

CHAPTER 6 Constraints to the Development of Housing

The provision of adequate and affordable housing opportunities is an important goal of the City. However, the ability of the housing market to supply an adequate number of new dwellings to meet demand is affected by a variety of factors, or constraints. This chapter identifies those governmental and nongovernmental constraints that inhibit the development, maintenance, or improvement of housing. The first section focuses on potential governmental constraints, or those constraints that are within the City's control, such as policies and regulations that could affect the City's ability to meet future housing needs. The second section looks at nongovernmental constraints, or those constraints that are largely market driven and cannot be controlled by local government, such as land, materials, and labor costs. Table 6-1 includes a summary of the findings from the constraints analysis and the programs included in the Housing Element to address the identified constraints.

Table 6-1: Summary of Identified Constraints

Identified Issue	Implementation Programs	Description of Programs and Objectives
Governmental Constraints		
<i>Land Use Controls</i>		
ECRSP Commercial requirement may constrain affordable housing development	H17. El Camino Real Specific Plan Commercial Requirement	Develop a program to facilitate a minimum of two 100% affordable developments. Continue to require inclusionary units within market rate developments.
Mixed-use parking requirements involve the use of a parking calculator that is not available to the public. Parking requirements for studios and efficiency units could be reduced.	H23. Zoning Code Amendments	Amend the zoning code to provide clear and transparent parking standards for mixed use developments and reduce parking requirements for studio and efficiency units to no more than one space per unit, inclusive of guest parking.
Open space requirements may be higher than some other nearby jurisdictions	H18. Private Open Space Requirements	Review and modify the City's private open space requirements to reduce constraints on housing development in higher density residential areas (R-2, R-3, R-4, R-5 zoning districts) and adopt open space requirements that facilitate missing middle style development.
Several residential design guidelines are subjective, which has the potential to delay planning approvals	H43. Objective Design Standards	Adopt new objective design standards for multifamily and residential mixed-use development to establish clear, objective design standards and streamline residential development.
Continue to support the production of ADUs by limiting constraints and ensuring that the zoning code complies with State law	H4. Accessory Dwelling Units	Establish an ADU toolkit to promote and facilitate ADU production for homeowners. Review the zoning code annually and amend as necessary to ensure compliance with State law.
Zoning Code does not explicitly allow employee housing for six or fewer employees, which may constrain farmworker housing	H23. Zoning Code Amendments	Amend the zoning code to allow employee housing for six or fewer employees and treat this use the same as other single family uses.
Zoning Code may result in constraints to housing types for persons with special needs,	H23. Zoning Code Amendments	Amend the zoning code to ensure compliance with State law, including permitting group homes with more than six persons in all residential zones and revise procedures to

DOWNTOWN SPECIFIC PLAN PARKING REQUIREMENTS

Table 6-20 outlines the parking requirements for residential uses within the Downtown Specific Plan District. Tandem parking is permitted for multi-family dwellings in the Downtown Specific Plan District. In addition, up to 10 percent of the total number of unassigned parking spaces may be compact in parking lots of 10 or more spaces. The parking requirement of 1.5 spaces per studio apartment unit was identified by HCD as a potential constraint. However, it should be noted that in 2022, AB 2097 was passed by the Legislature, which eliminates parking minimums within one-half mile from a major transit stop for most developments. The Housing Element includes a program to [reduce the parking requirement for studio and efficiency units in the Downtown Specific Plan to no more than 1 space per unit, inclusive of guest parking, and to](#) modify parking requirements to comply with AB 2097 (i.e., Government Code Section 65863.2).

Table 6-20: Parking Requirements within the Downtown Specific Plan District

Land Use	Minimum Number of Parking Spaces Required
Single-Family Residential	1 assigned and covered per unit + 1 uncovered per unit
Multiple-Family Residential Studio or 1 Bedroom	1 assigned and covered per unit + 0.5 uncovered per unit
Multiple-Family Residential 2-Bedroom	1 assigned and covered per unit + 0.7 uncovered per unit
Multiple-Family Residential 3-Bedroom and larger	1 assigned and covered per unit + 1 uncovered per unit
Retail (mixed use)	2 per 1,000 square feet

Source: City of Sunnyvale Municipal Code, Title 19. 2021.

In addition, the parking requirements for senior and affordable housing described in Table 6-19 above are applicable in the Downtown Specific Plan area.

LAWRENCE STATION AREA PLAN PARKING REQUIREMENTS

Table 6-21 outlines the parking requirements for residential uses within the Lawrence Station Plan Area. Parking locations, types, and criteria for parking reductions will be determined as part of the project review on a case-by-case basis. It should be noted that implementation of AB 2097, as described above, will result in the removal of parking minimums in many cases within the LSAP area.

