



# CUPERTINO

**City of Cupertino  
Consolidated Annual Performance Evaluation Report (CAPER)  
Program Year 2021 (July 1, 2021 – June 30, 2022)**

**Public Noticing of 2021 CAPER:**

Newspaper Ad Published in the San Jose Mercury News on September 2, 2022  
Draft CAPER posted on the City's website on September 07, 2022  
Public Comment Period: September 08 through September 26, 2022  
Virtual Housing Commission held on September 22, 2022 at 9 am

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## **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 Consolidated Annual Performance and Evaluation Report (CAPER), 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 a report to HUD regarding the outcomes of the goals and objectives with resources made available through the CDBG program and allocated in the Program Year (PY) 2021 Annual Action Plan (AAP) and the 2020-2025 Consolidated Plan for Housing and Community Development (Con Plan). PY 2021 is the second year of the 2020-2025 Consolidated Plan, and the City will be reporting on its progress in meeting the goals and objectives outlined in this plan. As noted throughout the report, despite the challenges presented by the COVID-19 pandemic, the City is making progress towards achieving its five year goals.

## **CR-05 - Goals and Outcomes**

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

The City of Cupertino is the recipient of federal Community Development Block Grant (CDBG) funding from the United States Department of Housing and Urban Development (HUD). HUD provides these funds to the City on an annual basis to use for projects and activities that benefit low- and moderate-income individuals and families.

As a recipient of these funds, the City is required to prepare a five-year strategic plan called a Consolidated Plan (Con Plan). The Con Plan identifies housing and community needs for low- and moderate-income persons and areas within the City. It then identifies and prioritizes resources to address these needs, and establishes annual goals and objectives to meet them. The City prepares a plan prior to the start of each program year called the Annual Action Plan (AAP). The AAP lists specific steps that the City will take in the coming year to meet the goals and objectives identified in the Con Plan. After the end of the program year, the City prepares the CAPER to document the City's overall progress in carrying out the priority projects identified in the five-year Con Plan and the AAP.

The City of Cupertino's 2021 CAPER covers Program Year (PY) 2021 (July 1, 2021 - June 30, 2022), which is the second year of the 2020-25 Con Plan cycle. This CAPER has been prepared to meet HUD's requirements for annual performance evaluation and includes a summary of the activities performed during PY 2021, the amount of funds allocated to those activities, and the number of low- and moderate-income persons and households who were assisted. The 2021 CAPER also documents the City's cumulative efforts toward meeting 2020-25 Con Plan goals, contains a summary of public comments received by the City during a 15-day comment period held from September 08 through September 26, 2022, and includes reports generated by HUD's Integrated Disbursement and Information System (IDIS).

For PY 2021, the City of Cupertino received \$412,800 in CDBG funds from HUD, received \$7,942.33 in program income, and had \$48,000 of prior year unexpended funds, for a total of \$468,742.33 in program funds. The City's major accomplishments for PY 2021 include:

- Funding the repairs for 5 affordable rental housing units housing low- and moderate-income households;
- Funding health and safety repairs for 6 extremely low- and moderate income senior homeowners; and
- Providing social services to 92 low-income individuals to prevent homelessness.
- Providing a specialized care program for 20 elderly residents of the City.

**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)**

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Planning and Administration: CDBG-CV	Planning and Administration	CDBG-CV: \$19,630.00	Other	Other	1	1	100.00%	1	1	100.00%
Community Development Needs: COVID -19 Response: Abode Wolfe Rd Encampment Services	Homeless Non-Housing Community Development	CDBG-CV: \$234,672.00	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	10	10	100.00%	10	10	100.00%
Community Development Needs: COVID -19 Response: Senior Meal Delivery Program	Non-Homeless Special Needs Non-Housing Community Development	CDBG-CV: \$24,142.41	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	42	36	85.71%	42	36	85.71%
Fair Housing	Homeless Non-Homeless Special Needs Non-Housing Community Development	BMR Affordable Housing Fund: \$49,615.24	Homelessness Prevention	Persons Assisted	500	223	44.60%	100	105	105.00%
Frail Elderly/Elderly Services	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$22,720.16	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	110	33	30.00%	22	20	90.91%

