



SPECIAL JOINT MEETING OF THE MILPITAS CITY COUNCIL AND HOUSING AUTHORITY

MINUTES

TUESDAY, JANUARY 13, 2026

The City Council of the City of Milpitas convened in a Special Meeting of the Milpitas City Council and Housing Authority on January 13, 2026, in the City Council Chamber, 455 E. Calaveras Blvd, Milpitas, CA, and via teleconference/Zoom webinar.

CALL MEETING TO ORDER by Mayor and ROLL CALL by City Clerk

Vice Mayor Barbadillo called the Regular City Council meeting to order at 5:33 PM. Roll Call was taken by City Clerk Guzzetta.

PRESENT: Mayor Montano (5:36 PM), Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam, Councilmember Lien

ABSENT: None

PLEDGE OF ALLEGIANCE

Chinese American Scouting Association Scout Troop 2468 posted the colors and led the Pledge of Allegiance.

Mayor Montano arrived at 5:36 PM.

Assistant Scoutmaster Eugene Choi introduced the troop, and Senior Patrol Leader Ellie Choi introduced the individual scouts. Mayor Montano thanked the troop for their participation and service.

ADJOURN TO CLOSED SESSION

There were no public comments.

Acting City Attorney Creech briefed the City Council on the Closed Session.

The City Council adjourned to Closed Session at 5:38 PM.

(a) PUBLIC EMPLOYEE APPOINTMENT AND HIRING

Pursuant to Government Code Section 54957(b)(1)
Employee Position: City Manager

(b) CONFERENCE WITH LEGAL COUNSEL

Pursuant to Government Code Section 54956.9(d)(1)
Existing Litigation: *McHarris vs. City of Milpitas*, Santa Clara County Superior Court Docket No. 23-CV-427505; Sixth District Docket No. H053453

(c) PUBLIC EMPLOYEE APPOINTMENT AND HIRING

Pursuant to Government Code Section 54957(b)(1)
Employee Position: Acting City Manager

CLOSED SESSION ANNOUNCEMENT:

The City Council reconvened in Open Session at 7:22 PM. Acting City Attorney Creech had nothing to report, but noted that the City Council would adjourn to Closed Session following the end of public business.

INVOCATION

Councilmember William Lam delivered the invocation.

PRESENTATIONS

Mayor Montano, joined by the City Council, presented certificates to the winners of the Library and Education Advisory Commission's Youth Essay Writing Contest and a Proclamation in recognition of Martin Luther King, Jr. Day.

PUBLIC FORUM

There were the following public speakers:

1. Voltaire Montemayor

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

Acting City Attorney Creech asked the Mayor and City Councilmembers if they had any personal conflicts of interest. By roll call, there were no conflicts of interest. Acting City Attorney Creech asked the Mayor and City Councilmembers if they had any reportable campaign contributions. By roll call, there were no reportable campaign contributions.

READING OF THE CITY COUNCIL CODE OF CONDUCT

Vice Mayor Barbadillo read the City Council Code of Conduct.

APPROVAL OF AGENDA

After discussion, motion: to approve the agenda.

Motion/Second: Councilmember Chua / Vice Mayor Barbadillo

Motion carried by the following:

AYES: Mayor Montano, Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam,
Councilmember Lien

NOES: None

CONSENT CALENDAR

Councilmember Chua requested that item C8 be pulled for separate discussion.

There were the following public speakers:

1. Voltaire Montemayor

After discussion, motion: to approve consent calendar items C1-C7 and C9-C11 with item C8 pulled for separate discussion.

Motion/Second: Councilmember Chua / Councilmember Lien

Motion carried by the following:

AYES: Mayor Montano, Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam,
Councilmember Lien
NOES: None

1. Receive City Council Calendar of Meetings (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Received City Council Calendar of Meetings for January 2026.

2. Approve City Council Meeting Minutes (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Approved City Council Meeting minutes of December 16, 2025.

3. Receive the Preview List of Anticipated Items for the Next Regular City Council Meeting (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Received the list of anticipated agenda items for the next regular City Council meeting.

4. Receive and Review the List of Agenda Items Requested by City Councilmembers (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Received the list of items that have been requested by City Councilmembers and received consensus in previous meetings to date.

