







ADOPTED DECEMBER 12, 2023





# 2023–2031 HOUSING ELEMENT





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# CHAPTER 1 INTRODUCTION

The City of Sunnyvale Housing Element provides a roadmap for the City to address current and projected housing needs. Sunnyvale takes pride in being an inclusive, progressive community, and has long recognized the provision of a diverse range of housing opportunities as a key priority and obligation. Located in the job-rich Silicon Valley region of the San Francisco Bay Area, the City must overcome challenges to provide sufficient housing for its workforce. This Housing Element analyzes the City's housing needs, assesses fair housing practices, identifies opportunities for future residential development, and addresses potential constraints to housing development in the city. Based on this research, the Housing Element includes a Housing Plan with goals, policies, and implementation programs aimed at addressing existing and future housing needs of Sunnyvale.

# 1.1 Housing Element Purpose and Requirements

State law recognizes the vital role local governments play in the supply and affordability of housing. All cities and counties in California are required to have a compliant housing element as one of the eight mandated elements of a general plan. Each city and county is also required to prepare an annual progress report on the status and progress of implementing its housing element.

The purpose of the housing element is to provide a plan to meet the existing and projected housing needs of all segments of the population, including lower-income households and households and individuals with special housing needs. To achieve this objective, the housing element must analyze housing needs, evaluate factors that could potentially constrain housing production, and identify goals and objectives for housing production, rehabilitation, and conservation to meet the City's needs.

Each city and county in the State must submit their housing element to the California Department of Housing and Community Development (HCD) for review to ensure that it meets the minimum requirements under State housing element law. Most cities and counties, including Sunnyvale, are required to update their housing element every eight years. Sunnyvale's prior housing element covered the 2015-2023 planning period, while this update to the Sunnyvale Housing Element will cover the 2023-2031 planning period.

### **HOUSING ELEMENT REQUIREMENTS**

- An analysis of existing and projected housing needs
- An inventory of land suitable for housing
- An analysis of potential constraints on housing
- A fair housing analysis
- An analysis of any special housing needs
- Identification of zone(s) where emergency shelters are allowed by-right
- An evaluation of the previous element
- An analysis of opportunities for residential energy conservation
- An analysis of government-assisted housing developments that are "at-risk" of converting to market rate
- Goals, policies, and implementation programs

# 1.2 Housing Element Organization

This Housing Element satisfies the requirements of State law (Government Code Section 65583(a)) and is organized as follows:

- Chapter 1 Introduction. This chapter includes an introduction to the Housing Element, description of State
  housing element law, general plan consistency, and a summary of community participation.
- Chapter 2 Housing Plan. This chapter establishes goals, policies, and implementation programs to
  affirmatively further fair housing and meet the City's housing needs for all, including residents at all income
  levels and those with special needs.
- Chapter 3 Housing Needs Assessment. This chapter analyzes demographic and socio-economic conditions; existing housing stock characteristics; housing affordability, overpayment, and overcrowding; and special needs for persons experiencing homelessness, persons with disabilities, seniors, large families, and femaleheaded households.
- Chapter 4 Assessment of Fair Housing. This chapter provides an analysis of fair housing issues in the city, including integration and segregation, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs.
- Chapter 5 Sites Inventory and Funding Resources. This chapter identifies opportunities for housing production to meet the City's fair share of regional housing needs, as determined by the regional housing needs allocation (RHNA).
- Chapter 6 Constraints to the Development of Housing. This chapter analyzes potential governmental constraints on the production of housing, including land use controls, permits and processing procedures, fees, and zoning for a variety of housing types. This chapter also analyzes non-governmental constraints such as land and development costs and the availability of financing.
- Chapter 7 Opportunities for Energy Conservation. This chapter analyzes opportunities for energy
  conservation in residential development including green building and energy-efficiency requirements and
  energy conservation programs.
- Chapter 8 Evaluation of the Previous Housing Element. This chapter summarizes accomplishments during
  the previous Housing Element planning period and evaluates each of the previous programs.

# 1.3 General Plan Consistency

The Sunnyvale General Plan, consolidated in 2011, is the City's long-term blueprint for future growth and includes goals, policies, and programs that convey a long-term vision for the Sunnyvale community and guides local decision-making to advance that vision. Upon adoption, this Housing Element will be incorporated into the Sunnyvale General Plan, updating the existing housing element. The Housing Element is consistent with the community vision to build upon the City's attributes to become a strong, diverse community and supports the City's goals to engage in long-range planning to provide appropriate balances between jobs and residences (Goal I) and to provide a variety of housing options, so all segments of the population find appropriate high-quality housing that is affordable to them (Goal VI).