Table 6-21: Parking Requirements within the Lawrence Station Area Plan

Residential Unit Type	Number of Parking Spaces Required	
	Minimum (per unit)	Maximum (per unit)
Studio and one-bedroom	1	1.5
Two bedrooms	1.25	2
Three or more bedrooms	1.7	2
Senior housing	Multiply bedroom requirement by 0.5	
Affordable housing (deed restriction)	Multiply bedroom requirement by 0.5	

Source: City of Sunnyvale Municipal Code, Title 19, 2021.

EL CAMINO REAL SPECIFIC PLAN PARKING REQUIREMENTS

Table 6-22 outlines the parking requirements for residential uses in the ECRSP area. Parking management plans are required to provide information on peak hour use, vehicular circulation, needs of specific users, etc. Shared parking is allowed for differing uses on the same property and is encouraged for trip reduction programs. Parking locations, types, and criteria for parking reductions will be determined as part of the project review on a case-by-case basis. Special housing developments are subject to the parking requirements listed in Table 6-19.

Table 6-22: Parking Requirements within the El Camino Real Specific Plan

Residential Unit Type	Node		Segment	
	Minimum (per unit)	Maximum (per unit)	Minimum (per unit)	Maximum (per unit)
Studio and one-bedroom	1	1.5	1	1.5
Two bedrooms	1.25	2	1.5	2.25
Three or more bedrooms	1.7	2	2	2.25

Source: City of Sunnyvale Municipal Code, Title 19, Chapter 19.36, 2022.

In addition, new development within the ECRSP is required to provide short-term and long-term bicycle parking. Short-term bicycle parking, or Class II, includes bicycle racks or corrals. Long-term bicycle parking, or Class I, includes lockers, check-in facilities, monitored parking, restricted access parking, and personal storage. Bicycle parking requirements for residential uses are listed in Table 6-23.

Table 6-23: Bicycle Parking Requirements within the El Camino Real Specific Plan

Residential Uses ¹	Short Term (Class II)	Long Term (Class I)
General/low-income/senior housing	1 space per 15 units	2 spaces per 3 units

11 Minimum of four unassigned Class I bicycle parking spaces shall be provided for each residential development.

Source: City of Sunnyvale Municipal Code, Title 19, Chapter 19.36, 2022.

CONCLUSION

MidPen Housing, an affordable developer in the region, identified the City's reduced parking requirements for special housing developments as a best practice in their review of housing elements in the Bay Area region. The reduced parking requirements increase the feasibility of affordable and senior housing. In addition, the City is targeting parking standards below the Citywide parking standards for the Moffett Park Specific Plan Update. However, the parking requirements for mixed use development outside of specific plan areas are not fully transparent as they require use of a parking calculator tool that is not publicly available. [In addition, parking standards for studio units were noted by HCD as excessive.](#) The Housing Element includes programs to provide clear and transparent parking standards for mixed use developments outside of specific plan areas [and to reduce the parking requirement for studios to no more than one space per unit, inclusive of guest parking.](#)

- **Timeframe:** Annually monitor rent adjustments based on inflation, provide resident assistance on an ongoing basis.
- **Responsible Department or Agency:** Community Development Department, Housing Division

H15. Foreclosure Prevention Resources. Provide continuous information about available foreclosure counseling services, warnings about foreclosure-related scams, and available legal resources on the City’s website. Provide biannual social media campaigns using the City’s public outreach channels (website, Housing newsletter, media releases, City blog, etc.) to educate residents. Continue to refer any homeowners in default to the services available. Provide materials in multiple languages and work with community-based organizations to distribute materials to residents most at-risk of foreclosure. *[Source: 2015-2023 Housing Element, Program 13]*

- **Objective:** Provide foreclosure assistance to 10 homeowners throughout the planning period.
- **Policy(ies) Implements:** H-5.4
- **Timeframe:** Biannual social media campaigns starting in 2023
- **Responsible Department or Agency:** Community Development Department, Housing Division

H16. Complete the “Retooling the Zoning Code” Project. Complete the Retooling project and update the Zoning Code to provide clarity of processing and permitting procedures for the community. *[Source: 2015-2023 Housing Element, Program 16]*

- **Objective:** Accelerate housing production by adopting a comprehensive zoning code update.
- **Policy(ies) Implements:** H-4.1
- **Timeframe:** 2026
- **Responsible Department or Agency:** Community Development Department, Planning Division