5. Consider Recommendations from Mayor Montano for Appointments to Rent Review Board (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Received Mayor Montano's recommendations and approved and confirmed the following recommendations for appointment to the Rent Review Board:

Landlord Representatives:

- Megan Guel
- John Luk

Tenant Representatives:

- Norma Morales
- Sophia Sedano

Neutral Third Party Representative:

- Noreen Kinohi

Neutral Third Party Representative (alternate):

- Allison Soper

6. Approve Report of Actions Taken by the City Manager During the City Council and City of Milpitas Housing Authority Winter Recess from December 16, 2025 through January 13, 2026 (Staff Contact: Matt Cano Assistant City Manager, 408-586-3012)

Approved report of actions taken by the City Manager during the City Council and City of Milpitas Housing Authority Winter Recess from December 16, 2025 through January 13, 2026.

7. Authorize and Approve Travel Request for Mayor Carmen Montano to Washington, D.C. (Staff Contact: Matt Cano, Assistant City Manager, 408-586-3012)

Authorized and approved the travel to Washington, D.C., for Mayor Carmen Montano to attend the *94th Winter Meeting of the United States Conference of Mayors* to be held on January 28-30, 2026, for a combined estimated total amount of \$4,500 budgeted under the Individual Elected Official allocation for Conferences/Meetings/Trainings.

8. **Authorize the Assistant City Manager to Release the Option to Purchase the Affordable Housing Unit (Lot 20, Building 2) at 2001 Tarob Court, Accept the Net Proceeds from the Sale, and Execute the Necessary Documents (Staff Contact: Matt Cano, Assistant City Manager, 408-586-3012)**

Item pulled from Consent Calendar.

9. **Authorize the Assistant City Manager, or Designee, to Negotiate and Execute an Amendment to the Agreement with Harris & Associates, Inc. for a Transit Area Development Impact Fee Nexus Fee and Community Facilities District Nexus Study (Staff Contact: Luz Cofresi-Howe, Finance Director, 408-586-3111; and Jay Lee, Planning Director, 408-586-3077)**

Authorized the Assistant City Manager, or designee, to negotiate and execute an amendment to the Professional Services Agreement with Harris & Associates, Inc. for a Transit Area Development Impact Fee (TADIF) Nexus Fee and Community Facilities District (CFD) Nexus Study to include: (1) retroactively extend the Agreement through December 31, 2026; (2) add \$5,100 for a revised maximum compensation of \$105,085; (3) revise Exhibit A, Scope of Services, to add additional services; (4) revise Exhibit B, Schedule of Charges/Payments, to reflect payments for additional services; and (5) revise Exhibit C-4, Activity Schedule, to reflect updated project timeline.

10. **Accept the Additional FY 2025 Citizens' Option for Public Safety (COPS) Grant for Front-Line Law Enforcement Services and Approve the Appropriation of Funds to the Police Department's FY 2025-26 Operating Budget (Staff Contact: Jared Hernandez, Chief of Police, 408-586-2406)**

1) Accepted the additional FY 2025 Citizens' Option for Public Safety (COPS) Grant in the amount of \$128,220.02 to be spent in alignment with the City Council approved FY 2025 spending plan; and 2) Approved the appropriation of funds to the Police Department's FY 2025-26 Operating Budget for front-line law enforcement services.

11. **Accept the FY 2026 Citizens' Option for Public Safety (COPS) for Front-Line Law Enforcement Services and Approve the Appropriation of Funds (Staff Contact: Jared Hernandez, Chief of Police, 408-586-2406)**

(1) Accepted the FY 2026 Citizens' Option for Public Safety (COPS) Grant in the Amount of \$125,185.00 for Front-Line Law Enforcement Services; and (2) Approved the Appropriation of Funds in the Total Amount of \$125,185 to the Police Department's FY2025-26 Operating Budget.

ITEMS PULLED FROM CONSENT CALENDAR

8. **Authorize the Assistant City Manager to Release the Option to Purchase the Affordable Housing Unit (Lot 20, Building 2) at 2001 Tarob Court, Accept the Net Proceeds from the Sale, and Execute the Necessary Documents (Staff Contact: Matt Cano, Assistant City Manager, 408-586-3012)**

Assistant City Manager Cano introduced the item. Senior Special Projects Associate Hanson Hom presented the report.

