



# Equity Advisory Group

## City of Milpitas 2023-2031 Housing Element

September 29, 2022

*City of Milpitas*

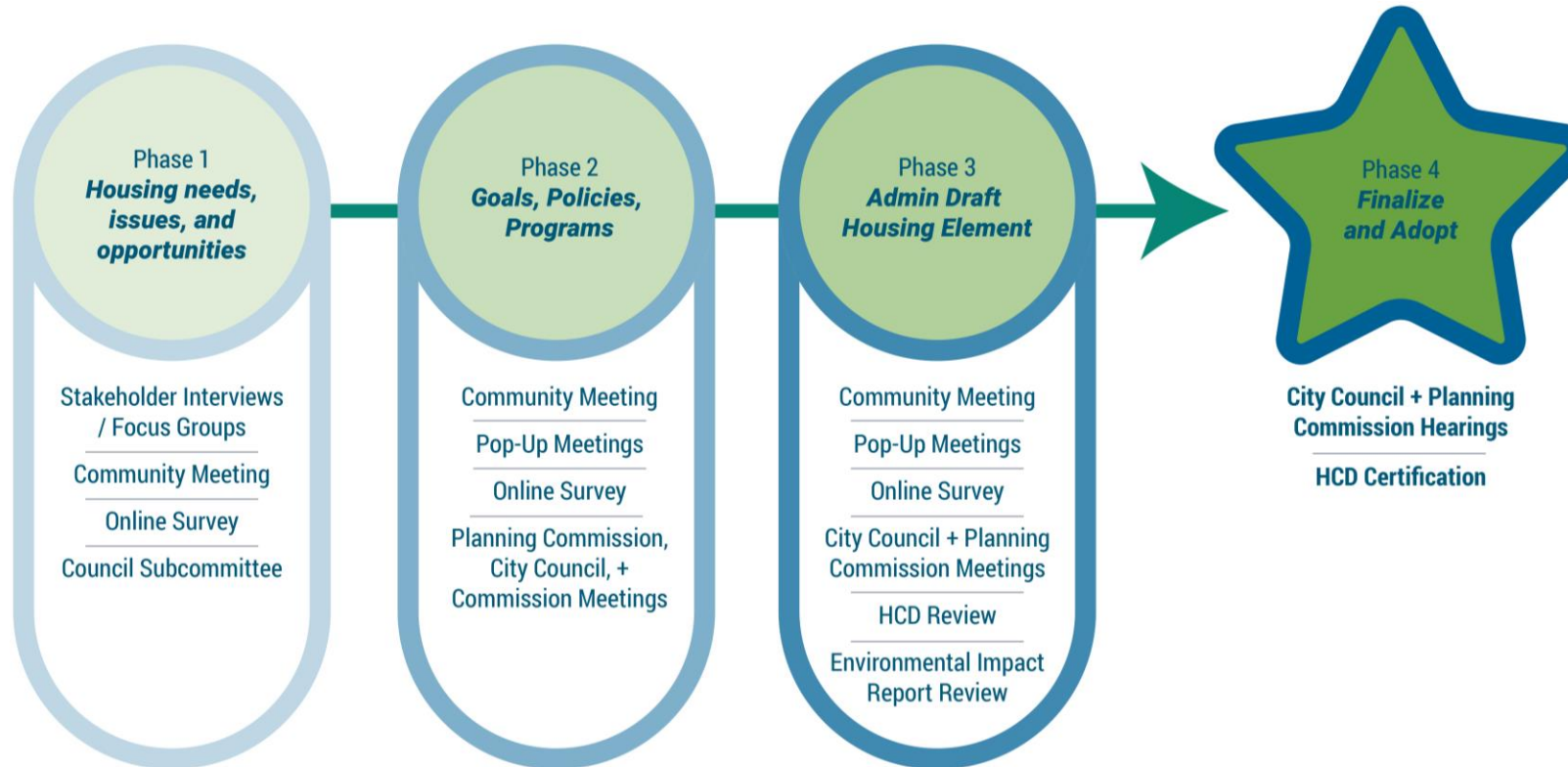
455 E. Calaveras Blvd., Milpitas, CA 95035  
[www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov) 408-586-3000



# Presentation Roadmap

- Who We Are?
- What have We Heard?
- Where are our Housing Sites?
- What have We Learned from the Fair Housing Assessment?
- Review Public Draft Housing Element Programs
- Questions or Comments?

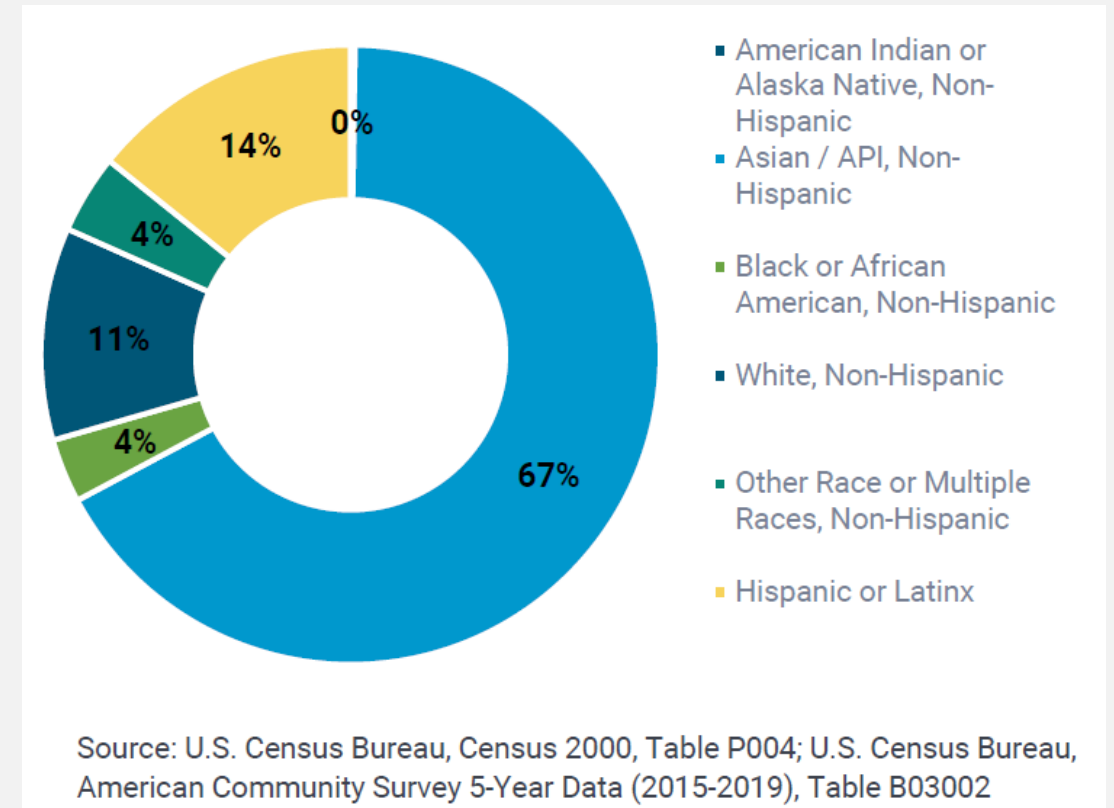
# Housing Element Update Process



# Demographic and Socio-Economic Trends



- Growing
- Getting older (and younger)
- Majority Asian American and Pacific Islander
- More cost burdened