H17. El Camino Real Specific Plan Commercial Requirement. Implement a program to address the commercial requirement for 100 percent affordable housing developments in the El Camino Real Specific Plan (ECRSP) on sites zoned for mixed-use by providing a range of options including condominium style ownership to enable separate retail and housing ownership for vertical mixed use, horizontal mixed use options (retail in a separate building from the residential development) with or without a lot split, or a reduction in the minimum commercial requirement. *[Source: New program]*

- **Objective:** Remove constraints to 100% affordable housing developments in high resource areas along El Camino Real to facilitate a minimum of two 100% affordable developments. Continue to require inclusionary units within market rate developments as well.
- **Policy(ies) Implements:** H-1.1, H-1.2, H-1.3
- **Timeframe:** Establish program for 100% affordable developments by December 2023
- **Responsible Department or Agency:** Community Development Department, Housing and Planning Divisions

H18. Usable Open Space Requirements. Collaborate with developers and other stakeholders to review and modify usable open space requirements, including private usable open space requirements, in higher density residential areas (R-2, R-3, R-4 and R-5 zoning districts) to reduce constraints on housing development, while balancing community desires for high quality design and access to open space. The City shall review open space requirements in conjunction with implementation of Program 21 to adopt open space requirements that facilitate missing middle housing. Continue to implement significantly lower usable open space requirements in very high density specific

plan areas. [The City shall annually monitor open space requirements to determine whether or not they are a constraint to housing production and report findings in the annual progress report \(APR\). The City shall conduct a midcycle review of open space requirements and if determined to be a constraint, shall take action within six months to mitigate the constraint.](#) [Source: New program]

- **Objective:** Reduce potential constraints on residential development by reviewing and modifying the City's usable open space requirements in R-4 and R-5 zoning districts to maintain access to high quality open space while reducing the financial impact to residential development.
- **Policy(ies) Implements:** H-4.1
- **Timeframe:** Complete review and modifications no later than 2026. [Annually monitor open space requirements and report findings in the APR. Conduct a midcycle review of open space requirements in 2028 and if determined to be a constraint, take action within six months to further reduce open space requirements.](#)
- **Responsible Department or Agency:** Community Development Department, Housing and Planning Divisions

H19. Review Park Dedication Requirements. Establish reduced Park Dedication In-lieu fees for Dual Urban Opportunity (DUO) lot splits to remove barriers to infill housing in single-family neighborhoods. Reduced fees for DUO lots splits will be below the cost of land acquisition. Pursuant to public comments, reduce park dedication in-lieu fees on missing middle housing (as described in Program H21) to be no greater than \$60,000 per unit. Continue to exempt affordable rental units from the Park Dedication requirements (including In-lieu fees) and adopt fee reductions and/or exemptions for housing that serves other special needs populations (e.g., senior housing, single room occupancy [SRO] units) so that park dedication fees are no greater than \$35,000 per unit for SROs and efficiency units. Continue to evaluate the Park Dedication requirements (including In-lieu fees) based on new demographic information and make adjustments to fees to mitigate constraints, particularly on multifamily housing. Adopt a tiered approach based on density and/or size of unit to reduce park dedication in-lieu fees on multifamily units, targeting an average reduction of about 30 percent. Continue to ensure that all Park Dedication in-lieu fees do not exceed the cost of unentitled land acquisition. [The City shall annually monitor the fees to determine whether or not fees are a constraint to housing production and report findings in the annual progress report \(APR\). The City shall conduct a midcycle review of fees and if determined to be a constraint, shall take action within six months to mitigate the constraint.](#)

- **Objective:** Affirmatively further fair housing in single family neighborhoods by reducing Park Dedication In-lieu fees for Dual Urban Opportunity lot split projects and reduce constraints on multifamily and special needs housing.
- **Policy(ies) Implements:** H-4.1
- **Timeframe:** [Establish reduced fees in 2024. Annually monitor fees and report findings in the APR. Conduct a midcycle review of fees in 2027 and if determined to be a constraint, take action within six months to mitigate constraint.](#)
- **Responsible Department of Agency:** Community Development Department, Housing and Planning Divisions

H20. Housing Development Plan Review Permit. Establish a new, non-discretionary permit type for housing development projects. This new permit type will simplify the permitting processes by creating one permit type for all housing development projects regardless of underlying zoning. The Plan Review Permit process will involve Planning Commission review and approval for consistency with objective development and design standards.