Councilmember Chua summarized the two options before Council and raised questions regarding the rationale for releasing the unit given the challenges cited in selling it as affordable. She voiced concern

regarding the potential loss of an affordable ownership opportunity. Mayor Montano shared similar concerns and asked for clarification regarding responsibility for marketing the unit. Staff explained that KB Homes was contractually responsible for marketing and sales, with Housekeys providing outreach and buyer referral assistance, and that the Affordable Housing Agreement required Council action following the developer's 60-day notice.

Vice Mayor Barbadillo questioned why one unit remained unsold when similar floor plans had sold at market rate. He asked if there were alternatives to purchasing or releasing the unit. Acting City Attorney Christopher Creech explained that the City's ordinance requires affordable units to be dispersed among product types, resulting in this unit's designation as affordable. Assistant City Manager Cano confirmed that the agreement provided only two formal options, though staff had inquired whether the developer would allow additional time for marketing prior to City purchase; staff had not yet received a response.

Housekeys Executive Director Julius Nyanda explained that the primary challenge was the limited income eligibility range for moderate-income buyers combined with high monthly housing costs and buyer feedback regarding the floor plan. He noted that while there was significant interest, eligible buyers often declined to proceed, and that contractual timelines limited the duration of marketing efforts.

Council discussed broader policy considerations, including whether the City could purchase and retain the unit for rental or temporary housing purposes. Acting City Attorney Creech advised that the Affordable Housing Fund is restricted to affordable housing purposes and cannot be used for general revenue, employee housing, or short-term rentals, and that renting the unit could impede resale. He explained that Council could direct staff to purchase the unit and resell it at a lower price point, either within the moderate-income category or by converting it to a low- or very-low-income ownership unit, recognizing that additional subsidy would permanently expend Affordable Housing Fund resources.

Vice Mayor Barbadillo suggested the City consider reducing the resale price to improve affordability. Councilmember Chua stated that implementation details should be left to staff, while emphasizing the importance of prioritizing lower-income households. Mayor Montano reiterated concerns regarding the City's limited low-income ownership inventory.

There were the following public speakers:
1. Voltaire Montemayor

Assistant City Manager Cano noted that staff had not yet analyzed resale feasibility at lower income levels, but that Council could authorize the purchase and direct staff to return with additional options.

With clarification from Acting City Attorney Creech, Councilmember Chua made a motion to approve staff's recommendation to purchase the unit, with added direction that upon resale, qualifying low-income households be prioritized, and that the unit could be resold at a lower income category if necessary to achieve sale. Vice Mayor Barbadillo seconded the motion.

After discussion, motion to authorize the Assistant City Manager to approve staff's recommendation to purchase the Affordable Housing Unit (Lot 20, Building 2) at 2001 Tarob Court, accept from the Developer the net proceeds from the sale of the unit in accordance with the Affordable Housing Agreement, and execute the necessary documents with direction that upon resale, qualifying low-income households be prioritized, and that the unit could be resold at a lower income category if necessary to achieve sale.

Motion/Second: Councilmember Chua / Vice Mayor Barbadillo

Motion carried by the following:

AYES: Mayor Montano, Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam,
Councilmember Lien

NOES: None

Following the vote, Mayor Montano requested that staff provide a breakdown of the City's below-market-rate housing inventory by income category.

ANNOUNCEMENTS AND FUTURE AGENDA ITEMS

Councilmember Lam proposed allocating \$300,000 from one-time funds for a street fair during the FIFA timeframe (June/July). There was unanimous consensus to add the item to the prioritization list.

Vice Mayor Barbadillo proposed reviewing the city's affordable housing ordinance and agreements with developers in light of the experience with KB Homes to ensure preservation of housing affordability policies. The Council reached consensus to review the affordable housing ordinance and developer agreements, with Councilmember Lien dissenting.

READJOURN TO CLOSED SESSION

The City Council adjourned to Closed Session at 8:49 PM.

CLOSED SESSION ANNOUNCEMENT:

The City Council reconvened in Open Session at 9:22 PM. Acting City Attorney Creech no report out.

ADJOURNMENT

Mayor Montano adjourned the meeting at 9:23 PM.

The foregoing minutes were approved by the Milpitas City Council on January 20, 2026.



Suzanne Guzzetta
Milpitas City Clerk