

RESOLUTION NO. 20-03

**A RESOLUTION OF THE HOUSING COMMISSION OF THE CITY OF CUPERTINO
APPROVING THE FY 2019-20 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
PROGRAM CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION
REPORT (CAPER)**

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 is required to submit a FY 2019-20 CAPER (Exhibit 1) to the United States Department of Housing and Urban Development (HUD) for review and approval; and

WHEREAS, the City of Cupertino makes the certifications required by 24 CFR Sections 91.225 and 570.303 as contained in the FY 2019-20 CDBG Annual Action Plan; now, therefore:

BE IT FURTHER RESOLVED that the Housing Commission of the City of Cupertino hereby approves the FY 2019-20 CAPER; and

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to submit the FY 2019-20 CAPER approved by the Housing Commission of the City of Cupertino to HUD.

PASSED AND ADOPTED at a special meeting of the Housing Commission of the City of Cupertino this 16th day of September 2020 by the following vote:

Vote Members of the Housing Commission

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Kerri Heusler
Housing Manager

Sue Bose
Chair, Housing Commission



**City of Cupertino
Consolidated Annual Performance Evaluation Report (CAPER)
FY 2019-2020
September 16, 2020**

Public Noticing of 2019-2020 CAPER
Newspaper Ad Published in Cupertino Courier on August 28, 2020
Draft CAPER posted on the City's website on September 4, 2020
Public Comment Period: September 4, 2020 to September 25, 2020
Virtual Housing Commission held on September 16, 2020 at 9:00am

Contact Information:

Kerri Heusler
Housing Manager
Housing Division
City of Cupertino
kerrih@cupertino.org

*The City of Cupertino will provide alternative accessible formats of this document upon request.
If you need this document in an alternative format such as large print, Braille, audiotape, or
computer disc, please contact the City at the contact information listed above.*

*The CAPER can also be translated to other languages upon request, please use the contact
information listed above or call 408-777-3200.*

Table of Contents

Introduction.....	4
CR-05 Goals and Outcomes	4
CR-10 Racial and Ethnic Composition of Families Assisted	7
CR-15 Resources and Investments 91.520(a).....	8
CR-20 Affordable Housing 91.520(b).....	9
CR-25 Homeless and Other Special Needs 91.220(d,e); 91.320(d,e); 91,520(c)...	12
CR-30 Public Housing 91.220(h); 91.320(j).....	15
CR-35 Other Actions 91.220(j)-(k); 91.320(i)-(j).....	16
CR-40 Monitoring 91.220; 91.230.....	20
CR-45 CDBG 91.520(c).....	21

Exhibits

PR 03 CDBG Activity Summary Report

PR 06 Summary of Consolidated Plan Projects for Report 2019

PR 23 CDBG Summary of Accomplishments 2019

PR 26 CDBG Financial Summary Report 2019

PR 83 CDBG Performance Measures Report 2019

Attachments

Attachment A: Public Notice (*to be attached once received from the newspaper*)

Attachment B: Public Comments Received (*to be completed after the completion of the public comment period*).

This page is intentionally blank.

Introduction

The City of Cupertino receives annual U.S. Department of Housing and Urban Development (HUD) funding for the Community Development Block Grant (CDBG) program. Funding through the CDBG program is a key component to organizations serving households at or below 80% of area median income (AMI) in the City. As demonstrated in this 2019-2020 Consolidated Annual Performance and Evaluation Report (CAPER), the CDBG funds have been a critical funding source for the rehabilitation of affordable rental units, services of elderly and disabled seniors, case management services for low-income households to prevent homelessness, and minor home repairs to address health and safety concerns for low-income households.

The City's CAPER serves as the report to HUD regarding the outcomes of the goals and objectives with resources made available through the CDBG program during the 2019-2020 Annual Action Plan and the 2015-2020 Consolidated Plan for Housing and Community Development (Consolidated Plan). This is the fifth and final year that the City will be reporting on its progress in meeting the goals and objectives outlined in the 2015-2020 Consolidated Plan. As noted throughout the report, despite the recent challenges presented by the COVID-19 pandemic which has hit the County of Santa Clara and State of California particularly hard, the City has made great progress towards achieving its goals.

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 plan. In fiscal year (FY) 2019-20, the City achieved most of 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 2017-18. During the application process for FY 2018-19, the fair housing services contract was awarded to Project Sentinel. Project Sentinel is based in Santa Clara and has provided the City with rental mediation services for many years. 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 2019/2020 but these goals and accomplishments are no longer reported in IDIS.

