for human habitation. The survey was conducted by hundreds of volunteers who asked those living on the streets, as well as the residents of shelters, safe havens and transitional housing, to respond to questions related to their needs. A portion of the survey

addresses the needs of those surveyed. The City financially contributed to this effort. The PIT found 127 unsheltered homeless individuals living within Cupertino. This number represents an increase of 74% from the 73 individuals that were counted in 2015. Countywide, the number of homeless increased from 6,556 in 2015 to 7,394 in 2017 – a 13% increase. A PIT was completed in January, 2019. However, at the time of this report was drafted, the updated numbers were not available.

As part of the FY 2019-20 City Work Program, the City Council prioritized Homelessness with a focus on conducting an audit of services available in Cupertino for the homeless community, confirming estimates of homelessness in Cupertino, and exploring solutions for homeless students.

Addressing the emergency shelter and transitional housing needs of homeless persons

In FY 2019-20, the City will allocate General Fund dollars to the following transitional housing programs:

- Maitri – Direct Client Services: Provides transitional housing and related supportive services to low-income victims of domestic violence who are at high risk of becoming homeless and/or suffering further abuse to themselves and their children.

The City will continue to coordinate services to the homeless through inter-agency such as efforts through the Collaborative, Help House the Homeless, and the Community Technology Alliance.

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

In FY 2019-20 the City will allocate CDBG dollars to the following services and programs:

- WVCS – Community Access to Resource and Education (CARE) - The CARE program incorporates both case management and wrap around services to help at risk and vulnerable household's manage crisis and provide stabilization to help them move towards self-sufficiency. The target population of the CARE program includes low-income seniors, families with children, at-risk youth and adults. The CARE program includes case management, access to food pantry and emergency financial assistance.

Additionally, this year, the City will provide BMR AHF to the WVCS HTH program.

- WVCS – HTH Program - The goal of the 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, WVCS will serve 50 homeless individuals and families whose last address was in Cupertino by moving them into permanent housing. The target population for this grant will be families or individuals who have become homeless in the City.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

FY 2019-20 CDBG and General Fund dollars will also fund the following:

- Live Oak Adult Day Services – Senior Adult Day Care - Provides services for seniors at-risk of being institutionalized. Provides specialized programs such as recreation, mental stimulation, companionship and nutritious meals to seniors.
- Catholic Charities of Santa Clara County – Long-Term Care Ombudsman – The program promotes the rights and well-being of residents in long term care facilities in the County and provides residents with a means by which their complaints can be heard and resolved.
- SALA – Legal Assistance for the Elderly - Provides free legal services to low-income seniors at the Cupertino Senior Center. Legal services provided are in the area of consumer complaints, housing, elder abuse, and simple wills.
- WVCS – HTH– The program will assist 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.

Along with the coordinated efforts described above, the City offers affordable housing and other public services targeted toward low-income families that are the most at-risk of becoming homeless.

Discussion

Please see above.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The incorporated and unincorporated jurisdictions within the County face barriers to affordable housing that are common throughout the Bay Area. High on the list is the lack of developable land, which increases the cost of available lands and increases housing development costs. Local opposition is another common obstacle as many neighbors have strong reactions to infill and affordable housing developments. Their opposition is often based on misconceptions, such as a foreseen increase in crime; erosion of property values; increase in parking and traffic congestion; and overwhelmed schools. To ensure a healthy economy the region must focus on strategies and investment that provide housing for much of the region's workforce – for example, sales clerks, secretaries, firefighters, police, teachers and health service workers – whose incomes significantly limit their housing choices.

Even when developments produce relatively affordable housing, in a constrained housing supply market higher income buyers and renters generally outbid lower income households and a home's final sale or rental price will generally far exceed the projected sales or rental costs. Public subsidies are often needed to guarantee affordable homes for low- and moderate-income households.

Actions it planned 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

The City identified several potential constraints to the development, maintenance, and improvement of housing and affordable housing, in its 2015-2023 Housing Element update including:

General Plan - The General Plan indicates the allowable uses and densities at various locations in the City. The Land Use/Community Design section identifies five categories of residential uses based on dwelling unit density, expressed as the number of dwelling units permitted per gross acre. As such, a City's General Plan contains several items that can affect the development and distribution of housing, such as land-use classifications, and density and intensity standards.

Zoning Ordinance - Zoning ordinances and other land-use controls have a direct effect on the availability and range of housing choices within a community. The Cupertino Zoning Ordinance establishes development standards and densities for new housing in the City. These regulations include minimum lot sizes, maximum number of dwelling units per acre, lot width, setbacks, lot coverage, maximum building height, and minimum parking requirements.

Parking Requirements - Parking requirements, when excessive, may serve as a constraint to housing development by increasing development costs and reducing the amount of land available for project amenities or additional units. The City's parking requirements are higher than many other jurisdictions, particularly for single-family homes. Considering the high cost of land, the

high parking standards may serve as a constraint to housing provision.