The City comprehensively updated the Land Use and Transportation Element (LUTE) of the General Plan in 2017 and most recently updated the LUTE in 2021 to reflect changes to specific plan areas. The land use framework

identified in the LUTE is the basis for the residential sites inventory included in Chapter 5, "Sites Inventory and Funding Resources," and contains goals and policies consistent with those in the Housing Element including:

- Policy LT-1.2: Minimize sprawl by endorsing strategically placed development density in Sunnyvale and by utilizing a regional approach to providing and preserving open space for the broader community.
- Policy LT-1.3: Contribute to a healthy jobs-to-housing ratio in the region by considering jobs, housing, transportation, and quality of life as inseparable when making planning decisions that affect any of these components.
- Policy LT-7.4 Promote new mixed-use development and allow higher residential density zoning districts (medium and higher) primarily in Village Centers, El Camino Real nodes, and future industrial-to-residential areas.
- Policy LU-14.7 Balance the need for additional residential uses with industrial uses needed for a healthy economy.

State law requires that several other General Plan elements be reviewed and/or modified upon adoption of the Housing Element. Senate Bill (SB) 1035 requires the safety element to be revised upon update of the housing element to include new information on fire hazards, flood hazards, and climate adaptation and resilience strategies. SB 1000 also requires the City to address environmental justice when updating two or more elements after January 1, 2018. Although there are no disadvantaged communities in Sunnyvale, the City has chosen to apply environmental justice requirements broadly throughout the General Plan. The City is addressing Environmental Justice under a separate effort, anticipated for completion in late 2022. This effort will address the requirements of SB 1000.

The Housing Element is consistent with the other elements of the General Plan and the City will maintain consistency between the Housing Element and the other General Plan elements so that policies introduced in one element are consistent with other elements.

# 1.4 Community Participation

In an effort to engage a broad array of community interests, including lower-income residents and underserved communities, the City used a variety of strategies throughout the Housing Element update process to engage the community. The City used a diverse range of tools to attract a wide range of community engagement, including:

- Countywide 'Let's Talk Housing' Information Campaign
- Project Website
- Social Media
- Online Community Survey
- Community Workshops
- Commission and City Council Study Sessions

The following summarizes the activities and methods used to meaningfully engage the community and other stakeholders during the planning process. The community engagement team applied creative outreach techniques to ensure involvement of a wide and diverse range of community and stakeholder voices. Collaboration and engagement began early in the process, to promote community ownership of the plan, and continued through plan adoption. Community engagement activities were conducted in multiple languages to provide opportunities for a broad segment of the community to participate.

## **Engagement Activities**

The following provides a description of the activities used to engage the public, including the purpose of each activity, noticing, and timing.

### **COUNTYWIDE OUTREACH EFFORTS**

The City participates in the Santa Clara County Planning Collaborative, a county-wide effort to address the region's housing challenges. In 2021, the collaborative initiated an information campaign titled "Let's Talk Housing Santa Clara County" to increase awareness of and participation in each jurisdiction's housing element update. The campaign will continue throughout the housing element update process and aims to accomplish more extensive outreach. The campaign has been advertised at local farmer's markets, community centers, and local service providers. The City advertised the campaign and its "Housing 101" virtual community meeting on the City's main website, housing element project webpage, and with emails to interested parties.

The campaign's website (letstalkhousingscc.org) conveyed information about the basics of housing elements, the timeline for the 6th cycle update, as well as how to connect with representatives of each jurisdiction. In August 2021, the City of Sunnyvale participated in a "Housing 101" virtual community meeting, which included local citizens in a Sunnyvale breakout room. City staff continued to participate in the Planning Collaborative's Let's Talk Housing campaign, throughout the entire housing element update process, through countywide meetings and/or information campaigns.

### **PROJECT WEBPAGE**

The City hosted a project webpage about the housing element update. The webpage included an overview of the project and schedule, frequently asked questions (FAQs), contact information for the project team, and a sign-up link for the project email distribution list. The webpage was maintained throughout the housing element update process and routinely updated to include announcements of future engagement events, community engagement materials and summaries of past events, and draft documents. The webpage also enabled language translation and included accessibility features for those who are visually impaired.