During the 2019-2020 program year the COVID-19 pandemic presented unforeseen challenges for a number of the City's partner agencies. The County of Santa Clara issued a Shelter in Place Order on March 16, 2020 and as of the date of this report, portions of the order still remain in effect, leaving the City's agencies and businesses closed for at least six months. As a result of the public health crisis, two of the City's subrecipients were unable to spend all of their annual allocations and two agencies were unable to meet their annual goals. The details of the issues these programs faced will be discussed in more detail later in the report.

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.

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: \$120,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	14	100%	14	14	100%
Affordable Housing	Affordable Housing	CDBG: \$43,310.20	Rental units rehabilitated	Household Housing Unit	12	39	325.00%	2	1	50%
Affordable Housing	Affordable Housing	CDBG: \$81,875.00	Homeowner Housing Rehabilitated	Household Housing Unit	37	42	105%	7	8	114.29%
Fair Housing	Non-Housing Community Development	CDBG: \$0.00	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	45	10	22.22%	0	0	0%
Homelessness	Homeless	CDBG: \$35,646.16	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	500	507	101.4%	100	90	90%

Strengthen Neighborhoods	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$0.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	35	55	157.14%	0	0	0%
Strengthen Neighborhoods	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$20,935.04	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	95	201	221.6%	21	17	81%

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

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.

During the 2019-2020 program year, the City's CDBG subrecipients continued to provided vital services to extremely low-, very low-, low- and moderate-income households while addressing the priorities and needs of the community as explained in the City's 2015-2020 Consolidated Plan. The majority of the CDBG funded programs/activities meet their annual goals despite the COVID-19 pandemic and the County of Santa Clara's shelter in place order which has been in effect (and currently remains in effect) since March 16, 2020.

With its CDBG funds, the City was able to fund the rehabilitation of a domestic violence safe house and an affordable rental unit. Additionally, with CDBG funds, eight low income households received needed home repairs to address health and safety concerns and preserve their housing. Seventeen (17) elderly seniors were provided adult care and ninety (90) low-income households were provided case management services to assist them in achieving self-sufficiency.

The City continued to fund a number of additional programs and services through its General Fund Human Services Grant (HSG) and BMR AHF that supplemented the CDBG funded activities. The City funded Project Sentinel, who provided fair housing and tenant/landlord mediation services to the City, through its BMR AHF funds. The City also funded Haven to Home through the General Fund HSG. The Haven to Home program provides services to help homeless clients secure permanent housing, maintain employment, and enhance income opportunity. The clients receive intensive case management designed to provide easy access to resources at one location. Additionally, through the General Fund HSG, the City funded Catholic Charities (Long-term Care Ombudsman Program), Maitri (Direct Client Services to Domestic Violence Survivors), and Senior Adults Legal Assistance (Legal Assistance to Cupertino Elders).

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)

	CDBG
White	48
Black or African American	2
Asian	68
American Indian or American Native	1
Native Hawaiian or Other Pacific Islander	0
American Indian/Alaska Native and White	2
Asian and White	0
Black and White	0
American Indian/Alaskan Native/Black	0
Other	9
Total	130
Hispanic	5
Not Hispanic	125

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

Narrative

Table 2 generated in IDIS includes five (5) racial categories and does not reflect all of the racial categories served by the City's CDBG funded agencies. The modified Table 2 (shown above) includes the correct racial categories for individuals served in FY 2019-20.

In total, the City's CDBG program served one hundred and thirty (130) individuals. Of those individuals, approximately thirty-seven percent (37%) were White; two percent (2%) were African American; fifty-two (52%) were Asian; two percent (2%) were either American Indian/American Native, American Indian/Alaska Native/White; and seven percent (7%) were Other. Approximately, four percent (4%) were Hispanic.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	Public - federal	\$377,208.00	\$357,526.82

Table 3 - Resources Made Available

Narrative

During the 2019-20 program year, the City received an entitlement allocation of \$369,264. In addition to the entitlement amount, the City has \$7,944 in program income. The City's program income is tracked by the City in a separate database and is no longer entered into IDIS. The City's finance department discussed this approach with its HUD representative and the HUD representative agreed. Combined, the total funds available was \$377,208.

Due to the COVID-19 pandemic and the County of Santa Clara's Shelter in Place Order, two of the City's subrecipients, Live Oak Community Services and Maitri, were unable to utilize all of their grant funds. Additionally, the bid costs related to the Maitri project were higher than initially anticipated which hinders the organization's ability to complete the entire rehabilitation. The remaining unused funds from the two grants total \$19,681.18. These funds will be added to the City's unused funds from previous years and will be allocated as part of the 2021-20 Notice of Availability of Funding in late Fall/early Winter.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Citywide	100	100%	The City of Cupertino utilizes the HUD entitlement CDBG allocation to provide services to extremely-, very low-, low- and moderate-income households throughout the City.

Table 4 – Identify the geographic distribution and location of investments

Narrative

The City has not established specific target areas to focus the investment of CDBG funds. The funds were distributed Citywide.