Homeowner Rehabilitation	Affordable Housing	CDBG: \$87,023.27	Homeowner Housing Rehabilitated	Household Housing Unit	35	12	34.28%	7	6	85.71%
Planning and Administration	Planning and Administration	CDBG: \$84,148.80	Other	Other	5	2	40.00%	1	1	100.00%
Rental Unit Rehabilitation	Affordable Housing	CDBG: \$222,971.41	Rental units rehabilitated	Household Housing Unit	25	9	36.00%	5	5	100.00%
Services for Low-Income Families and Homeless Popu	Homeless Non-Housing Community Development	CDBG: \$40,391.42	Homelessness Prevention	Persons Assisted	500	173	34.60%	100	92	92.00%

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

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**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.**

As indicated in the 2020-25 Con Plan and PY 2021 AAP, the highest priorities for the City are as follows:

1. Assist in the creation and preservation of affordable housing for low-income and special needs households.
2. Support activities to prevent and end homeless.
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.

The City is making steady progress toward meeting these goals. Under the affordable housing category, the City provided funding to repair 5 affordable rental housing units occupied by low- and moderate-income households. Additionally, the City’s CDBG funds assisted in addressing health and safety repairs for 6 extremely low- and moderate-income elderly homeowners.

In PY 2021, the City continued to fund programs targeted at preventing homelessness including the Community Access to Resources and Education Program. This program is operated by West Valley Community Services. The agency was able to provide services to 92 low-income Cupertino residents, 35 of which were female headed households.

Additionally, the City provided CDBG funds to the Live Oak Adult Care Program that provides a specialized program of adult day care for frail elderly dependent adults who are residents of Santa Clara County. The organization operates a site in Cupertino, and in PY 2021 they served 20 elderly and disabled clients. During the height of the COVID-19 pandemic Live Oak saw a slight decline in the number of new clients enrolling in the program, but the numbers have since shifted back to normalcy. The program enrollment numbers in PY 2021 were up 54% from the numbers in PY 2020.

The City of Cupertino also funded five additional public service programs through the use of its General Fund HSG (Human Services Grant) and BMR AHF (Below Market Rate Affordable Housing Fund) that provide services to low- and moderate-income families, the elderly, victims of domestic violence and the disabled:

- Haven to Home Program
- Senior Adults Legal Assistance
- Long-term Care Ombudsman Program
- Maitri
- Project Sentinel Fair Housing Services

Overall, these five programs provided services to 547 individuals, 232 of which were extremely low-income and 284 were female headed households.

Finally, over the course of PY 2021 the City spent \$258,814.41 in CDBG-CV funds. CDBG-CV funds were provided to the City by HUD for COVID-19 response. The City utilized the funds for two different COVID-19 related programs, the first of which was the Abode Wolfe Road Encampment Services Program.

The Cupertino Homelessness Task Force identified the encampments located along Wolfe Road near Interstate 280 (Wolfe Road encampment) as a serious concern due to the COVID-19 pandemic, inclement weather, and proximity to high-speed traffic entering the freeway. Since July 2020, regular and continuous outreach efforts lead by the Santa Clara County Office of Supportive Housing (OSH) and Abode Services have identified and assessed numerous unhoused individuals residing at the Wolfe Road encampment. Through a cooperative effort between the City, OSH, and Abode Services, services such as temporary lodging, supportive services, and storage were provided to help 10 of the encampment members. The City also provided sanitation services to the residents of the encampment, including toilets and hand-washing stations.

The second CDBG-CV program was the Senior Meal Delivery Program which provided home delivered meals to 36 seniors (aged 52 and older) in need while supporting local businesses. The meals were scheduled for twice per week and provided relief to seniors who were confined in their homes due to mobility reasons and health reasons based on their vulnerability to COVID-19.