### **SOCIAL MEDIA**

The City maintains a robust social media presence through Facebook, Twitter, and Nextdoor. Since 2020, all virtual and hybrid meetings of the City Council and advisory bodies are posted on YouTube as well as the City's meeting management system (Legistar). The City used these communication mediums to disseminate information throughout the duration of the housing element update process. This included, for example, notice of upcoming meetings, invitations to participate in the survey, and links to recordings of virtual meetings.

#### **EMAIL DISTRIBUTION LIST**

The City created an email distribution list to alert and remind interested parties about upcoming engagement events, public hearings, the community survey, and draft documents. Known stakeholders including housing advocates and developers were automatically included in the list. Interested members of the public were encouraged to sign up on the project webpage. All email announcements pertaining the survey and community workshops were translated into Spanish and Chinese (Mandarin).

#### **FLYERS**

Flyer advertisements for the survey and Community Workshops were created in English, Spanish, and Chinese (Mandarin). In late January 2022, City staff posted these flyers in highly trafficked common areas to target residents of all geographic areas of the City who may be unfamiliar with the City's housing element update process, including non-English speaking populations and nonresidents who work in Sunnyvale. Flyers were posted in public parks, the Sunnyvale Caltrain station, supermarkets, the local farmer's market, the public library, community centers, and City Hall.

To reach out to non-English speakers, the City posted Spanish and Chinese (Mandarin) flyers at Hispanic and Asian grocery stores, including Chavez Supermarket, Guadalajara Market, Mi Ranchito Produce, Trinethra Indian Supermarket, Hankook Supermarket, and New Wing Yuan Market. Special consideration was given to census tracts in northern Sunnyvale that are considered low- and moderate-resource according to HCD/TCAC Opportunity measures. These areas have lower median incomes and are more likely to be Hispanic majority. In these areas, Spanish-language flyers were posted at the Columbia Community Center and public parks as well as several of the Hispanic grocery stores listed above.

The City also made concerted effort to reach out to special needs populations including seniors and extremely low-income households. Flyers were sent electronically to the property managers of affordable housing developments in the City for distribution to residents within their projects. Flyers were also sent to the Sunnyvale Senior Center and the mobile home residents' group.

### Flyer Advertisement for Virtual Workshops and Online Survey







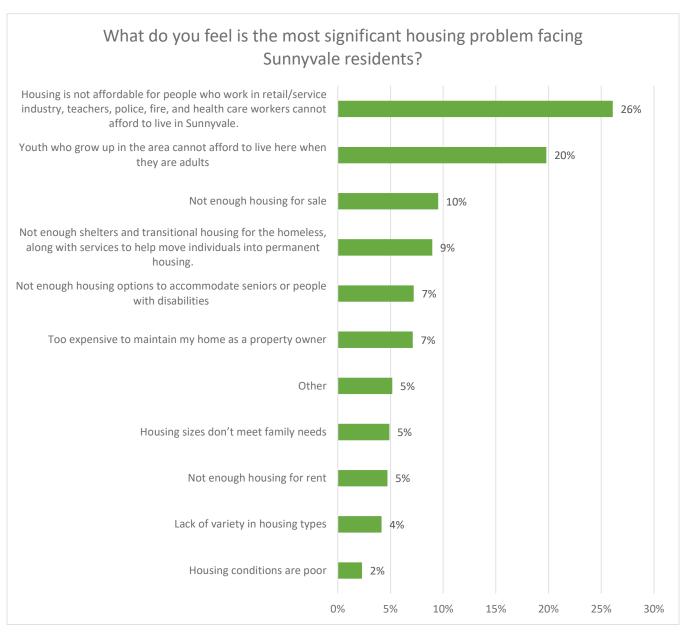
### **ONLINE COMMUNITY SURVEY**

A web-based survey was broadly distributed between January 31, 2022 and March 4, 2022, to gather information from the community on housing needs and housing policy priorities. The survey included questions related to household demographics, housing conditions, and housing issues and priorities. Although the survey was voluntary and is not considered statistically valid, it does provide a glimpse of residents' perspectives on housing issues in the city. The survey was provided in English, Spanish, and Chinese (Mandarin).