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.

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: Section 8 Housing Choice Voucher Program, Section 202, Section 811, the Affordable Housing Program (AHP) through the Federal Home Loan Bank, and others.

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.

The BMR AHF receives its revenue from the payment of housing mitigation fees from non-residential 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.

In FY 2019-20, the City allocated \$200,000 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.

In FY 2019-20, the City Council allocated \$83,600 from the General Fund HSG to public and human service agencies within the City. The monies were utilized to fund a long-term care ombudsman, client services for victims of domestic violence, legal assistance to seniors, and housing placement and case management services to homeless individuals and families.

The City joined the Santa Clara County HOME Consortium in 2015. As mentioned in previous CAPER reports, the Veranda, which was developed by Charities Housing, applied for and received \$500,000 in HOME funds from the HOME Consortium. The property provided (nineteen) 19 units low-income senior housing. The City provided a twenty-five percent (25%) match for the project.

It should be noted that the City owns one parcel that is suitable for development and is currently undergoing a feasibility study for the development of affordable housing.

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.

	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	0	0
Number of special-needs households to be provided affordable housing units	0	0
Total	0	0

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rehab of Existing Units	9	9
Total	9	9

Table 6 – Number of Households Supported

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

In FY 2019-20, Rebuilding Together Silicon Valley (RTSV) exceed its annual goal to rehabilitated seven (7) homes occupied by low-income households. RTSV provided health and safety repairs to eight (8) low-income households. In FY 2019-20, West Valley Community Services (WVCS) planned to repair two (2) affordable rental units. One (1) of the households refused the needed repairs so the agency was only able to repair one (1) unit of rental affordable housing.

Discuss how these outcomes will impact future annual action plans.

As discussed above, RTSV exceeded its annual goal and WVCS was unable to meet its goal. Overall, the CDBG funds were utilized to repair and address health and safety issues in nine (9) housing units. This is the City's last year reporting on the goals outlined in the 2015-2020 Consolidated Plan. However, the City will continue to address the affordable housing needs of its community.

As mention previously, 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 met it annual fair housing goals in FY 2019-20.

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.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	105	0

Low-income	9	0
Moderate-income	11	0
Total	125	0

Table 7 – Number of Households Served

Narrative Information

In total, one hundred and thirty (130) persons were served through the City's CDBG funded services. Of the individuals/households served, one hundred and five (105) were extremely-low income, nine (9) were low income and eleven (11) were moderate income. Five (5) were non-moderate (above 80% AMI). It should be pointed out that the households that were above moderate were served at the Live Oak Adult Day Care facility and were elderly and disabled residents who fall within HUD's presumed benefit category.

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 the first built development to take utilize 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. Although currently not in effect, this 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.

Additionally, in FY 2019-20, the City provide CDBG funds for the rehabilitation of a domestic violence shelter in Cupertino. The funds addressed a major safety repair issue involving the roofs of the property.

In FY 2019-20, the City provided \$25,000 to Maitri through the General Fund 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 2019-20, the City provided \$35,646 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 2019-20, the City provided General Fund HSG and/or BMR AHF to the following organizations:

- Senior Adult Legal (SALA) – Received \$10,600 from the General Fund HSG. SALA provided free legal services to fifty-one (51) Cupertino residents age sixty (60) or older. All clients were presumed low/moderate income (51% to 80% AMI) by HUD because they are elderly (age 60 or older).
- Maitri – Received \$25,000 from the General Fund HSG. With the funds, Maitri provided case management services to nine (9) Cupertino residents and provided housing search assistance to eight (8) Cupertino residents.
- Catholic Charities - \$10,600 from the General Fund HSG. Catholic Charities provided needed advocacy of elders living in long-term care facilities. In total, two hundred and forty-four (244) unduplicated residents were contacted.

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 \$35,646 in CDBG funds to WVCS to administer its CARE program. CARE 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 2019-20, the City provided \$40,000 in General Fund HSG to WVCS for the Haven to Home (HTH) program. The goal of 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 2019-20, WVCS served forty (40) homeless individuals and families whose last address was in Cupertino.

In total in FY 2019-20, the City allocated approximately \$56,581 in CDBG and \$83,600 in General Fund 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.

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 (4) 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.

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, on May 19, 2020, the City Council adopted an update to the BMR Residential Housing and Commercial Linkage Fees. As part of this update, the City conducted an economic feasibility analysis that reviewed fees associated with development and potential policy updates to the BMR Program. The City took the following actions:

- Amended the BMR Housing Mitigation Program Procedural Manual (Housing Mitigation Manual) to increase the affordable housing (BMR) requirement for ownership projects from 15% to 20%, and to make other conforming changes consistent with State law,
- Amended the Housing Mitigation In-Lieu Fees to increase the fees for offices, research and development, and industrial space to \$30 per square foot and the fees for hotels to \$15 per square foot;
- Received a report on Housing Solutions, Including Opportunities to Increase Housing Supply for Extremely Low-Income Households and Approaches to Encourage BMR Housing Production by Non-Residential Land Uses.