Site Improvements - Site improvement requirements are the responsibility of residential developers who are responsible for constructing road, water, sewer, and storm drainage improvements on new housing sites. Where a project has off-site impacts, such as increased storm water runoff or added traffic congestion at a nearby intersection, additional developer expenses may be necessary to mitigate impacts. These expenses may be passed on to consumers, as increased sales or rental costs.

In general, residential developers interviewed for the 2014-2022 Housing Element update reported that the Cupertino's public policies do not stand as a constraint to new housing production.

Discussion

As part of the Housing Element Update, the City has identified several strategies to increase affordable housing:

- Designate sufficient land at appropriate densities to accommodate Cupertino's Regional Housing Needs Allocation (RHNA) of 1,064 units for the 2014-2022 General Plan Housing Element planning period. Ensure that all new developments, including market-rate residential developments help mitigate project-related impacts on affordable housing needs.
- Encourage the development of a diverse housing stock that provides a range of housing types (including smaller moderate cost housing) with an emphasis on the provision of housing for low- and moderate-income households.
- Continue to implement the Non-Residential Housing Mitigation Program that requires developers of office, hotel, research and development (R&D), retail and industrial space to pay a mitigation fee, which will be used to support affordable housing in the City. The mitigation fees are deposited in the City's BMR AHF.
- Continue to implement the Residential Housing Mitigation Program to mitigate the need for affordable housing created by new market-rate residential development.
- The City will encourage use of density bonuses and incentives, as applicable, for housing developments.
- Continue to encourage the development of adequate housing to meet the needs of extremely low-income households and persons with special needs (such as the elderly, victims of domestic violence, and the disabled).
- Continue to facilitate housing opportunities for special needs persons by allowing emergency shelters as a permitted use in the "BQ" Quasi-Public zoning district.
- Continue to retain a fair housing services provider to provide outreach, education, counseling, and investigation of fair housing complaints.

Additionally, the City is addressing the barriers to affordable housing through the following programs and ordinances:

Below Market Rate (BMR) Affordable Housing Fund (AHF)

The City's BMR AHF receives its revenue from the payment of housing mitigation fees from

non-residential (office, retail, R&D, hotel and industrial) and residential development. The residential BMR program applies to new residential developments greater than one unit. Homeownership developments of one to six units are required to pay an in-lieu fee. Homeownership developments of seven units or greater are required to designate 15 percent of the total number of units in an ownership development as affordable. Developers of market-rate rental units, where the units cannot be sold individually, must pay a housing mitigation fee to the BMR AHF.

For non-residential housing mitigation in the City, a fee is applied to new square footage of development. The fee is then deposited in the City's BMR AHF and is used for the provision of affordable housing. The City Council adopted a nexus study on May 5, 2015 that reassessed the housing mitigation fees developers pay to the BMR AHF. In addition, the City is currently working on an updated nexus study with an anticipated completion date of summer 2019.

HOME Investment Partnerships Program (HOME)

The City joined the County's HOME Consortium in 2014. HOME funds can be used to fund eligible affordable housing projects for acquisition, construction and rehabilitation. Starting in the federal FY 2015, developers of affordable housing projects were eligible to competitively apply through an annual RFP process directly to the County for HOME funds to help subsidize affordable housing projects in Cupertino.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

This section discusses the City's efforts in addressing the underserved needs, expanding and preserving affordable housing, reducing lead-based paint hazards, and developing institutional structure for delivering housing and community development activities.

Actions planned to address obstacles to meeting underserved needs

To address obstacles to meeting underserved needs, the City supplements its CDBG funding with other resources and funds, such as:

- The City's BMR AHF fund receives its revenue from the payment of housing mitigation fees from non-residential (office, retail, R&D, hotel and industrial) and residential development. The Housing Mitigation fee program acknowledges housing needs created by the development of non-residential and residential projects, and the fees collected are deposited in the City's BMR AHF and are to be used for the provision of affordable housing.
- Each year the City allocates approximately \$50,000 from the BMR AHF to provide public service grants to public and human service agencies within the City limits.
- Each year the City allocates approximately \$100,000 from the General Fund to provide Human Service Grants to public and human service agencies within the City limits.
- HOME Program funds are available on an annual competitive basis through the State of California HOME program, and the County HOME Consortium.
- The State of California's Multifamily Housing Program has been a major source of funding for affordable housing since 2002. This program provides low-interest loans to developers of affordable rental housing.
- WVCS is a nonprofit organization that administers additional affordable housing programs in the City, which include providing support services to homeless individuals and managing a transitional housing facility.
- The Housing Trust Silicon Valley (HTSV) is a public/private venture, dedicated to increasing affordable housing in the county. The Trust makes available funds for developers to borrow for the construction of affordable units.
- The Mortgage Credit Certificate (MCC) Program provides assistance to first-time homebuyers by allowing an eligible purchaser to take 20 percent of their annual mortgage interest payment as a tax credit against federal income taxes. The County administers the MCC Program on behalf of the jurisdictions, including the City.
- The Santa Clara County Affordable Housing Fund was created in 2002, with an initial investment by the Board of Supervisors of \$18.6 million. The AHF is used for affordable housing developments and allows the leveraging of its funding with other sources to create affordable housing in the County. Additionally, a bond measure was passed this year that will add additional public funds for affordable housing projects in the County.
- The HACSC administers the federal Section 8 program countywide. The program provides rental subsidies and develops affordable housing for low income households,

seniors and persons with disabilities living within the county.