## 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	67
Black or African American	7
Asian	50
American Indian or American Native	1
Native Hawaiian or Other Pacific Islander	10
Other/Multi-Racial	34
<b>Total</b>	<b>169</b>
Hispanic	31
Not Hispanic	138

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

### Narrative

The CR-10 Racial and Ethnic Composition of Families Assisted - 91.520 (a) table is generated in IDIS and includes five racial categories. The table as shown in IDIS does not reflect all of the racial categories served by the City's CDBG funded agencies. The modified CR-10 Racial and Ethnic Composition of Families Assisted - 91.520 (a) table, which is inserted above, includes the correct racial categories for individuals served in PY 2021.

In total, the City's CDBG program served 169 people. The Race/Ethnicity percentages are as follows:

- 39.6% were White
- 4.1% were African American
- 29.6% were Asian
- 0.6% were Native American
- 5.9% were Native Hawaiian or Other Pacific Islander
- 20.1% were Other/Multi-Racial

Out of the total of 169 people assisted, approximately 18.3% were Hispanic. In addition, 42 female headed households were served through the City's CDBG funded programs. This information was reported to the City in the quarterly performance reports.



## 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	\$468,742.33	\$457,255.06
Other – CDBG-CV	public - federal	\$259,938.00	\$258,814.41
Other – BMR & HSG	public - local	\$165,780.00	\$154,917.97

**Table 3 - Resources Made Available**

### Narrative

During PY 2021, the City received an entitlement allocation of \$412,800. In addition to the entitlement amount, the City received \$7,942.33 in program income, and had \$48,000 in prior year unexpended funds. Combined, the total amount of CDBG funds that were available in PY 2021 was \$468,742.33.

The City also made \$259,938 of CDBG-CV funds available which were spent on the Abode Wolfe Road Encampment Services Program and the Senior Meal Delivery Program.

Lastly, the City made \$165,780 of local funding available to help local nonprofit agencies expand their services and assist more people.

### 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 citywide.

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

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 (Below Market Rate Affordable Housing Fund) receives its revenue from the payment of housing mitigation fees from non-residential and residential development projects. 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 PY 2021, the City allocated \$50,000 in BMR AHF to Project Sentinel, a local non-profit organization that provides fair housing and tenant/landlord counseling services. BMR AHF was also provided to organizations that offer BMR program administration, landlord/tenant rental mediation, and an affordable rental housing renovation project.

In PY 2021, the City Council allocated \$115,780 from the General Fund HSG to housing and human service agencies throughout the City. The money was utilized to fund a long-term care ombudsman program, client services for victims of domestic violence, legal assistance to seniors, and housing placement/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, received \$500,000 in HOME funds from the HOME Consortium. The property provided 19 units of low-income housing for seniors. The City provided a 25% match for the project, as well as additional City funds.

It should be noted that the City owns two parcels at Byrne Avenue and Mary Avenue. The Byrne Avenue site is anticipated to be studied in FY 2022-23 for long range planning for use of the property. The City issued an Request for Proposal (RFP) in the Fall of 2022 for the development of affordable housing at the Mary Avenue site.

## 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	5	5
Number of special-needs households to be provided affordable housing units	7	6
<b>Total</b>	<b>12</b>	<b>11</b>

Table 511 – Number of Households

	One-Year Goal	Actual
Number of households supported through rental assistance	0	0
Number of households supported through the production of new units	0	0
Number of households supported through the rehab of existing units	12	11
Number of households supported through the acquisition of existing units	0	0
<b>Total</b>	<b>12</b>	<b>11</b>

Table 612 – Number of Households Supported

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

In PY 2021, Rebuilding Together Silicon Valley (RTSV) provided health and safety repairs to rehabilitate 6 homes occupied by low- and moderate-income senior households. West Valley Community Services (WVCS) was able to repair and rehabilitate 5 rental affordable housing units occupied by low- and moderate- income households.

The City fell slightly short of achieving its annual goal, but provided much needed funding to repair/rehabilitate 11 units of low- and moderate-income housing.

**Discuss how these outcomes will impact future annual action plans.**

The City does not anticipate any future impact to Annual Action Plans. The CDBG funds were utilized to repair and address health and safety issues in 11 housing units. This is the City’s second year reporting on the goals outlined in the 2020-25 Consolidated Plan, and the City anticipates meeting the five year goals.