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 (7) 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

Request for Proposal (RFP) process. Applications are submitted to the County Office of Supportive Housing (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 2018-19. The property provided eighteen (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 percent (25%) match as part of total contribution of forty-three percent 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 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 RFP 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 Continuum of Care (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, 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 2018-19.

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 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 (www.cupertino.org/housing) 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.

In a joint effort with the County of Santa Clara and Cities, the City is currently updating the Analysis of Impediments (AI) to Fair Housing Choice. The Cupertino AFH Plan is expected to be completed in Winter/Spring 2021.

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. In FY 2019-2020, the Fair Housing Center at Project Sentinel opened and investigated seven cases in Cupertino.

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.

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 (September 10– September 25, 2020). An advertisement was placed in the Cupertino Courier, a newspaper of general circulation on August 28, 2020, advertising the availability of the CAPER for public review and comment. The draft CAPER was posted on the City's website on September 10, 2020. Due to COVID-19, copies of the CAPER could be mailed or e-mailed to citizens free of charge. The City also makes available a TDD phone number for the hearing impaired. The City also conducted a virtual public hearing at the Cupertino Housing Commission meeting held on September 16, 2020 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.

Not applicable. The City does not plan to change the CDBG program objectives.

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

No, there are no open Brownfields Economic Development Initiative (BEDI) grants.

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

Not applicable.

The Cupertino Courier

c/o Bay Area News Group
4 N. 2nd Street, Suite 800
San Jose, CA 95113

2083307

CITY OF CUPERTINO
ATTN: KIRSTEN SQUARCIA
10300 TORRE AVENUE
CUPERTINO, CA 95014

PROOF OF PUBLICATION

State of California
County of Santa Clara

FILE NO. B.Ebben: EXC-2020-001

I am a citizen of the United States. I am over the age of eighteen years and I am not a party to or interested in the above entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Cupertino Courier, a newspaper published in the English language in the City of Cupertino, County of Santa Clara, State of California.

I declare that the Cupertino Courier is a newspaper of general circulation as defined by the laws of the State of California as determined by court decree dated November 13, 1956, Case Number 100637. Said decree states that the Cupertino Courier is adjudged to be a newspaper of general circulation for the City of Cupertino, County of Santa Clara and State of California. Said order has not been revoked.

I declare that the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

08/28/2020

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated: August 28, 2020



Public Notice Advertising Clerk

Legal No.

0006511187

CITY OF CUPERTINO NOTICE OF PUBLIC HEARING FOR 2019-20 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CAPER. NOTICE IS HEREBY GIVEN that at a special meeting on Wednesday, September 16, 2020, the City of Cupertino Housing Commission will conduct a public hearing regarding the 2019-20 CDBG CAPER. **In accordance with Governor Newsom's Executive Order No-29-20, this will be a teleconference meeting without a physical location. Members of the public will be able to observe and address the meeting telephonically or otherwise electronically from the City's website through procedures that will be detailed in the published meeting agenda.** Interested parties are invited to "attend" and be heard. The CAPER is an annual plan required by U.S. Dept. of Housing and Urban Development (HUD) which describes grant accomplishments in relation to eligible activities that were undertaken with CDBG funds during FY 2019-20. The City's CAPER evaluates and assesses how well the City was able to accomplish the goals set forth in the 2019-20 Annual Action Plan and 2015-2020 Consolidated Plan. HUD requires that the CAPER be made available for public review and public comment for fifteen days: September 10- September 25, 2020.

For questions regarding the upcoming Housing Commission public hearing, please contact Kerri Heusler, Housing Manager, at kerrih@cupertino.org or 408-777-3251. If you wish to challenge the Housing Commission's action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence received by the City of Cupertino at, or prior to the public hearing. Note that Housing Commission policy is to allow speakers up to three (3) minutes per individual. Please be advised that pursuant to Cupertino Municipal Code 2.08.100 written communications sent to the Cupertino City Council, Commissioners or City staff concerning a matter on the agenda are included as supplemental material to the agenda item. These written communications are accessible to the public through the City's website and kept in packet archives. You are hereby admonished not to include any personal or private information in written communications to the City that you do not wish to make public; doing so shall constitute a waiver of any privacy rights you may have on the information provided to the City. Persons needing special assistance to attend the meeting under the Americans with Disabilities Act should call at least 48 hours prior to the public meetings to ensure their needs can be appropriately accommodated.

PUBLICATION DATE:
August 28, 2020

CU#6511187; August 28, 2020