# Special Needs Populations

**5,546**

people with disabilities  
in 2019, 7% of the  
population

**125**

people experiencing  
homelessness in 2019,  
<1% of the population

**101**

farmworkers in 2019,  
<1% of the population

**1,328**

single householders  
over age 65, 6% of the  
households

**3,557**

large households in  
2019, 15% of the  
households

**2,447**

female-headed  
households in 2019,  
10% of the households

**2,579**

extremely low-income  
households in 2019,  
10% of the households

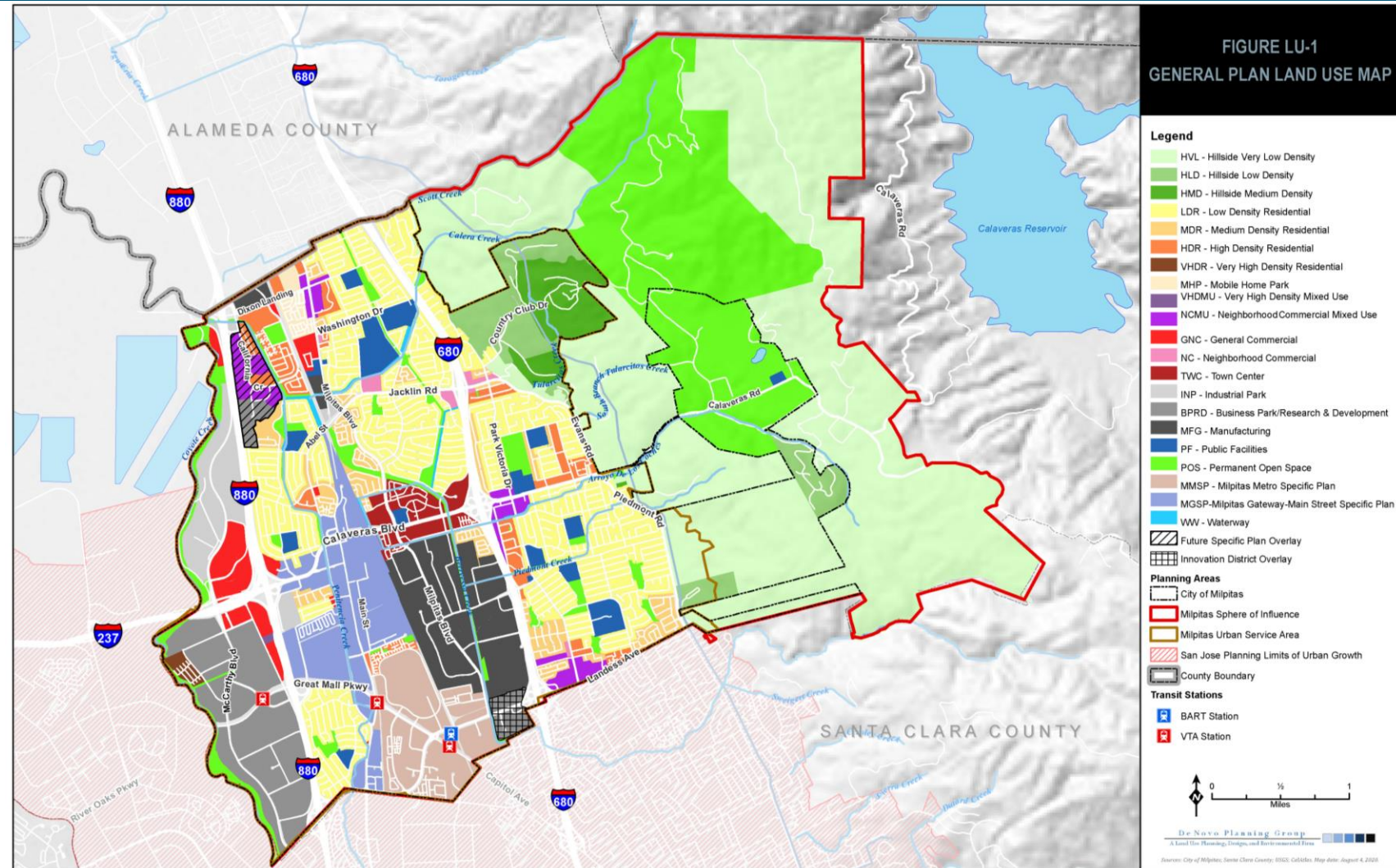
# Housing Trends

**+2,647**

increase in single family attached and detached housing units from 2010 to 2022

**+2,655**

increase in multi-family housing units from 2010 to 2022





# Community Engagement

## As of September 19

- › Stakeholder meetings and roundtables
- › Workshops
- › Surveys
- › Pop-up meetings (Earth Day, Great Mall, Main Library, Great Mall Farmers' Market)
- › City Council and Housing Sub-Committee meetings
- › Project website
- › Outreach:
  - Locations: main library, senior and community centers, 171 units at Sunnyhills Apartments, City Hall Permit Center, ADU workshops
  - Promotion: City newsletters (Milpitas Matters, Connected), Economic Development's Constant Contact, Milpitas Chamber of Commerce's Hot Topics

**>1,400**

number of webpage visits

**9**

number of community engagement events

**31**

stakeholders interviewed

**96**

meeting participants

**261**

survey participants



# Translation & Interpretation Services

Engagement Type	Translation/Interpretation Provided
Project Website	<ul style="list-style-type: none"><li>• Embedded translation to 6 languages (Vietnamese, Mandarin, Cantonese, Spanish, Korean, Filipino)</li></ul>
Phase 1	<ul style="list-style-type: none"><li>• Outreach and full survey (printed and digital) translated to 3 languages (Vietnamese, Chinese simplified, Spanish)</li><li>• Outreach translated to 3 languages (Vietnamese, Chinese simplified, Spanish)</li><li>• Meeting interpreted and recorded in 3 languages (Vietnamese, Mandarin, Spanish)</li></ul>
Phases 2 and 3	<ul style="list-style-type: none"><li>• Outreach and full survey in English</li><li>• Outreach translated to 3 languages (Vietnamese, Chinese simplified, Spanish)</li><li>• Meeting interpreted and recorded in 3 languages (Vietnamese, Mandarin, Spanish)</li></ul>



# Phase 1 Engagement Weaknesses and Challenges

## ➤ Housing Cost and Cost of Living

- High overall
- Acute impact on low-income people, younger generation, people with fixed income
- Homeownership is out of reach

## ➤ Lack of Housing for Specific Groups

- Families with children, low-income households, young adults/professionals, persons with disabilities

## ➤ Low Supply

- Both for renting and for sale

## ➤ Overdevelopment and Overcrowding

- Balanced approach distributed across the city
- Impact on infrastructure

*“My vision for housing in Milpitas is for every person that already lives here in Milpitas to be able to afford to live here. Everyone here wants to stay in this town, but many are feeling they can’t afford it because all the homes to buy are over 1 million. Rent is \$2,500 and up starting for a one-bedroom. Many of the people that live here help the city keep their businesses going but on little wage. Many are living paycheck-to-paycheck that middle income has become unrealistic for most here.”*

# Phase 2 Engagement

## Policy and Program Ideas

### ➤ Housing for Special Needs Groups

- Provide incentives for housing for people with disabilities
- Support higher quality senior housing
- Partner with supportive services providers

### ➤ Housing Preservation

- Protect mobile homes
- Continue rent relief program
- Create rent registry / inventory

### ➤ Fair Housing

- Expand education and outreach around reasonable accommodation and affirmative marketing
- Increase renter protections

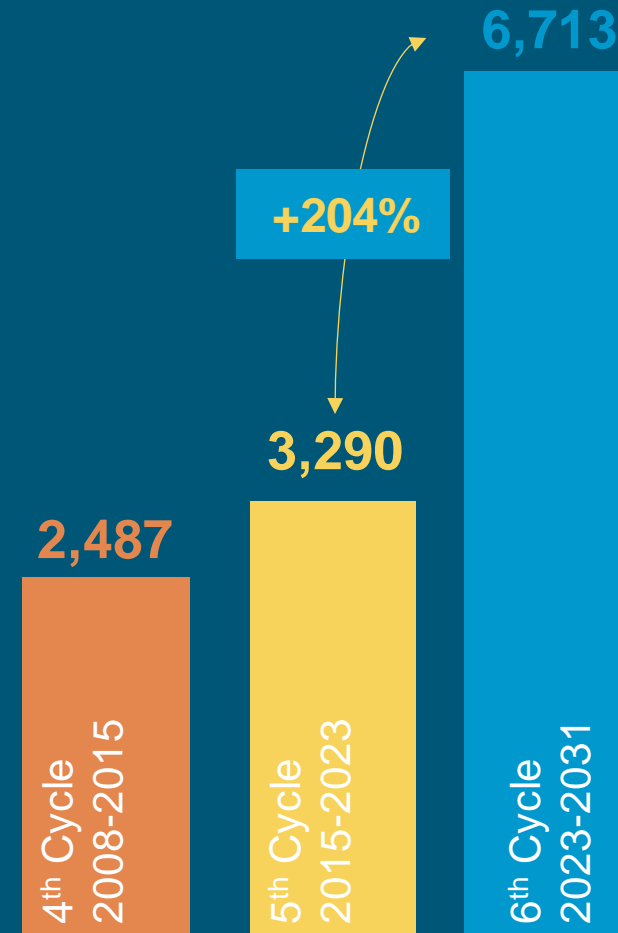
# Regional Housing Needs Allocation

4<sup>th</sup>, 5<sup>th</sup>, and 6<sup>th</sup> cycles

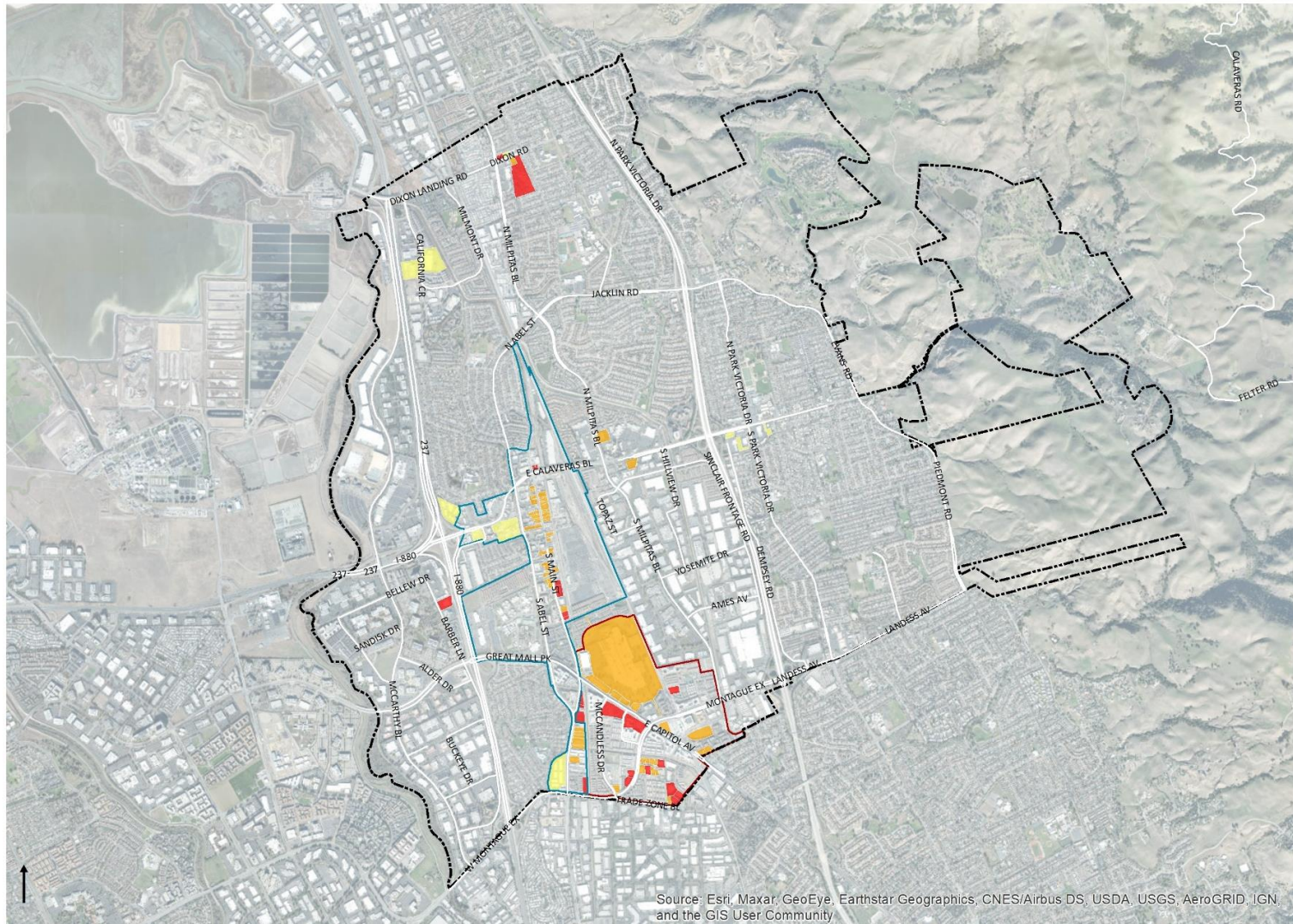
**Projected Future Housing Needs  
+ Unmet Existing Housing Needs**  

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**= Higher Allocation**



# Sites Inventory



## Pipeline Sites:

Projects that have been approved, applications submitted, or those that are under construction but are not expected to receive a Certificate of Occupancy until after July 1, 2022

## Opportunity Sites:

Vacant or underutilized sites, currently zoned for residential or mixed-use, and likely to redevelop during this eight-year planning period