- **Objective:** Create new residential permit type to remove constraints on housing development and implement objective thresholds of approval.
- **Policy(ies) Implements:** H-4.1 and H-4.6
- **Timeframe:** Establish new permit type by 2024
- **Responsible Department of Agency:** Community Development Department, Planning Division

H21. Missing Middle Housing. Establish regulatory modifications to encourage construction of missing middle product type housing units. Missing middle housing types are defined as smaller units, such as tri-plex, four-plex, cottage courts, townhouses, and Dual Urban Opportunity (DUO) units that are “affordable by design” for workforce-income households earning up to approximately 150 percent of Area Median Income. Modifications will increase housing opportunities in higher resource areas with low-density, single family zoning and may include the following:

- Zoning modifications to allow smaller lot sizes, modified setbacks, and shared easements [to ensure maximum allowable densities are feasible](#)
- Tiered fee structures
- Expedited/priority plan review
- Combining districts/small lot subdivisions in zoning districts such as R1.5 and R1.7
- Density bonus and/or inclusionary requirements
- Reducing or eliminating parking minimums for projects within a half mile of public transit, pursuant to Government Code Section 65863.2.
- Regulatory modification to result in ministerial approval processes for certain product types not requiring lot splits. *[Source: New program]*
- **Objective:** Remove constraints and add incentives to the development of smaller, cost-effective housing options that are affordable for workforce-income households in higher opportunity neighborhoods. Target production of 75 new missing middle units.
- **Policy(ies) Implements:** H-1.6, H-2.5, and H-4.1
- **Timeframe:** Establish regulatory modifications no later than 2025
- **Responsible Department of Agency:** Community Development Department, Housing, Planning, and Building Divisions

H22. Adaptive Reuse. Evaluate, and if appropriate, amend the Zoning Code to remove potential constraints for adaptive reuse of vacant or underperforming non-residential buildings (including motels and hotels) for housing or other shelter. Evaluation will examine review or approval processes and fees, while ensuring that buildings meet required safety standards. Consider regulatory incentives or waivers related to parking, open space, trash, and landscaping requirements. *[Source: New program]*

- **Objective:** Evaluate whether review or approval processes and development standards are a constraint on adaptive reuse or interim reuse. If barriers to adaptive reuse or interim use are identified that State law does not already enable, modify processes and fees and/or adopt incentives as appropriate.
- **Policy(ies) Implements:** H-1.1 and H-4.1
- **Timeframe:** Establish regulatory modifications no later than 2025

- **Responsible Department or Agency:** Community Development Department, Planning Division

H23. Zoning Code Amendments. The City shall amend the zoning code to ensure compliance with State law as follows:

- Allow “low barrier navigation center” developments by right in mixed-use zones and nonresidential zones permitting multifamily uses, consistent with Government Code Section 65662.
- Allow for the approval of 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units, whichever is greater, to be allowed without a conditional use permit or other discretionary review in all zoning districts where multifamily and mixed-use development is permitted, consistent with Government Code Section 65651(a).
- Establish appropriate parking standards for residential care homes and identify clear parking requirements for emergency shelters consistent with Government Code 65583.
- Provide clear and transparent parking standards for mixed use developments outside of specific plan areas.
- Amend the zoning code to permit group homes with more than six persons in all residential zones and revise procedures to promote objectivity and approval certainty.
- Establish a written procedure to implement streamlined ministerial approval in compliance with Senate Bill 35.
- Allow employee housing for six or fewer employees and treat this use the same as any single family home.
- Review and revise the Single Room Occupancy (SRO) regulations to remove the minimum parking requirement and remove the maximum occupancy limitation, as necessary for consistency with the California Building Code.
- Allow SROs by right in R4 and R5 zoning districts. Identify additional zoning districts such as C-2, MS-POA, and select mixed use zoning districts in specific plan areas (e.g., El Camino Real Specific Plan) to allow SROs by right.
- Amend the definition of “family” to remove language about possession of the entire unit.
- [Reduce parking requirements for studio and efficiency units to no more than one parking space per unit, inclusive of guest parking, and](#) Remove minimum parking requirements for most developments within one-half mile of transit, pursuant to Government Code Section 65863.2. *[Source: New program]*
- **Objective:** Amend the zoning code in compliance with State law.
- **Policy(ies) Implements:** H-4.1, H-4.2, H-4.3, and H-5.12
- **Timeframe:** Complete zoning code amendments by December 2024
- **Responsible Department or Agency:** Community Development Department, Housing and Planning Divisions

H24. Fair Housing Program. Ensure information related to fair housing is accessible to all community members by implementing the following:

- Continue to contract with qualified fair housing agencies to provide comprehensive and culturally-appropriate fair housing services and/or tenant/landlord mediation to the extent funding is available.
- Provide multi-lingual fair housing brochures at City Hall, the Sunnyvale Library, Senior Center, Recreation Center, and the Columbia Neighborhood Center, and work with area organizations and non-profits to disseminate information to non-English speaking populations in Sunnyvale.