The City funds a fair housing service provider with its BMR AHF funds. In PY 2021, the service provider, Project Sentinel, received \$50,000. Project Sentinel met its annual fair housing goal by providing fair housing services to 105 individuals in PY 2021.

**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.**

<b>Number of Households Served</b>	<b>CDBG Actual</b>	<b>HOME Actual</b>
Extremely Low-income	4	0
Low-income	7	0
Moderate-income	0	0
<b>Total</b>	<b>11</b>	<b>0</b>

**Table 713 – Number of Households Served**

**Narrative Information**

In total, the City provided funding to repair 11 units of affordable housing. Of those 11 households, 4 were extremely low-income (0-30% AMI), and 7 were low-income (31-50% AMI). In addition, 5 were renter households, and 6 were homeowner households. The homeowners assisted were seniors and persons with disabilities.

## **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**

Every two years during the last ten days of January, communities across the United States conduct comprehensive counts of the local population experiencing homelessness. These biennial Point-in-Time Counts (PIT) estimate the prevalence of homelessness in each community and collect information on individuals and families residing in temporary shelters and places not meant for human habitation, and ultimately help the federal government better understand the nature and extent of homelessness nationwide.

As required of all jurisdictions receiving federal funding from the U.S. Department of Housing and Urban Development (HUD) to provide homeless services, Continuums of Care (CoC) across the country report the findings of their local Point-in-Time Count in their annual funding application to HUD. Currently, the Santa Clara County CoC receives approximately \$26 million dollars annually in federal funding.

In 2021, due to the COVID-19 health crisis, HUD offered CoCs the option to utilize a waiver, removing the requirement for the CoC to conduct a count of unsheltered homeless individuals. To focus resources on assisting homeless persons during the pandemic and to reduce risks to staff and volunteers, the Collaborative Applicant for the Santa Clara County CoC, the County's Office of Supportive Housing (OSH) submitted a notification to HUD to utilize the waiver for the unsheltered count and the survey portions of the PIT Count in 2021. The OSH continued to work with CoC partners to expand and enhance services across the supportive housing system. While doing so, the OSH utilized other data sources such as the Homeless Management Information System (HMIS), a communitywide homeless database, to understand trends related to the needs of this vulnerable population in lieu of the 2021 PIT Count.

A PIT Count was conducted in February 2022, and although the full report has not yet been released, preliminary results show that the overall number of homeless individuals in Santa Clara County has remained relatively steady compared to the 2019 PIT Count.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The City supports efforts to end homelessness and 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. Last year in PY 2020, the City initiated a partnership with the West Valley Rotating Safe Car Park (RSCP) Program, which is a collaboration of faith-based communities, local city governments, and other service organizations. RSCP allows for temporary overnight parking for homeless individuals or families living out of their cars as a safe

alternative to sleeping on the streets or in a homeless shelter. The program connects homeless individuals and families with hospitality and case management services.

In PY 2021, 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 households served by Maitri are homeless. During the year, Maitri provided case management and housing services to 9 households, all of which were extremely low-income.

**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 PY 2021, the City provided \$40,391.42 in CDBG funds to WVCS to administer its Community Access to Resources and Education (CARE) program. The main focus of the CARE program is to bring services and resources closer to at-risk populations, coordinate assistance internally and externally, and help navigate hospital services, 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 provided 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 PY 2021, the City provided General Fund HSG and/or BMR AHF to the following organizations:

- Senior Adult Legal (SALA) – Received \$15,000 from the General Fund HSG. SALA provided free legal services to 23 Cupertino residents age 60 or older.
- Maitri – Received \$25,000 from the General Fund HSG. With the funds, Maitri provided case management services to 9 Cupertino residents.
- Catholic Charities - \$9,975.62 from the General Fund HSG. Catholic Charities provided needed advocacy of elders living in long-term care facilities. In total, 358 unduplicated residents were contacted.