## Rezone Sites:

Sites that are potential candidates for redevelopment but would require to be rezoned to allow residential use ('NCMU' GP designation or 'C2' Commercial zone)

# Sites Inventory

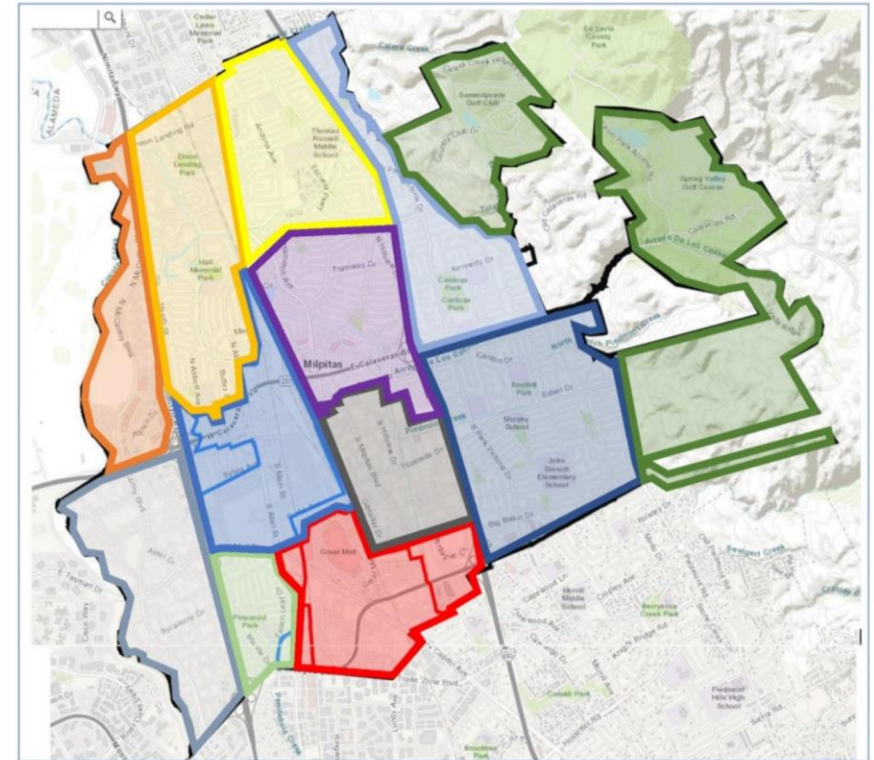


Likely Sites	Very Low <50% AMI	Low 50-80% AMI	Moderate 80-120% AMI	Above Mod >120% AMI	Total
<b>RHNA</b>	<b>1,685</b>	<b>970</b>	<b>1,131</b>	<b>2,927</b>	<b>6,713</b>
Credits	197	274	169	1,800	2,441
Potential ADUs	74	74	74	25	248
Pipeline Projects	123	200	95	1,775	2,193
Remaining RHNA	1,488	696	962	1,127	4,272
Opportunity Sites	1,091	1,091	1,576	2,027	5,785
Rezone Sites	225	225	319	478	1,247
Total Capacity (Opportunity + Rezone)	1,316	1,316	1,895	2,505	7,032
Surplus (%)		449 (21%)	993 (97%)	1,378 (122%)	2,760 (65%)

# Fair Housing: Takeaways

## What did our analysis of all of this information tell us?

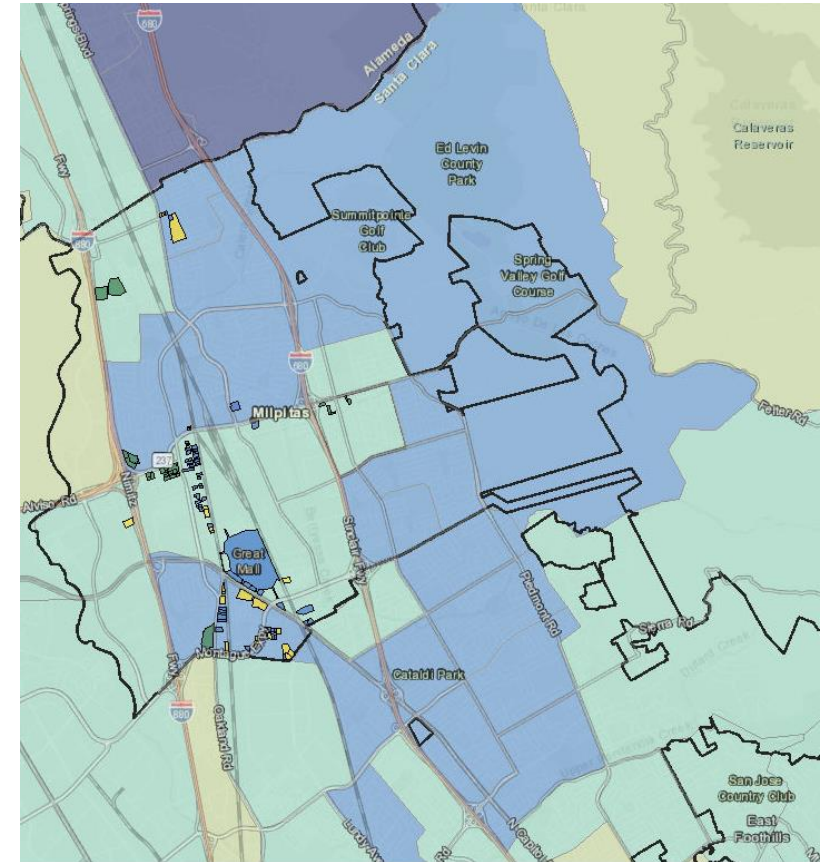
- Although there is segregation on the basis of race and ethnicity in the broader region, **Milpitas – within its own boundaries – is not highly segregated.** Most neighborhoods have similar compositions. All are majority Asian American and Pacific Islander.
- One portion of the city, including the southern portion of the **North Park Victoria – Kennedy Dr. neighborhood** and the northern portion of the **South Park Victoria – Yosemite Dr. Neighborhood**, has slightly higher Latino/a/x population than other neighborhoods and slightly lower income levels.
- **Housing costs in the city and the region are extremely high, and Latino/a/x households, Vietnamese households, Black households, and persons with disabilities have experienced the brunt of that impact.** Displacement continues to be a frequent result of rising costs.



# Fair Housing: Programs

## What programs does the Housing Element propose to address these challenges?

- Tenant Assistance and Fair Housing Services
- Fair Housing Enforcement, Outreach, and Education
- Anti-Displacement
- Applying a fair housing lens across all programs

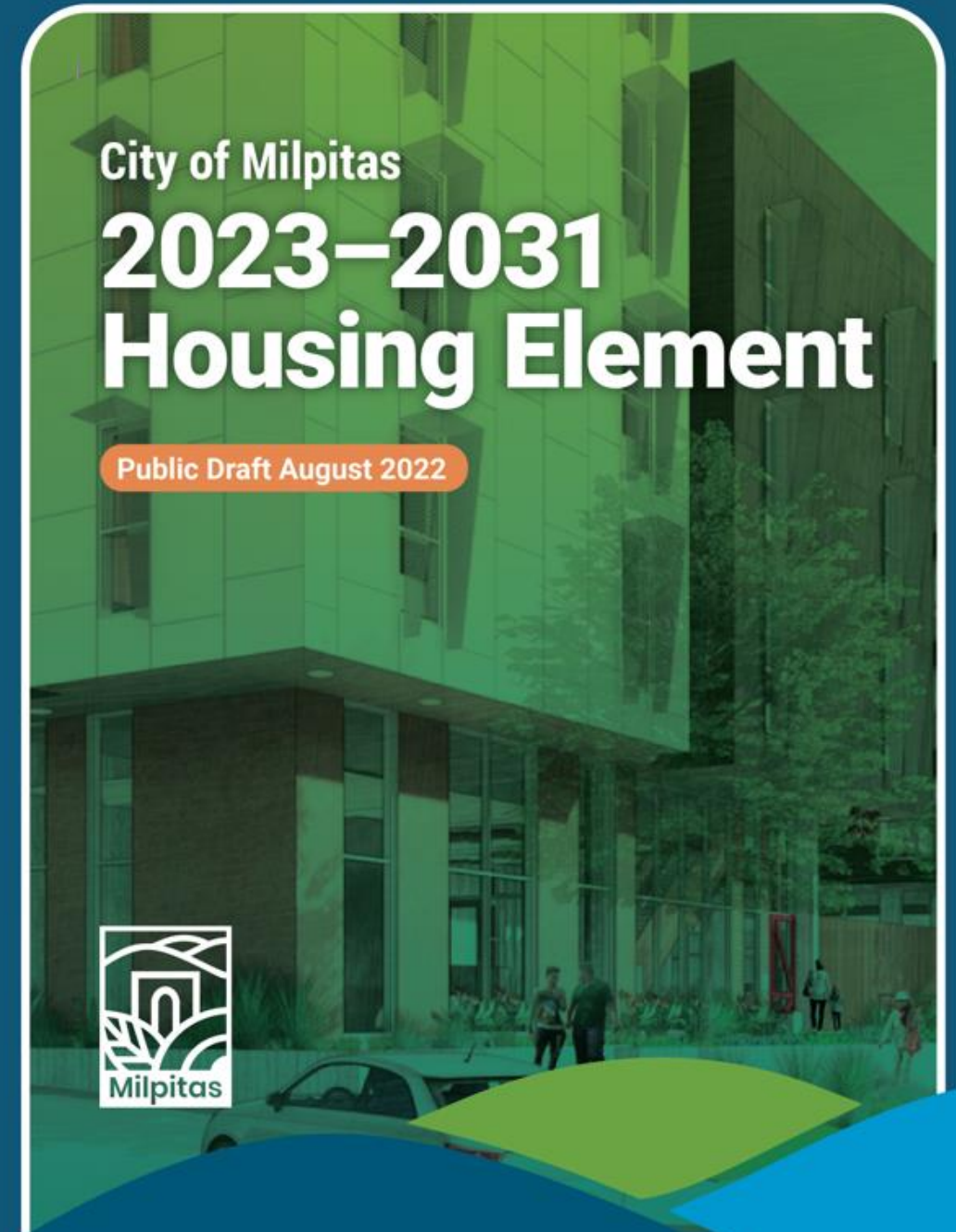


Sites Inventory and TCAC Opportunity Area  
Composite Score by Tract (2021)