Invitations to participate in the survey were provided on the project website, through the email distribution list, through flyers posted at multiple common destinations around Sunnyvale and handed out at the farmers market, distributed by SV@Home (a local housing advocacy group), and broadcast on the social media outlets described above. Flyer and email distribution list Invitations were provided in Spanish and Chinese (Mandarin). Survey information was promoted at the Sunnyvale Public Library's English as a Second Language (ESL) Conversation Group. The City sent also survey information to members from each of Sunnyvale's neighborhood associations and to a local Chinese immigrant group (Society of Heart's Delight) for distribution through the WeChat social media platform.

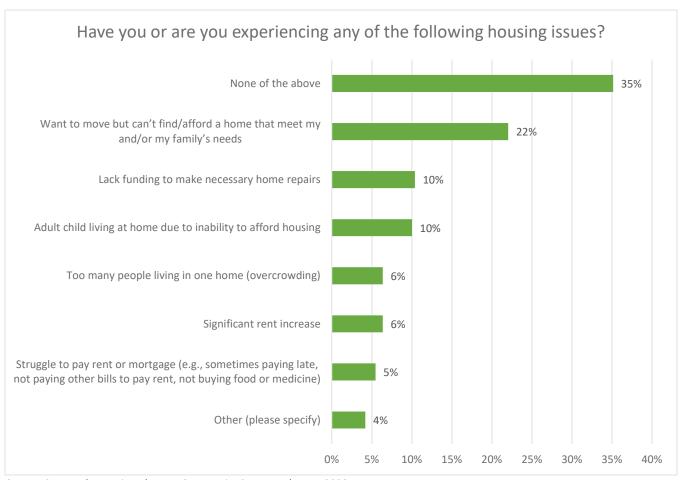
The City received over 400 responses to the survey, including 398 responses in English, five in Spanish, and 16 in Chinese (Mandarin). Approximately 75 percent of survey participants were homeowners, including couples with children under 18 years old or no children. Although approximately 57 percent of English-speaking participants reported spending less than 30 percent of their gross income on housing, 100 percent and 56 percent of Spanish-speaking participants and Chinese-speaking participants, respectively, spent over 30 percent of their gross income on housing. Participants expressed housing affordability for those working in the retail/service industry and for young people as the greatest housing problems facing Sunnyvale residents and identified the greatest housing need for two-bedroom apartments. A summary of key survey responses is shown in Figures 1-1 through 1-3. See Appendix A for the complete survey and participant responses.

Figure 1-1: Survey Responses to "What do you feel is the most significant housing problem facing Sunnyvale residents?"



Source: Sunnyvale Housing Element Community Survey, February 2022.

Figure 1-2: Survey Responses to "Have you or are you experiencing any of the following housing issues?"



Source: Sunnyvale Housing Element Community Survey, February 2022.

How much of your gross income (before taxes) do you spend on housing costs (rent, mortgage payments, etc) each month?

| Less than 30% | 30% to 50% | More than 50%

Figure 1-3: Survey Responses to "How much of your gross income (before) taxes do you spend on housing costs (rent, mortgage, payments, etc.) each month?"

Source: Sunnyvale Housing Element Community Survey, February 2022.

### STAKEHOLDER MEETINGS

The City hosted two lunchtime focus group meetings with stakeholders from housing advocacy groups and the residential development community. A summary of each meeting and comments received is provided below. In addition to the focus group meetings described below, the City met with Livable Sunnyvale, a local housing advocacy group, per their request September 1, 2021 and June 1, 2022. City staff continued to invite stakeholder groups to attend Community Workshops and public hearings. Stakeholder attendance and feedback was noted at these events, however, aside from Livable Sunnyvale, no other community groups or stakeholders requested additional meetings with the City. Feedback received from the stakeholders was incorporated into the analysis of potential constraints (Chapter 6) and the goals, policies, and programs (Chapter 2).

### Focus Group #1: Housing for Special Needs

The first focus group included representatives of housing advocacy groups and special needs service providers. Participants were given an overview of the housing element process and special housing needs for Sunnyvale residents. Following the presentation, participants were asked to provide their experiences and recommendations in addressing special needs in the city.

Participants shared concerns related to the inventory of sites for residential development, including the location of sites near transit and providing a sufficient buffer of sites to meet the lower-income housing need throughout the eight-year planning period. Several participants also expressed the need for more infill housing in south Sunnyvale

to allow for a range of housing types that affirmatively further fair housing by increasing lower-income housing opportunities in high resource areas.