The City follows the guidance of Santa Clara County's CoC as it relates to individuals who may

be discharged from publically funded institutions and systems of care. The CoC has updated their discharge policy as recently as August 2021. The details can be found on their website in the [SCC CoC Quality Assurance Standards for Homeless Housing & Service Programs](#) document on page 67. The CoC actively works with health care facilities, hospitals, and correction programs and institutions when individuals are discharged to provide referrals to shelters.

**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 \$40,391.42 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 homeless maintain their housing.

In PY 2021, the City provided \$55,327.11 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, and enhance income opportunities and financial stability. The supportive services critical to the success of this program are intensive case management, housing search assistance, landlord mediation, benefits clinics, 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 PY 2021 WVCS served 52 homeless individuals and families whose last address was in Cupertino.

In total in PY 2021, the City spent approximately \$63,111.58 in CDBG and \$105,302.73 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.

Additionally, the City spent \$234,672 in CDBG-CV funding to assist homeless persons. The Cupertino Homelessness Task Force identified the encampments located along Wolfe Road near Interstate 280 (Wolfe Road encampment) as a serious concern due to the COVID-19 pandemic, inclement weather, and proximity to high-speed traffic entering the freeway. Since July 2020, regular and continuous outreach efforts lead by the Santa Clara County Office of Supportive Housing (OSH) and Abode Services have identified and assessed numerous unhoused individuals residing at the Wolfe Road encampment. Through a cooperative effort between the City, OSH, and Abode Services, temporary lodging, supportive services, sanitation services including toilets and hand-washing stations, and storage helped provide a pathway to housing for

ten of the encampment members.

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

### **Actions taken to address the needs of public housing**

Not applicable. The Housing Authority of the County of Santa Clara (HACSC) owns and manages 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 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)**

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.

These actions will assist the City in continuing to address the many barriers to affordable housing (including high costs and limited land), and provide additional funds to assist developers in building affordable housing in the City of Cupertino.

In PY 2021, the City continued to administer its BMR Ownership and Rental Programs in an effort to remove barriers to affordable housing. Over the course of the year, there were 6 resales of BMR ownership units, and new tenants were found to fill vacancies for 20 BMR rental units.

## **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. Some of the primary impediments to creating 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 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. Annually, the City releases a Notice of Funding Availability (NOFA) / Request for Proposals (RFP) for BMR AHF and CDBG capital housing projects. In PY 2021, the City released a NOFA/RFP for \$6,000,000 in BMR AHF which could be used for activities such as land acquisition, new construction, acquisition and/or rehabilitation of buildings for permanent affordability, and substantial rehabilitation. In addition, the NOFA/RFP included \$360,000 in CDBG funding for capital housing projects.

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 Proposals (RFP) process. Applications are submitted to the County Office of Supportive Housing (OSH) for HOME funds to help subsidize affordable housing projects within the City. In addition, the City issued an RFP in the Fall of 2022 for the development of affordable housing at the City-owned Mary Avenue site.

**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 about 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.

Due to the high cost of housing in the area, the City has focused its efforts on providing and maintaining the affordable housing of low-income households in order to prevent them from becoming homeless. Once a household has affordable housing, they are able to focus on obtaining job skills and securing employment opportunities. During PY 2021, the City Council budgeted \$115,780 of local General Fund monies. This funding, combined with other current efforts, will greatly assist households living below the poverty level, and help keep them from losing their housing due to an unanticipated life event, such as an illness.

#### **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 bi-weekly 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 the Regional Housing Working Group, and the Continuum of Care (CoC). To improve intergovernmental and private sector cooperation, the City participates with other local jurisdictions and developers in sharing information and resources. An example of this is a bi-weekly Housing/CDBG Coordinator's meeting where staff members from various jurisdictions around the Bay Area meet to discuss various opportunities for coordination and work through problems. The City has continued to attend these meetings throughout PY 2021.