# Public Review Draft

Comment by September 30, 2022





# Draft 6<sup>th</sup> Cycle Housing Programs

## Housing Mobility



Program	Action	Targeting	Timeline	Metric
<b>Housing Mobility</b>				
<b>Program 6: Housing Rehabilitation</b>	Continue to facilitate reasonable accommodations for homeowners seeking to install accessibility modifications to serve disabled residents, targeting resources and assistance to projects located in lower resource neighborhoods or projects with affordable housing or rent-restricted units.	Targeted outreach in lower resource neighborhoods	By 2031	Assist 250 households
<b>Program 19: Below Market Rate (BMR) Housing Program</b>	Facilitate low- and moderate-income households to become first-time homeowners consisting of either financial assistance or completion of training program.	Citywide	By 2031	Assist 20 households
	Conduct affirmative marketing to ensure equitable participation in the BMR program.	Black and Latino residents		
<b>Program 21: Zoning Code Amendments</b>	Review and adopt new zoning provisions to align land use standards with State law requirements for special needs housing.	Citywide	By 2023	Create 325 new housing units for special needs groups and large families
<b>Program 22: Supportive Housing for Persons with Disabilities</b>	Collaborate with the County for supportive housing.	Citywide	By 2024	
<b>Program 23: Large Units for Families with Children in Multifamily Housing</b>	Identify possible zoning incentives, such as expedited processing or density bonuses, for multifamily developments that include units with three or more bedrooms.	Citywide	By 2024	

# Draft 6<sup>th</sup> Cycle Housing Programs

## New Opportunities in High Resource Areas



Program	Action	Targeting	Timeline	Metric
<b>New Opportunities in High Resource Areas</b>				
<b>Program 1: Adequate Sites for RHNA and Monitoring of No Net Loss</b>	Rezone properties as outlined in Appendix E to provide adequate sites to accommodate the RHNA shortfall zoned to allow housing units at the low-income affordability levels.	Citywide	By December 2024	Increase new housing opportunities in higher resource areas by 2000 units
	Amend the Zoning Code to provide by-right approval of housing proposed on sites previously identified in the 5th cycle	Citywide	By December 2023	
<b>Program 4: Accessory Dwelling Units</b>	Continue to facilitate ADU construction and legalization.	Citywide	Annually	31 ADUs or JADUs
<b>Program 15: Housing Opportunity Zones</b>	Adopt the HOZ to incentivize affordable housing beyond the requirements of the City's Affordable Housing Ordinance	TWC and NCMU GP designations	By Fall 2023	Adopt HOZ
<b>Program 16: Affordable Housing Development</b>	Facilitate the development of 2,600 affordable units over eight years.	Citywide	By 2031	2,600 units
<b>Program 20: Specific Plans</b>	Facilitate residential or mixed-use development on identified sites.	Metro Specific Plan and Gateway-Main Street Specific Plan areas	By 2022, Adopt Metro Specific Plan By 2024 adopt Gateway-Main Street Specific Plan	Adopt Specific Plans
<b>Program 24: Missing Middle Housing</b>	Facilitate smaller-scale multi-unit and workforce housing in lower density residential neighborhoods	High resource neighborhoods	Ongoing	NA



# Draft 6<sup>th</sup> Cycle Housing Programs

## Fair Housing Enforcement, Outreach & Education

Program	Action	Targeting	Timeline	Metric
<b>Fair Housing Enforcement, Outreach, and Education</b>				
<b>Program 7: Tenant Assistance and Fair Housing Services</b>	Support persons through Project Sentinel's outreach and informational workshops, phone call assistance, fair housing, and other support.	Citywide	Annually	Support 320 persons every year
<b>Program 8: Fair Housing Enforcement, Outreach, and Education</b>	Continue to outreach to residents regarding fair housing rights.	Citywide	Ongoing	Update website by 2023



# Draft 6<sup>th</sup> Cycle Housing Programs

## Anti-Displacement and Tenant Protections

Anti-Displacement and Tenant Protections				
<b>Program 2: Replacement Housing</b>	Adopt City regulations to address the replacement requirements including the first right-of-refusal and relocation assistance for displaced tenants.	Citywide	By December 2023	No net loss of existing affordable housing
<b>Program 5: Neighborhood Preservation and Code Enforcement</b>	Continue to offer replacement/relocation assistance to income-qualified households when displaced by code enforcement activities.	Citywide	Ongoing	Not applicable
<b>Program 7: Tenant Assistance and Fair Housing Services</b>	Assist residents, landlords, and housing professionals over the next eight years with rental assistance.	Citywide	Ongoing; By 2031	Assist 300 Milpitas Residents
<b>Program 9: Anti-Displacement</b>	Supplement the California Tenant Protection Act of 2019 by evaluating and enacting certain anti-displacement measures.	Citywide	By 2028	Not applicable
<b>Program 11: Preservation of At-Risk Housing</b>	Monitor status of the at-risk projects.	<u>Sunnyhills Apartments</u>	Ongoing; Annually	Preserve 149 affordable units
<b>Program 13: Mobile Home Rent Control</b>	Continue the implementation of Rent Control Ordinance to preserve the affordability of the mobile home parks.	3 mobile home parks	Ongoing	Not applicable
<b>Program 14: Rent Review Ordinance</b>	Continue the implementation of the ordinance with expanded outreach to the specific neighborhoods.	North Park Victoria - Kennedy Drive South Park Victoria - Yosemite Drive	Ongoing; Annually	Not applicable



# Draft 6<sup>th</sup> Cycle Housing Programs










## Place-Based Strategies for Neighborhood Improvements

Program	Action	Targeting	Timeline	Metric
<b>Place-Based Strategies for Neighborhood Improvements</b>				
<b>Program 5: Neighborhood Preservation and Code Enforcement</b>	Continue to refer income-eligible households to the City's Housing Rehabilitation Program for assistance with code corrections	Citywide	Ongoing	Not applicable
<b>Program 10: Place-Based Strategies for Neighborhood Improvements</b>	<u>Traffic related Projects:</u> <ul style="list-style-type: none"> <li>Street Resurfacing Project 2023 will provide pavement rehabilitation and ADA curb ramp upgrades.</li> <li>With \$1 million of FY2022 state budget allocation for Milpitas bike facilities improvements, prioritize bike facility improvements for 2023-2025 per adopted trail, bike, and pedestrian master plan</li> </ul>	<ul style="list-style-type: none"> <li>Dempsey Road from S. Park Victoria to Yosemite Drive</li> <li>Citywide</li> </ul>	By 2023	CIP implementation
	Implement <u>Capital Improvement Program (CIP)</u> identified projects	North Park Victoria - Kennedy Drive Neighborhood and South Park Victoria - Yosemite Drive Neighborhood	By 2031	CIP implementation

# Phase 3 Engagement

## Public Draft Housing Element Underway

- Identify missing programs?
- Rank priority programs?
- Identify **who** and **where** to target the programs?

Housing Element Update 2023-2031   Community Workshop #3   September 13, 2022				
HOUSING PROGRAMS THEME 2				HOUSING PRESERVATION
Program	Description	Timeframe	AFFH	Targeting
<b>P-5</b> Neighborhood Preservation and Code Enforcement	Enhance neighborhood conditions through its Code Enforcement Program, including the Neighborhood Beautification Ordinance (NBO), which establishes guidelines for the overall maintenance and preservation of neighborhoods citywide. Refer income-eligible households to the City's Housing Rehabilitation Program for assistance with code corrections and offer relocation assistance if displaced by code enforcement activities.	Ongoing		<b>AFFH Relationship</b> <ul style="list-style-type: none"> <li> Fair Housing Enforcement, Outreach, and Education</li> <li> New Opportunities in High Resource Areas</li> <li> Housing Mobility</li> <li> Anti-Displacement and Tenant Protections</li> <li> Place-Based Strategies for Neighborhood Improvements</li> </ul>
<b>P-6</b> Housing Rehabilitation	Provide safety, accessibility, and mobility repairs to mobile and single-family homes owned by very low- and low-income households.	Ongoing		
<b>P-10</b> Place-Based Strategies for Neighborhood Improvements	Focus resources to rehabilitate and/or replace infrastructure and housing-related amenities in older or under-resourced neighborhoods.	Ongoing		
<b>P-11</b> Preservation of At-Risk Home	Preserve affordable housing units that are at risk of losing their affordability status.	Ongoing Monitor annually		Sunnyhills Apartments  <b>Capital Improvement Program identified projects:</b> <ul style="list-style-type: none"> <li>• North Park Victoria – Kennedy Drive Neighborhood</li> <li>• South Park Victoria – Yosemite Drive Neighborhood</li> </ul> <b>ARPA park improvements and Parks &amp; Recreation Master Plan:</b> <ul style="list-style-type: none"> <li>• North Park Victoria – Kennedy Drive neighborhood (parks: Calle Oriente, Cardoza )</li> <li>• South Park Victoria – Yosemite Drive neighborhood (parks: Selwyn, Foothill, Murphy, Robert E. Brown, Sinnott)</li> </ul>



# To Provide Feedback on the Housing Element, Learn More, and Stay Involved

- Visit the Milpitas Housing Element website at <https://milpitashousingelement.com/>
- Comment directly on the Housing Element using Konveio at <https://milpitashousingelement.com/engagement-tool/>
- Take the online survey at <https://bit.ly/MilpitasHESurvey3> →
- Milpitas Housing Element team at [housingelement@ci.milpitas.ca.gov](mailto:housingelement@ci.milpitas.ca.gov)





## City of Milpitas

455 E. Calaveras Blvd., Milpitas, CA 95035

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# Phase 3: Engagement

*Where and who should these programs prioritize?*

*Are there any program ideas missing?*

*In your opinion, which program is top priority to meet the City's housing needs?*