Participants also voiced the importance of addressing fair housing throughout the entire Housing Element. One participant noted that recent fair housing enforcement cases are mostly related to residents with disabilities and familial status discrimination. Participants requested information on locating affordable housing and assistance for home repairs be more readily accessible.

In addition, participants also expressed the following:

- Concerns regarding the gap between actual incomes (e.g., for seniors) and area median income limits set for affordable housing units.
- Support for rental subsidies, rent control and modifying the City's below market rate housing program to increase the required percentage of below market rate units.
- Support for City-sponsored low-interest loans for home repairs for low-income households, including reasonable accommodations to enable seniors and persons with disabilities to stay in their homes.
- Suggestions to reduce off-street parking requirements to improve housing affordability.
- Challenges with landlord acceptance of housing choice vouchers and support for landlord education.

### Focus Group #2: Developer Insights into Meeting the RHNA:

The second focus group was attended by for-profit and non-profit housing developers and a representative of the Building Industry Association. The meeting focused on the developer experience in Sunnyvale and solutions to meeting the RHNA. Participants were given an overview of the housing element process and then were asked to provide their experiences and recommendations for increasing housing production in the city. A summary of comments provided by participants is below:

Participants were generally interested in the inventory of residential sites and posed questions about residential capacity within specific plan areas and the use of density bonus. One participant, a local accessory dwelling unit (ADU) developer, encouraged the City to both promote and rely on ADU production to meet the RHNA and shared that his company has experienced a doubling of units constructed year after year.

Several participants expressed constraints to housing development in the city, including high development impact fees, in comparison to other jurisdictions in the region; affordable housing requirements; requirements to use the local workforce; low density ranges; parking standards; and upper story setback requirements.

However, some participants complimented the City's development standards and permitting processes, particularly for affordable housing. A representative from MidPen Housing, a local affordable housing developer, shared the City's parking standard reduction and park impact fee waiver for affordable housing are beneficial to affordable housing development.

### **COMMUNITY WORKSHOPS**

Three community workshops were provided during the housing element update process. Two workshops occurred early in the process (both were multi-lingual) and one workshop will occur later in the process, after the public review draft Housing Element is released. Each workshop was noticed as a special meeting of the City Council and other Advisory Bodies as needed to ensure participation is allowed by all Councilmembers or Commissioners. The following provides a description of each community workshop.

As with the community survey, invitations to participate in the community workshops were provided on the project website, email distribution list, flyers, and the City's social media outlets. Community workshop information was provided on flyers and email distribution list in Spanish and Chinese (Mandarin). Community workshops were promoted at the Sunnyvale Public Library's English as a Second Language (ESL) Conversation Group. The City sent also meeting information to Sunnyvale's neighborhood groups, mobile home residents, the Sunnyvale Senior Center, and the Society of Heart's Delight.

### Community Workshops #1 and #2

The first two workshops sought to educate the community on the purpose of the Housing Element and collect input on community needs and key housing issues facing residents. A presentation of housing element requirements, overall process, and preliminary analysis of housing needs and opportunities was provided.

Both community workshops #1 and #2 were held virtually due to the COVID-19 pandemic and Santa Clara County health orders in place at the time. Community workshop #1 was held on February 3, 2022, and presented in English and Spanish through the use of live interpretation. Community workshop #2 was held on February 9, 2022, and presented in English and Chinese (Mandarin) through the use of live interpretation.

Live polling was conducted during the meeting to gain input from participants on their own experiences related to housing challenges as well as their priorities for addressing housing needs in Sunnyvale. The input received during polling informed the local data and knowledge used in Chapter 4, "Assessment of Fair Housing." See Appendix A for the detailed results of the community workshop polls.

Of the 27 polling participants, 63 percent were residents, 53 percent were homeowners and 7 percent mobile homeowners, 33 percent were renters, and 7 percent live with family/friends (do not pay rent). Participants described housing affordability, availability, and accessibility as the greatest housing problems facing Sunnyvale residents. Several participants expressed support for increasing densities and height limits to encourage more housing production. Several workshop participants described a concentration of resources in south Sunnyvale, highlighting that the only two high schools in Sunnyvale are located in south Sunnyvale, while recent high density housing development has been in north Sunnyvale where fewer resources are available. While participants were generally supportive of the new housing production happening in the northern area of the city, many participants expressed a desire to see more housing opportunities in the southern part of the city as well.