Actions planned to foster and maintain affordable housing

The City will foster and maintain affordable housing by continuing the following programs and ordinances:

- The City's Accessory Dwelling Unit Ordinance, which allows an additional unit to be built on any already developed parcel containing a single-family home.
- The City's Density Bonus Ordinance allows an increase in density for developments that provide a proportion of units for very low or low-income households or for seniors.
- All new developments must either provide BMR units or pay a housing mitigation fee, which is placed in the City's BMR AHF.
- Homeownership developments between one unit and six units pay an in-lieu fee which is deposited into the City's BMR AHF. Homeownership developments greater than six units must designate at least 15 percent of units within a development at a cost that makes the units affordable to median and moderate-income households.
- The City's participation in the County's HOME Consortium will allow developers of eligible affordable housing projects in the City to competitively apply through an annual RFP process directly to the County for HOME funds to help subsidize affordable housing projects in Cupertino, including acquisition, construction and rehabilitation. The City funded its first project through the HOME consortium with the 25% match requirement. The project, The Veranda, will provide 18 units of low-income affordable housing to seniors and one property manager unit.

Actions planned to reduce lead-based paint hazards

Lead-based paint awareness and abatement will be fully integrated by the City into its assisted housing programs. Each tenant, landlord and property owner will be informed of the dangers, symptoms, testing, treatment and prevention of lead-based paint poisoning. Lead-based paint hazard stabilization or abatement will be provided in each and every rehabilitation project. Furthermore, adherence to Federal guidelines for reduction activities with lead-based paint is provided for in every federally funded rehabilitation loan.

Actions planned to reduce the number of poverty-level families

In a continuing effort to reduce poverty, the City will make it a priority to fund agencies that provide direct assistance to the homeless and those in danger of becoming homeless and make a commitment to improve the communication and service delivery capabilities of agencies and organizations that provide programs to assist the homeless.

Depending on funding availability, the City will continue to provide assistance to public agencies and nonprofit organizations providing neighborhood housing services, supportive services to the homeless, older adults with physical or mental impairment, the mentally ill, victims of domestic violence, and households with abused children among others.

The City will coordinate with public agencies providing job training, life skills training, lead

poisoning prevention and remediation and other education programs as listed in the 2015-20 Consolidated Plan strategies.

In FY 2019-20 the City will allocate CDBG dollars to the following program:

- WVCS – CARE - The CARE program incorporates both case management and wrap around services to help at risk and vulnerable households manage crisis and provide stabilization to help them move towards self-sufficiency. The target population of the CARE program includes low-income seniors, families with children, at-risk youth and adults. The CARE program includes case management, access to food pantry and emergency financial assistance.
- Live Oak Adult Day Services – Senior Adult Day Care – Serve 21 unduplicated frail, dependent, low-income Cupertino seniors. Provides services for seniors at-risk of being institutionalized. Provides specialized programs such as recreation, mental stimulation, companionship and nutritious meals to seniors.

Actions planned to develop institutional structure

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

- Regular quarterly meetings between entitlement jurisdictions at the CDBG Coordinators Meeting and Regional Housing Working Group
- Joint jurisdiction Request for Proposals and project review committees
- Coordination on project management for projects funded by multiple jurisdictions
- HOME Consortium meetings between member jurisdictions for affordable housing projects

Actions planned to enhance coordination between public and private housing and social service agencies

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 will continue to participate with other local jurisdictions and developers in sharing information and resources.

In addition to the actions listed above, the City will continue 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 will also continue to leverage its BMR AHF to assist nonprofit affordable housing developers.

Discussion

Please see discussion above.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(l)(1,2,4)

Introduction

The following provides additional information about CDBG program income and program requirements.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	7,944
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	7,944

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

Discussion

Please see discussion above.

Appendix A: Public Comments

City of Cupertino

Citizen Participation Comments

FY 2019-20 Annual Action Plan

TO BE DETERMINED

DRAFT

Appendix B: Public Hearing Notice

INSERT COPY HERE

DRAFT

Appendix C: Application for Federal Assistance Form SF-424 and SF-424D

INSERT HERE WHEN AVAILABLE

DRAFT

Appendix D: Certifications

INSERT HERE WHEN AVAILABLE

DRAFT