Housing Element Update 2023-2031 | Community Workshop #3 | September 13, 2022

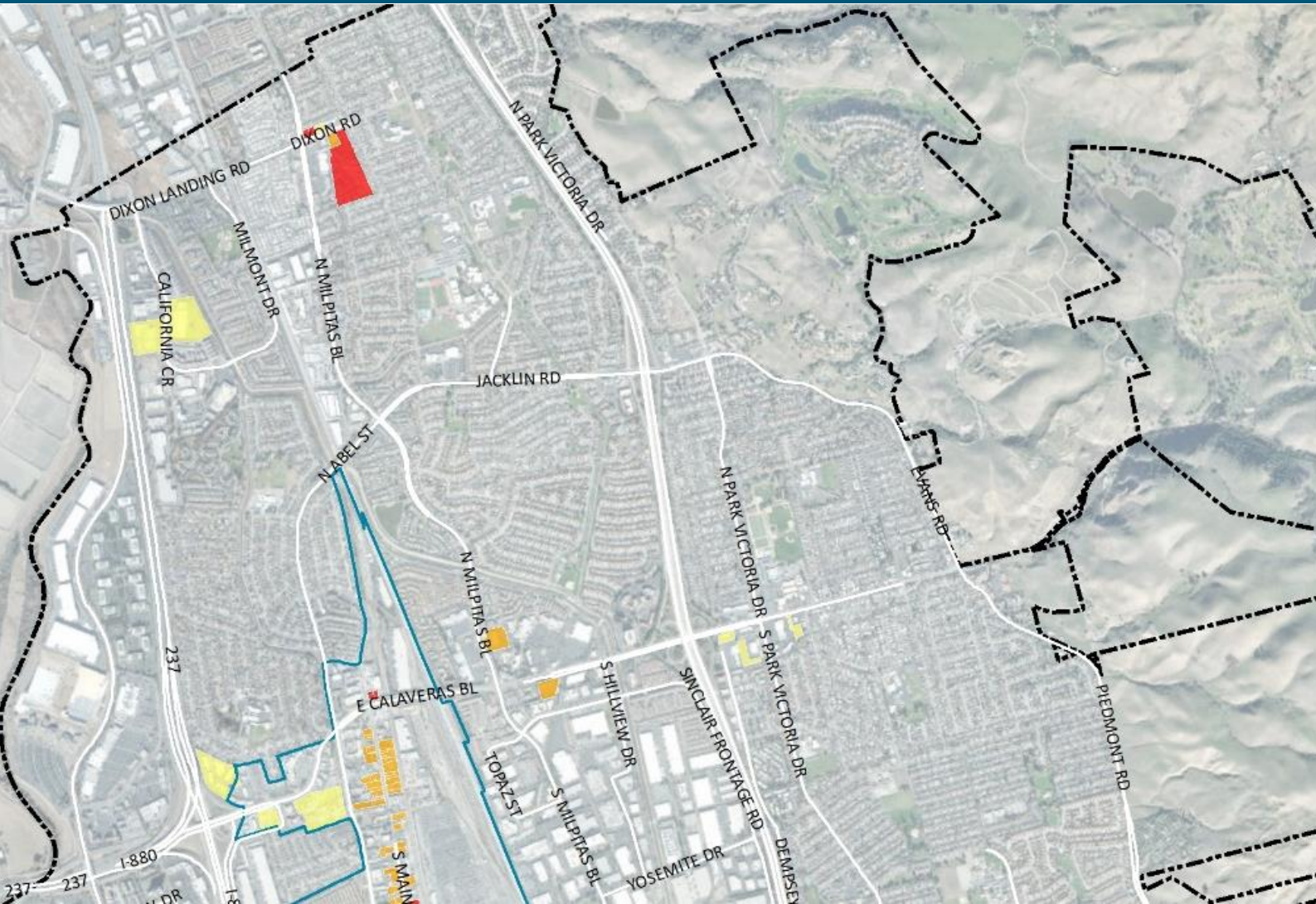
## HOUSING PROGRAMS THEME 4 FAIR HOUSING

Program	Description	Timeframe	AFFH	Targeting
<b>P-7</b> Tenant Assistance and Fair Housing Services	Utilize the services of Project Sentinel (or similar group) to provide fair housing outreach and assistance.	Ongoing	 	Citywide
<b>P-8</b> Fair Housing Enforcement	Use proactive fair housing enforcement, outreach and education to reduce the prevalence of housing discrimination.	December 2023		Citywide
<b>P-9</b> Anti-Displacement	Supplement California Tenant Protection Act with additional local anti-displacement measures, such as a rent stabilization program and right to counsel in eviction proceedings.	Ongoing		Citywide
<b>P-13</b> Mobile Home Rent Control	Implement Rent Control Ordinance to preserve the affordability and rights of mobile homes.	Ongoing December 2025		3 mobile home parks
<b>P-14</b> Rent Review Ordinance	Help resolve rent increase disputes, prohibit discrimination based on a tenant's source of income, and prohibit landlord retaliation.	Ongoing		North Park Victoria -Kennedy Drive, South Park Victoria - Yosemite Drive, Tract 5045.04 (where it has the highest concentration of rental housing in the City)

**Legend: AFFH Relationship**

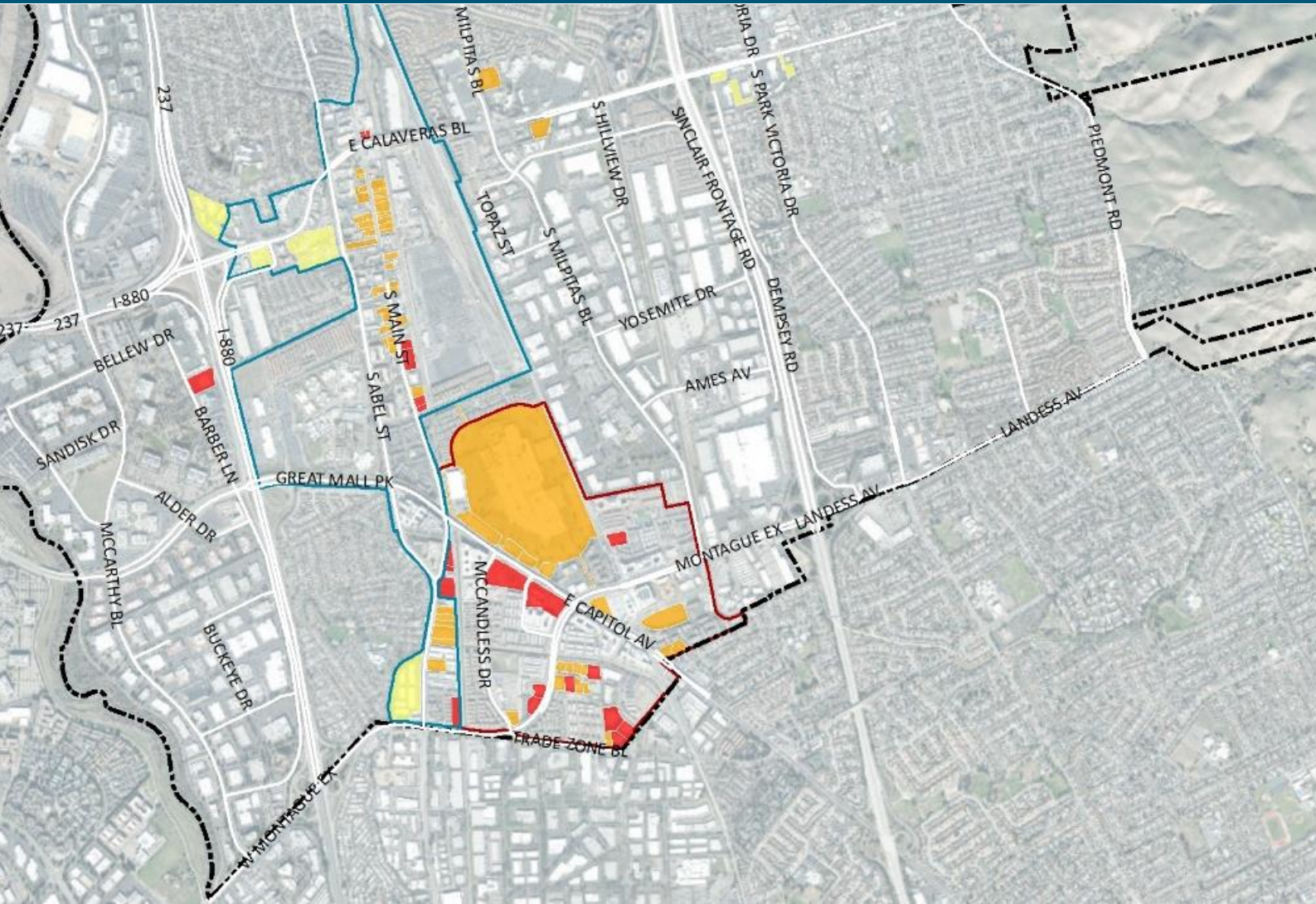
- Fair Housing Enforcement, Outreach, and Education
- New Opportunities in High Resource Areas
- Housing Mobility
- Anti-Displacement and Tenant Protections
- Place-Based Strategies for Neighborhood Improvements

# Sites Inventory – North



-  Gateway-Main St Specific Plan
-  Metro Specific Plan
-  Pipeline Sites
-  Opportunity Sites
-  Rezone Sites

# Sites Inventory – South



-  Gateway-Main St Specific Plan
-  Metro Specific Plan
-  Pipeline Sites
-  Opportunity Sites
-  Rezone Sites