# What are the housing issues and challenges in Sunnyvale?

"Not enough density or height allowed"

"Buying is a challenge, renting is the only option for those making lower wages."

"Lack of affordable housing south of El Camino"

"Fewer good schools and shopping areas in north Sunnyvale"

"Landlords not accepting vulnerable populations"

"Physical barriers [like State Route 237]"

"Need more housing for people with only [Social Security Income] SSI income"

"NIMBY attitudes"

"Serving the housing needs of low-to-mode[rate] income residents"

- Community Workshop participants

# What ideas do you have for addressing housing challenges in Sunnyvale?

"Build different types of housing – duplex/fourplex/missing middle. EV chargers in all new builds."

"Create set-aside units for people with developmental disabilities"

"Adopt Moffett [Park Specific Plan] ASAP"

"Prioritize affordable housing south of El Camino"

"Focus on infill housing & transit oriented housing"

"Redevelopment density bonus; encourage developers to redevelop old, low-density apartment buildings by allowing them to build more units than they would otherwise be able to..."

"Encourage building in South Sunnyvale, starting with higher density for Village Centers"

1-12

- Community Workshop participants

### **Community Workshop #3**

A third community workshop was held virtually on May 11, 2022, to collect feedback on the public review draft of the Housing Element. The workshop's primary focus was on the housing sites inventory and implementation programs. The workshop was presented in English and live interpretation was provided in Spanish and Chinese (Mandarin). The workshop presentation and Chapter 2, "Housing Plan," of the public review draft was translated into Spanish and Chinese (Mandarin).

Throughout the workshop, participants provided comments through interactive polling, and the workshop concluded with a question and answer and a discussion session. Workshop participants expressed concerns related to the sites inventory and made suggestions for policies and programs, as described below.

- The assumed percentage of lower-income units on high-density zoned sites seems too high given that the City's inclusionary requirement is only 15 percent.
- Support for more lower-income housing opportunities in the Village Centers and south Sunnyvale through
  increased densities or the addition of new Village Centers, as well as programs and incentives for ADUs and
  SB 9 lot splits/duplexes in single family neighborhoods.
- Support for the safe RV parking program and programs to prevent homelessness, the ADU toolkit program, and programs related to housing for special needs groups including persons with development disabilities.
- Suggestions to increase the City's inclusionary requirements, reduce parking minimums, establish
  Community Opportunity to Purchase Act (COPA) and Tenant Opportunity to Purchase Act (TOPA)
  ordinances, and extend no net loss provisions beyond the SB 330 sunset date.

### ADVISORY COMMITTEE, COMMISSION, AND CITY COUNCIL STUDY SESSIONS

The City hosted a joint meeting of the Housing and Human Services Commission and the Planning Commission on December 13, 2021. Subsequently, there was a meeting with the City Council on January 25, 2022. Additionally, a presentation was provided to the Age-Friendly Advisory Committee on February 8, 2022. The purpose of each meeting was to outline the process, requirements of State law, and overall goals and objectives of the Housing Element. Additionally, meetings provided an opportunity for appointed and elected officials to identify key issues they would like addressed in the Housing Element update and for members of the public to listen and provide comments.

After release of a public review draft Housing Element, the City hosted four additional meetings with the Housing and Human Services Commission, the Planning Commission, and the City Council to gather any feedback before submitting the Housing Element to the California Department of Housing and Community Development for the State-mandated review period. The City's commission and council members discussed the public review draft of the Housing Element and community feedback received. On June 21, 2022, the City Council approved the Draft Housing Element be submitted to HCD for the State-mandated Housing Element review period.

### PUBLIC COMMENT RECEIVED DURING PUBLIC REVIEW AND HCD REVIEW

A draft of the Housing Element was published on May 6, 2022, and was made available on the City's website for a 30-day public comment period. The City received several comment letters during the public review period, including letters from Livable Sunnyvale, SV@Home, Greenbelt Alliance, and others. The City revised the draft Housing Element in response to public comment and City Council direction and published a track changes version with the HCD submittal draft Housing Element on July 8, 2022 on the project website. During the HCD Review process, seven comment letters were submitted from residents and local organizations.