#### **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, including the recommended policies and actions to respond to the fair housing impediments identified in the document. An update to the AI was approved by the Housing Commission on February 11, 2016. This update was conducted as part of the 2015-2020 Consolidated Plan update. 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](http://www.cupertino.org/housing)), 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.
- Facilitate access to all available housing programs. The City will continue to fund multiple housing programs through various funding sources annually, and help to promote these programs and services to the public.
- City staff continues to contract with a fair housing provider to conduct outreach and education regarding fair housing for home seekers, landlords, property managers, real estate agents, and lenders.
- In addition to outreach, the fair housing provider will conduct fair housing testing in local apartment complexes.
- Reevaluate its current contracts and amend future contracts, if necessary, to ensure that the fair housing services with the highest need are continued to be provided, and consider implementing a rental assistance program to keep low-income Cupertino residents in their homes.
- 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.

Project Sentinel received \$50,000 from the City's BMR AHF to support their fair housing, tenant and landlord counseling, dispute resolution services, and rental mediation activities. To combat illegal housing discrimination and ensure civil rights protection, Project Sentinel provides comprehensive fair housing services including 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, referral to HUD

or DFEH filings, and/or litigation. Investigative work efforts include paired testing, surveys, witness interviews, and document review. In PY 2021, the Fair Housing Center at Project Sentinel served 105 individuals.

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## **CR-40 - Monitoring 91.220 and 91.230**

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

The City continues to actively monitor all CDBG subrecipients and projects to ensure compliance with program and comprehensive planning requirements. Monitoring involves the review of quarterly reports, invoices, and agency audit reports. Annual onsite monitoring is carried out for all CDBG subrecipients and consists of reviewing client files, financial records, policies and procedures, and compliance with federal requirements. All of these monitoring efforts apply to CDBG-CV activities as well.

## **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](http://www.cupertino.org/housing)) and at City Hall for the required 15-day public comment period (September 08 – September 26, 2022). An advertisement was placed in the San Jose Mercury News, a newspaper of general circulation on September 2, 2022 advertising the availability of the CAPER for public review and comment. The draft CAPER was posted on the City's website on September 07, 2022. Due to COVID-19, copies of the CAPER were made available to be mailed or e-mailed to citizens free of charge. The City makes a TDD phone number available for the hearing impaired. Persons needing special assistance could call and request accommodation prior to the public meetings. The City held a virtual public hearing during the Cupertino Housing Commission meeting on September 22, 2022 to provide the public with an opportunity to comment on the draft CAPER. No public comments were received.

**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.

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

Not applicable.

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## CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

<b>Total Labor Hours</b>	<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>	<b>HOPWA</b>	<b>HTF</b>
Total Number of Activities	0	0	0	0	0
Total Labor Hours	0	0	0	0	0
Total Section 3 Worker Hours	0	0	0	0	0
Total Targeted Section 3 Worker Hours	0	0	0	0	0

**Table 815 – Total Labor Hours**

<b>Qualitative Efforts - Number of Activities by Program</b>	<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>	<b>HOPWA</b>	<b>HTF</b>
Outreach efforts to generate job applicants who are Public Housing Targeted Workers	0	0	0	0	0
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.	0	0	0	0	0
Direct, on-the job training (including apprenticeships).	0	0	0	0	0
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.	0	0	0	0	0
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).	0	0	0	0	0
Outreach efforts to identify and secure bids from Section 3 business concerns.	0	0	0	0	0
Technical assistance to help Section 3 business concerns understand and bid on contracts.	0	0	0	0	0
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.	0	0	0	0	0
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.	0	0	0	0	0
Held one or more job fairs.	0	0	0	0	0
Provided or connected residents with supportive services that can provide direct services or referrals.	0	0	0	0	0
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.	0	0	0	0	0
Assisted residents with finding child care.	0	0	0	0	0
Assisted residents to apply for, or attend community college or a four year educational institution.	0	0	0	0	0
Assisted residents to apply for, or attend vocational/technical training.	0	0	0	0	0
Assisted residents to obtain financial literacy training and/or coaching.	0	0	0	0	0
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.	0	0	0	0	0
Provided or connected residents with training on computer use or online technologies.	0	0	0	0	0
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.	0	0	0	0	0
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.	0	0	0	0	0
Other.	0	0	0	0	0

**Table 916 – Qualitative Efforts - Number of Activities by Program**

**Narrative**

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