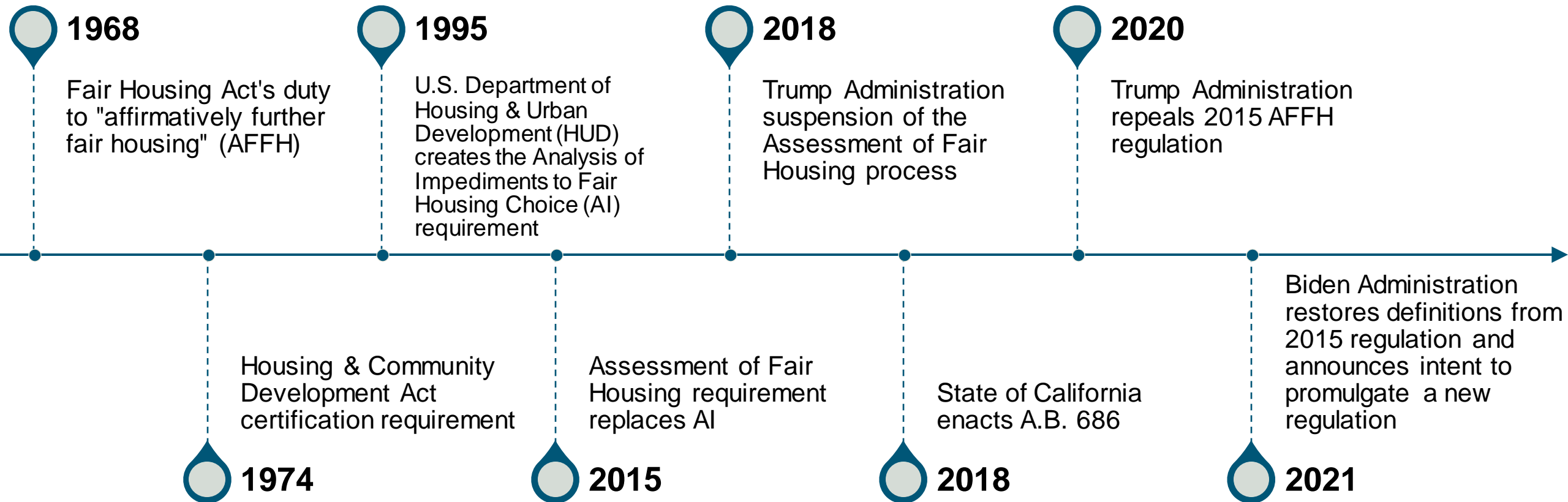


# Fair Housing

## History and Context



# Why does the Housing Element include an "Assessment of Fair Housing" and How Did We Get Here?



# Fair Housing

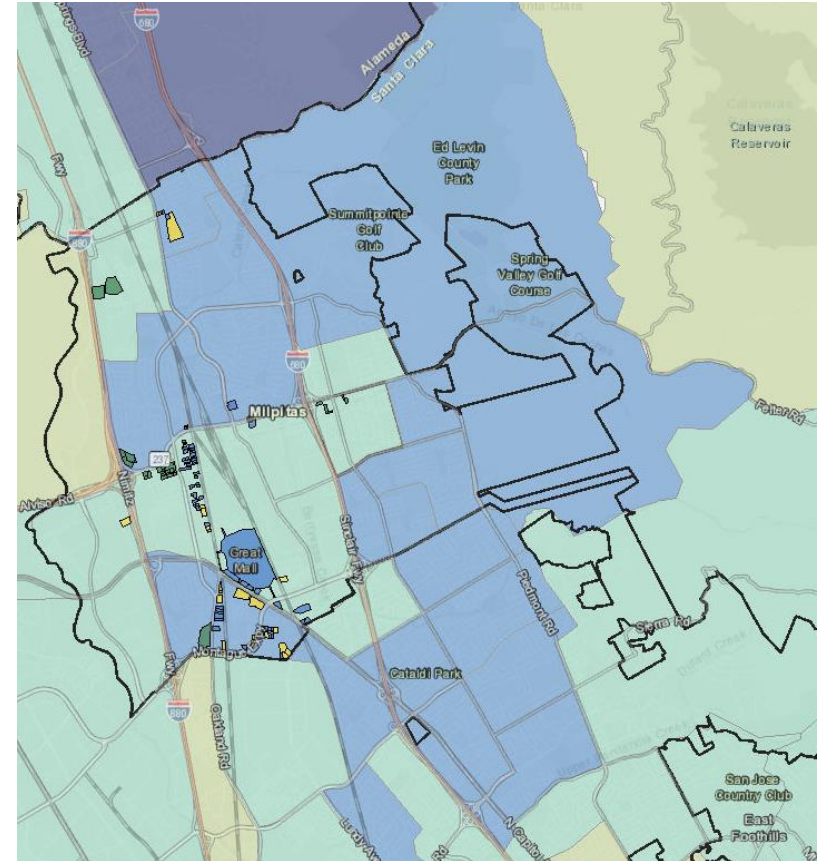
## What topics does the Assessment of Fair Housing address?

- Segregation and integration
- Racially and ethnically concentrated areas of poverty
- Displacement
- Disproportionate housing needs
- Disparities in access to opportunity
- Fair housing enforcement and patterns of discrimination
- Issues specific to persons with disabilities and residents of subsidized housing

# Fair Housing

## What data and information informed the Assessment?

- Data and geographic information systems (GIS) maps from HUD and the State of California
- Data regarding City programs
- Community input
- Review of policies and practices



Sites Inventory and TCAC Opportunity Area  
Composite Score by Tract (2021)



# Fair Housing: Takeaways and Programs

## What did our analysis of all of this information tell us?

- Although there is segregation on the basis of race and ethnicity in the broader region, **Milpitas – within its own boundaries – is not highly segregated.** Most neighborhoods have similar compositions. All are majority Asian American and Pacific Islander.
- One portion of the city, including the southern portion of the **North Park Victoria – Kennedy Dr. neighborhood and the northern portion of the South Park Victoria – Yosemite Dr. Neighborhood**, has slightly higher Latino/a/x population than other neighborhoods and slightly lower income levels.
- **Housing costs in the city and the region are extremely high, and Latino/a/x households, Vietnamese households, Black households, and persons with disabilities have experienced the brunt of that impact.** Displacement continues to be a frequent result of rising costs.
- **What programs does the Housing Element propose to address these challenges?**
  - Tenant Assistance and Fair Housing Services
  - Fair Housing Enforcement, Outreach, and Education
  - Anti-Displacement
  - Applying a fair housing lens across all programs



# Phase 2 Engagement

## Policy and Program Ideas

### ➤ Housing Production and Sites

- Finalize Metro Plan and Gateway-Main Street Specific Plan
- Adopt Housing Opportunity Zone
- Implement SB 9

### ➤ Diverse, Affordable Housing

- Continue ADU programs
- Expand first-time homebuyers program
- Update Affordable Housing Ordinance to not allow in lieu fees
- Consider vacancy tax, transfer tax or similar
- Consider other housing models, e.g., community land trust, co-housing, public housing

# Phase 1 Engagement Strengths and Successes

## ➤ Affordability

- Projects with a high-level of affordability, such as Sango Court and Sunnyhills
- ADUs allow for affordable housing to be built citywide

## ➤ Rent and Homelessness Assistance

- Rent relief program and other funds are working well and have quick turnarounds
- Extended Stay America Conversion program

## ➤ New Development

- Transit-oriented
- Main Street densification and mixed-use
- Improved planning and approval

*“It’s been encouraging to see more developers move away from feeing out of building affordable units and actually building them. This is good because the fees do not always translate to those units being built later on.”*



# HE Release Engagement

## Comment Period Ends on September 30

- 8/22 Housing Sub-Committee
- 8/31 Planning Commission
- 8/31 Community Survey #3 & Interactive Housing Element Launched
- 9/13 Workshop #3
- 9/16 Community Development Roundtable
- 9/18 Farmers' Market Pop-Up at the Great Mall
- 9/29 Santa Clara County Housing Collaborative Meeting



# 8/22 Housing Subcommittee

## Discussion Topics

- Supportive housing locations
- Community outreach
- Rezone Sites density and capacity
- Accessory Dwelling Units
  - Incentives to increase ADUs
  - Subsidies
  - Pre-approved plans and pre-fab
- Anti-displacement measures
- Preservation of at-risk housing
- Missing Middle Housing
- Affordable Housing Development
  - Expand toolbox to acquire land: Surplus lands or land donation, land trusts
  - Low interest loans
  - Collaborate with county for funding sources
- Specific Plans
  - Establish parking minimums
  - Fee waivers or reductions
- Tiny Homes
- Prohousing Designation
- EIFDs

# 8/22 Housing Subcommittee Discussion

## Program Additions Already Integrated into Public Draft



Discussion Topic	Program Additions
Anti-Displacement Policies	<b>Program 9:</b> Focused potential actions to study on provision of resources and monitoring
At-Risk, Affordable Housing Preservation	<b>Program 11:</b> Added action to explore sustainable sources of funding to preserve affordable housing
Alternative Homeownership Models	<b>Program 18:</b> Added action to explore alternative models of homeownership and affordability, such as community land trusts, shared equity programs
Fee Deferrals/Waivers	<b>Program 20:</b> Added action to explore fee deferrals for 100% affordable housing projects
Tiny Homes	<b>Program 21:</b> Added Tiny Homes study as an action step
Supportive Housing Engagement	<b>Program 22:</b> Added engagement action step about sites
Missing Middle Housing	<b>Program 24:</b> Added new program

# 8/31 Planning Commission Discussion

## ➤ Commission Comments

- Location of sites in the Hillside (if any)
  - Density not conducive for low-income units. No sites identified.
- Methodology to calculate site capacity
- Supported lot consolidation

## ➤ Public Comments

- Housing Choices for Persons with Developmental Disabilities
  - Integration in typical affordable housing
  - Coordination of housing with onsite supportive services
  - A mix of unit sizes
  - Location near public transit
  - Deeply affordable housing

# Community Conversation Discussion

- **Monitor and track progress of RHNA units and programs**
- **Address fair housing through the Sites Inventory**
- **Preserve affordability of Sunnyhills and Mobile Home parks**
- **Collaborate with State, County, regional and local organizations for additional funding, land, and other resources**
- **Provide incentives for affordable housing and ADUs to reduce costs**
- **Expand funding sources**

## Priority Programs

- **Adequate Sites to meet RHNA**
- **Missing Middle Housing**
- **Accessory Dwelling Units**
- **Preservation of At-Risk Housing**
- **Affordable Housing**
- **Supportive Housing**
- **Housing Rehabilitation**



# Next Steps after the Comment Period

- **Submit revised draft to HCD for 90-day review**
- **Complete CEQA analysis**
- **Return to Planning Commission in early 2023 for recommendation to City Council**



# Recommendation

- **Receive a presentation on the Draft Housing Element;**
- **Receive public comments; and**
- **Provide comments to be reflected in a revised Draft Housing Element to be submitted to the California Department of Housing and Community Development (HCD) for its review.**

# 7 Technical Appendices

## APPENDIX A

### Housing Needs Assessment

The purpose of the Housing Needs Assessment is to describe demographic, housing, and economic conditions in Milpitas, assess the demand for housing for households at all income levels, and document the demand for housing to serve various special-needs populations. The Needs Assessment also provides an analysis of assisted housing projects that are at risk of converting to market rate. The information provided in the Housing Needs Assessment is intended to assist Milpitas in developing housing goals and formulating policies and programs that address local housing needs.

## APPENDIX B

### Housing Constraints

The City of Milpitas continues to take steps to reduce constraints to the production of housing. Examples of City action taken since the 5<sup>th</sup> Cycle Housing Element include:

- Completing a comprehensive update to the City's General Plan and Land Use Element and creating new mixed use zones;
- Updating the Metro Specific Plan and Gateway-Main Street Specific Plan to support higher residential densities and building heights in locations adjacent to high quality transit;

## APPENDIX C

### Housing Resources

This section analyzes the resources available for the development, rehabilitation, and preservation of housing in Milpitas. This includes an evaluation of the City's ability to satisfy its share of the region's future housing needs, the financial resources available to support housing activities, and the administrative resources available to assist in implementing the City's housing programs. It also describes programs to improve the quality and efficiency of housing.

## APPENDIX D

### Review of Past Accomplishments

Pursuant to Government Code Section 65589(a), each jurisdiction must evaluate the effectiveness of the previous housing element goals, policies, and programs and their appropriateness in contributing to the attainment of the State's housing goals. The City's progress in implementing the housing element programs is also documented in this section, including recommendations on program continuance, modification, or

## APPENDIX E

### Future Housing Needs

California housing element law requires that each city and county develop local housing programs to meet its "fair share" of existing and future housing needs for all income groups, as determined by the jurisdiction's council of governments. The Regional Housing Needs Allocation (RHNA) is the share of housing assigned to each jurisdiction by the Association of Bay Area Governments (ABAG) in the Bay Area for the eight-year planning period (January 31, 2023 to January 31, 2031). This "fair share" allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for its share of projected regional housing growth across all income categories and demonstrates capacity to accommodate its housing share.

The RHNA represents the minimum number of housing units each community is required to provide "adequate sites" for through zoning and is one of the primary threshold criteria necessary to achieve State certification of the Housing Element.

## APPENDIX F

### Affirmatively Furthering Fair Housing

Assembly Bill 686 (AB 686, 2017) requires the inclusion in the Housing Element an analysis of barriers that restrict access to opportunity and a commitment to specific meaningful actions to affirmatively further fair housing. AB 686 mandates that local governments identify meaningful goals to address the impacts of systemic issues such as residential segregation, housing cost burden, and unequal educational or employment opportunities to the extent these issues create and/or perpetuate discrimination against protected classes.

This section of the Housing Element provides a summary of fair housing issues and an analysis of segregation patterns and disparities in access to opportunities, and an assessment of contributing factors. Fair housing goals, policies, and implementation programs are found in the Housing Element.

## APPENDIX G

### Public Engagement and Input

The City of Milpitas understands how crucial community input is in identifying and addressing housing needs through its Housing Element Update process. Community members—residents, businesses, visitors, and others alike—offer unique knowledge, perspectives, and experiences navigating housing in the city. Their local knowledge and lived experience are necessary for informing and guiding the production, location, and preservation of housing in the city. The City created and executed a public participation plan to ensure that community members and other stakeholders had a diversity of opportunities to share their opinions and participate at every stage of the Housing Element Update process.

This Appendix provides a detailed overview of the Public Participation plan, process, and outcomes of the 6<sup>th</sup> Cycle of the Housing Element for the City of Milpitas. The findings from each engagement activity informed and shared the development of the Housing Element Update.

ic actions, timeline for  
mentation of the City's  
ic actions is not included in



# Draft 6<sup>th</sup> Cycle Housing Programs

#	Program Name	Description	Status	Goal Relationship
1	Adequate Sites for RHNA and Monitoring of No Net Loss	Monitors sites inventory and ensure an adequate inventory is available to the City	New	HE-1, HE-2, HE-4
2	Replacement Housing	Requires the replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site	New	HE-2
3	Lot Consolidation	Develops tools to encourage lot consolidation	Expand	HE-1, HE-3
4	Accessory Dwelling Units	Continues incentives for ADU production and Safe ADU program	Continue	HE-4
5	Neighborhood Preservation and Code Enforcement	Enhance neighborhood conditions by enforcing existing codes through its Code Enforcement Program	Continue	HE-2



# Draft 6<sup>th</sup> Cycle Housing Programs

#	Program Name	Description	Status	Goal Relationship
6	Housing Rehabilitation	Provide safety, accessibility, and mobility repairs to mobile and single-family homes owned by very low- and low-income households	Continue	HE-2
7	Tenant Assistance and Fair Housing Services	Utilize the services of Project Sentinel (or similar) to provide fair housing outreach and assistance	Expand	HE-5, HE-8
8	Fair Housing Enforcement	Use proactive fair housing enforcement, outreach and education to reduce the prevalence of housing discrimination	Expand	HE-2, HE-5
9	Anti-Displacement	Supplements California Tenant Protection Act with additional local anti-displacement measures	Expand	HE-1, HE-2, HE-5, HE-9
10	Place-Based Strategies for Neighborhood Improvements	Focus resources to rehabilitate and/or replace infrastructure in older or under resourced neighborhoods	New	HE-2



# Draft 6<sup>th</sup> Cycle Housing Programs

#	Program Name	Description	Status	Goal Relationship
11	Preservation of At-Risk Housing	Preserve affordable housing units	Continue	HE-2
12	Short-Term Rentals (STRs)	Expand monitoring and enforcement efforts on STRs	Expand	HE-3
13	Mobile Home Rent Control	Implement Rent Control Ordinance to preserve the affordability of the mobile homes	Continue	HE-2
14	Rent Review Ordinance	Help resolve rent increase disputes, prohibit discrimination based on a tenant's source of income, and prohibit landlord retaliation	Continue	HE-4, HE-5
15	Housing Opportunity Zones	Adopt the HOZ to incentivize affordable housing beyond the requirements of the City's Affordable Housing Ordinance	New	HE-1, HE-3, HE-4



# Draft 6<sup>th</sup> Cycle Housing Programs

#	Program Name	Description	Status	Goal Relationship
16	Affordable Housing Development	Facilitate the development of affordable housing through incentive programs	Continue	HE-1, HE-4
17	Affordable Housing Ordinance	Review and amend the AHO requirements to ensure the AHO remains effective and reflect market conditions	Continue	HE-4
18	Non-Residential Affordable Housing Impact Fee	Update the non-residential affordable housing impact fee every five years to reflect the cost of development	Continue	HE-4
19	Below Market Rate (BMR) Housing	Assist very-low, low- and moderate-income households in becoming homeowners	Expand	HE-4
20	Specific Plans	Adopt and implement the Metro Specific Plan and the Gateway-Main Street Specific Plan	Continue	HE-1, HE-4, HE-6



# Draft 6<sup>th</sup> Cycle Housing Programs

#	Program Name	Description	Status	Goal Relationship
21	Zoning Code Amendments	Amend the Zoning Code to comply with the latest state laws and reduce regulatory barriers to residential development	New	HE-1, HE-3, HE-4
22	Supportive Housing for Persons with Disabilities	Collaborate with the County to identify sites and resources for supportive housing	New	HE-1, HE-3, HE-4, HE-7, HE-8
23	Large Units for Families with Children in Multifamily Housing	Identify possible zoning incentives for multifamily developments that include units with three or more bedrooms	New	HE-3, HE-4, HE-7
24	Missing Middle Housing	Facilitate smaller-scale multi-unit housing and workforce housing in lower density residential neighborhoods	New	HE-3, HE-1



# Housing Needs, Constraints, and Opportunities







# Housing Need Considerations

- **Age Composition:** The large increase in the older age groups from 2010 to 2019 indicates a potential need for more smaller units, senior housing, and assisted living facilities in the future
- **Jobs:** Between 2002 and 2018, the number of jobs in Milpitas increased by 29%. Milpitas has more low-wage jobs than low-wage residents and more high-wage jobs than high-wage residents. This indicates that Milpitas needs to add a wide range of housing types to meet the needs of its workforce
- **Household Size:** The household size distribution in Milpitas indicates that a range of unit sizes are needed in the City to meet the needs of different household sizes.

# Housing Need Considerations

- **Housing Stock:** Milpitas has a high percentage of single-family homes. The City should continue to encourage and facilitate Accessory Dwelling Units (like the Accessory Dwelling Unit (ADU) Incentive Program and the Safe ADU Legalization Program)
- **Rents :** Fifteen percent of renters pay more than 50 percent of their household income toward rent. High rates of cost burden in Milpitas and Santa Clara County are reflective of a housing shortage and high housing costs, illustrating the need for additional housing units, especially for lower-income households.
- **Ownership:** The largest proportion of homes had a value in the range of \$750k-\$1M in 2019. Home prices increased by 125.4% from 2010 to 2020 emphasizing the need for affordable housing alternatives.

# Housing Need Considerations

## ➤ Special Needs

- Milpitas has 125 unsheltered individuals and no sheltered individuals, lower than other parts of the region.
- In Milpitas, 7.2% of residents have a disability of any kind and may require accessible housing
- 15.1% of Milpitas households are larger households with five or more people, who likely need larger housing units with three bedrooms or more

# Housing Constraint and Opportunity Considerations

## ➤ Land Use Controls

- **General Plan / Zoning:** No significant housing constraints. Town Center (TC) and Neighborhood Commercial Mixed Use (NCMU) designations more likely to evolve as commercial sites with limited housing
- **Parking Requirements:** The parking requirements are high outside the specific plan areas and overlay zones.

## ➤ Provision for a Variety of Housing Types

- No significant housing constraints, allows for a variety of housing types
- New programs needed to address Supportive Housing, Emergency Shelters, Farmworker/Employee housing, and Residential Care Facilities

# Housing Constraint and Opportunity Considerations



## ➤ Inclusionary Housing

- The City of Milpitas' Affordable Housing Ordinance (AHO) came into effect in July 2018 and requires all new residential projects with ten or more units to develop 15% of the total number of units as affordable units

## ➤ Development Processes and Procedures

- Review and approval timelines are similar to average times taken by other jurisdictions in Santa Clara County
- Compared to other cities in Santa Clara County, Milpitas has higher fees per unit for single and multi-family developments

# Regional Housing Constraint and Opportunity Considerations

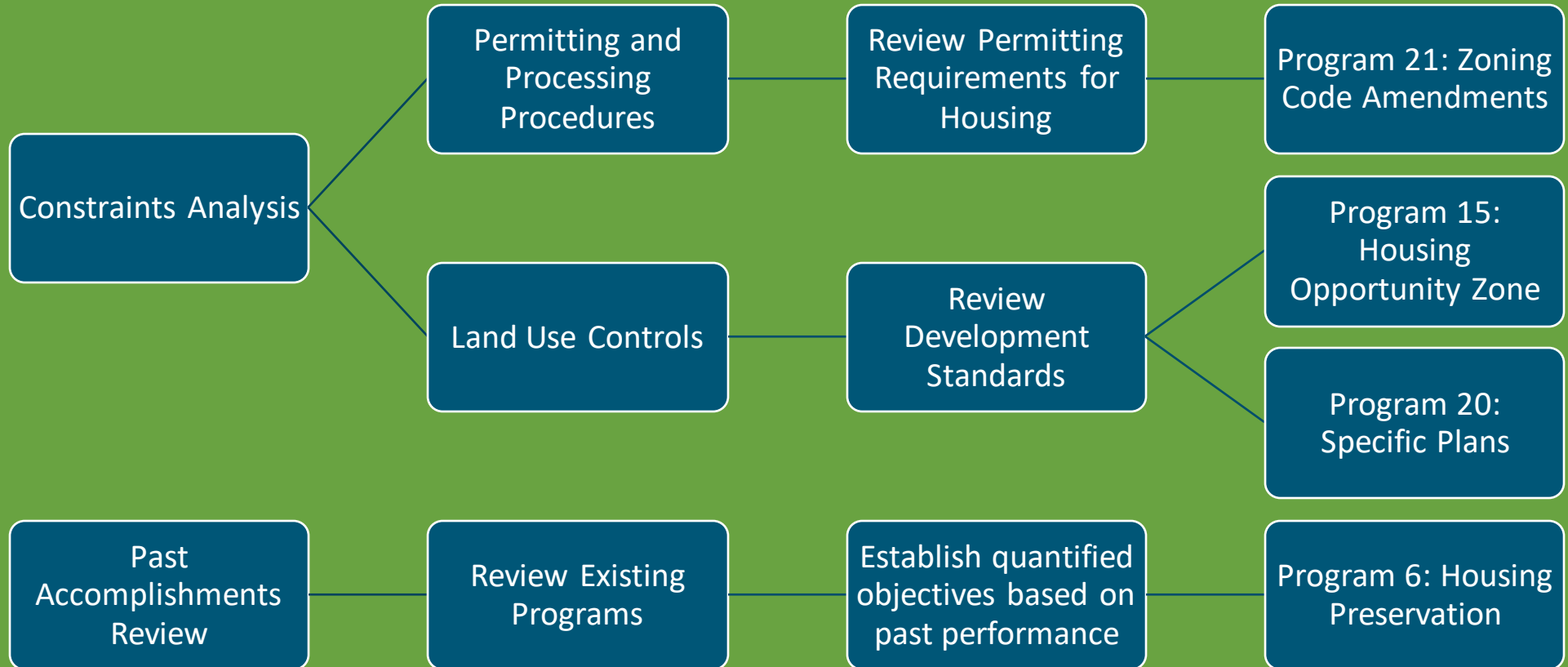
- **Cost and Availability of Land:** High land values and limited availability of land. Few property owners willing to sell or redevelop
- **Timing:** Delay in processing of applications or changes occurring during the processing phase of a project
- **Construction Costs:** High costs of construction including labor and materials. Supply chain and labor shortages also make it challenging
- **Mortgage and Financing:** High home prices and high down payments can pose a constraint to home buyers. High interest rate on loans can also deter home buyers and affect the housing market
- **Hazards:** City at risk to geologic and seismic hazards, wildfire, flood, and sea level rise



# Draft 6<sup>th</sup> Cycle Housing Programs

HE-1 Adequate Sites and Housing Production	HE-2 Existing Housing Resources	HE-3 Barriers to New Housing Production	HE-4 Housing Diversity and Affordability	HE-5 Fair Housing	HE-7 and HE-8 Special Needs Populations
P-1 Adequate Sites for RHNA and Monitoring of No Net Loss	P-5 Neighborhood Preservation and Code Enforcement	P-4 Accessory Dwelling Units	P-15 Housing Opportunity Zones	P-7 Tenant Assistance and Fair Housing Services	P-21 Zoning and Building Code Amendments
P-2 Replacement Housing	P-6 Housing Rehabilitation	P-21 Zoning and Building Code Amendments	P-16 Affordable Housing Development	P-8 Fair Housing Enforcement	P-22 Supportive Housing for Persons with Disabilities
P-3 Lot Consolidation	P-10 Place-Based Strategies for Neighborhood Improvements		P-17 Affordable Housing Ordinance	P-9 Anti-Displacement	P-23 Large Units for Families with Children in Multifamily Housing
P-20 Specific Plans	P-11 Preservation of At- Risk Housing		P-18 Non-Residential Affordable Housing Impact Fee	P-13 Mobile Home Rent Control	
P-24 Missing Middle Housing	P-12 Short-Term Rentals		P-19 Below Market Rate (BMR) Housing	P-14 Rent Review Ordinance	

# Examples: Technical Analysis to Program Development





# Phase 1 Engagement Strengths and Successes

## ➤ Affordability

- Projects with a high-level of affordability, such as Sango Court and Sunnyhills
- ADUs allow for affordable housing to be built citywide

## ➤ Rent and Homelessness Assistance

- Rent relief program and other funds are working well and have quick turnarounds
- Extended Stay America Conversion program

## ➤ New Development

- Transit-oriented
- Main Street densification and mixed-use
- Improved planning and approval

*“It’s been encouraging to see more developers move away from feeing out of building affordable units and actually building them. This is good because the fees do not always translate to those units being built later on.”*

# Phase 1 Engagement Weaknesses and Challenges

## ➤ Housing Cost and Cost of Living

- High overall
- Acute impact on low-income people, younger generation, people with fixed income
- Homeownership is out of reach

## ➤ Lack of Housing for Specific Groups

- Families with children, low-income households, young adults/professionals, persons with disabilities

## ➤ Low Supply

- Both for renting and for sale

## ➤ Overdevelopment and Overcrowding

- Balanced approach distributed across the city
- Impact on infrastructure

*“My vision for housing in Milpitas is for every person that already lives here in Milpitas to be able to afford to live here. Everyone here wants to stay in this town, but many are feeling they can’t afford it because all the homes to buy are over 1 million. Rent is \$2,500 and up starting for a one-bedroom. Many of the people that live here help the city keep their businesses going but on little wage. Many are living paycheck-to-paycheck that middle income has become unrealistic for most here.”*

# Phase 2 Engagement

## Policy and Program Ideas

### ➤ Housing Production and Sites

- Finalize Metro Plan and Gateway-Main Street Specific Plan
- Adopt Housing Opportunity Zone
- Implement SB 9

### ➤ Diverse, Affordable Housing

- Continue ADU programs
- Expand first-time homebuyers program
- Update Affordable Housing Ordinance to not allow in lieu fees
- Consider vacancy tax, transfer tax or similar
- Consider other housing models, e.g., community land trust, co-housing, public housing

# Phase 2 Engagement

## Policy and Program Ideas

### ➤ Housing for Special Needs Groups

- Provide incentives for housing for people with disabilities
- Support higher quality senior housing
- Partner with supportive services providers

### ➤ Housing Preservation

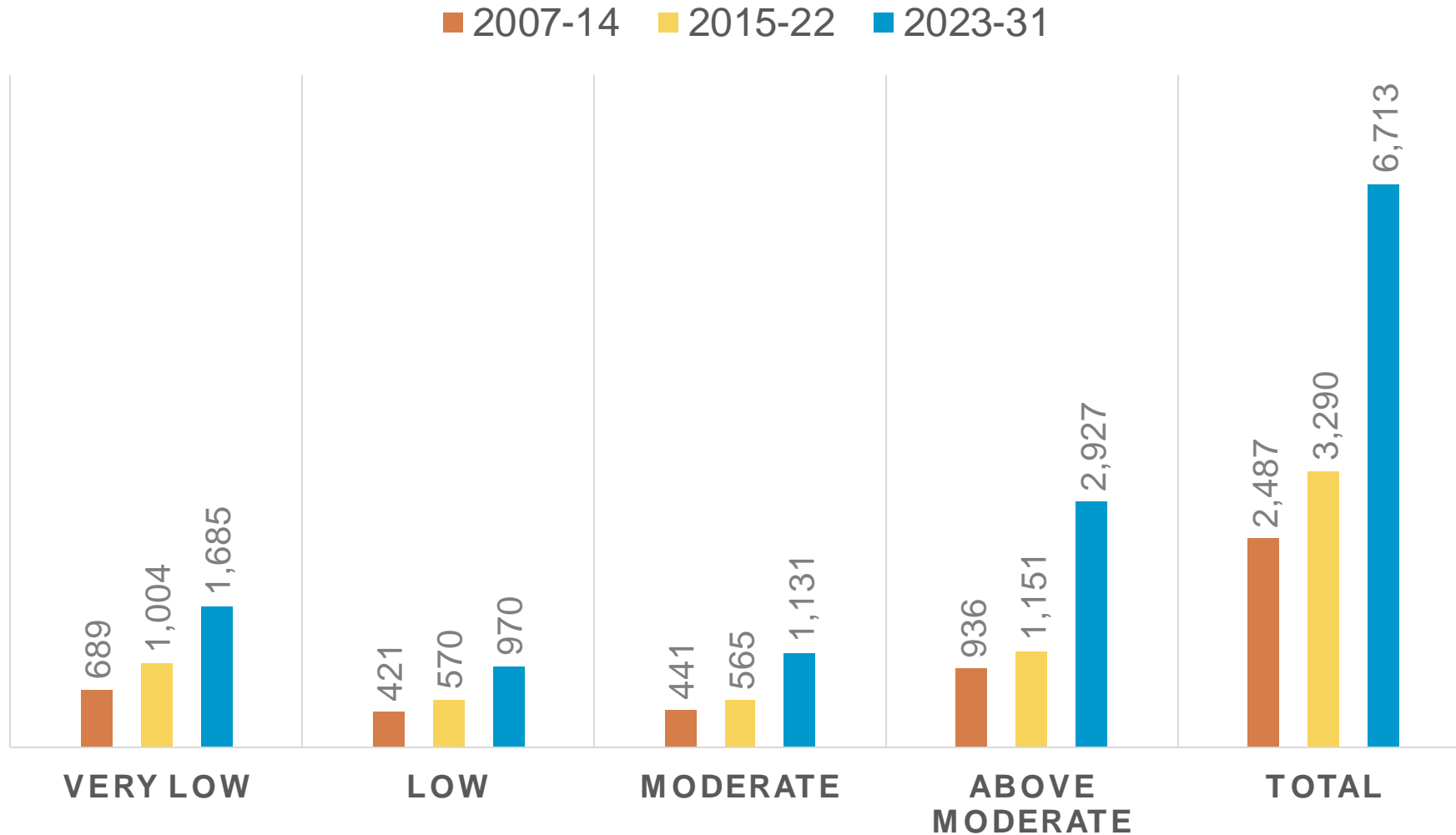
- Protect mobile homes
- Continue rent relief program
- Create rent registry / inventory

### ➤ Fair Housing

- Expand education and outreach around reasonable accommodation and affirmative marketing
- Increase renter protections

# Regional Housing Needs Allocation

4<sup>th</sup>, 5<sup>th</sup>, and 6<sup>th</sup> cycles



# Sites Inventory Methodology

STEP 1. Identify Likely Sites or Credits

STEP 2. Calculate “Deficit” (Remaining RHNA)

STEP 3. Identify Potential Opportunity Sites

STEP 4. Calculate Buildout