The City received comment letters from YIMBY Law, Greenbelt Alliance, SV@Home, Livable Sunnyvale, and two residents. Based on public comments received, the City revised the Housing Element. Revisions were made to accelerate timelines and strengthen implementation program languages and commitments, as well as reduce reliance on Moffett Park to meet the lower-income RHNA. Specifically, in response to public comments from Livable Sunnyvale and SV@Home, the City strengthened the commitment to identifying lower-income housing sites in higher resource areas (e.g., Village Centers), added a program to encourage missing middle housing, provided additional analysis on investments in underserved areas along with stronger program commitments to continue investments in these areas, and modified the sites inventory assumptions to reduce the percentage of lower-income units in the Moffett Park Specific Plan area. The City met with Livable Sunnyvale and SV@Home in early 2023 to discuss their comments in more detail and present proposed approaches to addressing comments. In response to comments received from YIMBY Law, the City revised Program H19 to commit to reducing the Park Dedication In-lieu fee for Dual Urban Opportunity (DUO) projects that include a lot split.

Following the publication of the Revised HCD Draft on May 16, 2023, the City received one letter from YIMBY Law, which contained additional comments on the Park Dedication Requirement. In response to this comment letter, the City added information on the methodology for determining Park Dedication In-lieu fees. The City also further strengthened Program H19 by clarifying its commitment to reducing Park Dedication In-lieu fees for DUO projects with lot splits and ensuring that fees do not exceed the cost of land acquisition.

During the HCD Review process, public comments were received from YIMBY Law, Housing Action Coalition, Holland & Knight, and Livable Sunnyvale. Comments from YIMBY Law and Housing Action Coalition included statements that the Park Dedication In-lieu fee acted as a constraint on development, while Holland & Knight included comments on the City's permitting process related to proposed projects at 1154 and 1170 Sonora Court. City staff has resolved permit processing questions related to these projects and is currently (as of October 2023) working with the applicant to schedule public hearings. Comments from Livable Sunnyvale indicated support for the Revised HCD Draft and highlighted several of the City's programs, including Program H17 El Camino Specific Plan Commercial Requirement and Program H19 Review Park Dedication Requirements. On July 21, 2023, the City received a second comment letter from HCD. During the preparation of responses to HCD's comments, the City received an additional public comment letter from the Housing Action Coalition and Greenbelt Alliance stating that the Park Dedication fee on multifamily housing was a constraint. This comment was also made in the latest comment letter from HCD. The City Council held a study session in September 2023 to consider staff's recommended revisions to address HCD and public comments, and the Council directed staff to further revise Program H19 to make a firm commitment to reducing the fee for multifamily housing and other special needs housing types. During the study session a representative from the Carpenters' Union made a public comment requesting policies in support of the local construction workforce. The City added a policy to the Housing Element in response to this comment.

### SUMMARY OF COMMUNITY FEEDBACK

The input received from the community and stakeholders was used to inform the understanding of Sunnyvale needs and priorities. This local knowledge is incorporated into the Housing Element, in addition to federal, state, and local data, to identify local fair housing issues and constraints. Community input was considered during the preparation of the Housing Element and development of the policies and programs. See Chapters 2 (Housing Plan), 4 (Fair Housing Assessment), and 6 (Potential Housing Constraints) for more information. The following summarizes the key themes heard during the community engagement process and points to selected implementation programs which were developed or revised in response to stakeholder input. This is in no way an exhaustive list of the community's input. Appendix A contains all comments received during the community engagement process.

### **Support for Building Affordable Housing**



- Concerns about the lack of affordable housing, not just for lower-income households, but for middle-income residents and those earning substantial incomes within the tech industry unable to purchase homes
- Create a variety of housing types, including more affordable housing accessory dwelling units, mixed use housing, duplexes, fourplexes, and other missing middle housing
- Increase opportunities for multifamily housing in high resource areas of the city, particularly the southern part of the city (e.g., Village Centers)
- Increase housing densities and building heights and decrease parking requirements for affordable housing, particularly near transit
- Support modifying the Below Market Rate (BMR) program to increase the inclusionary requirement for lower-income housing
- Support using surplus land for affordable housing
- Affordable housing overlay zones for senior housing

Several of the programs included in the Housing Element to address these comments include: Program H3 (Increase Affordable Housing Opportunities in High Resource Areas), Program H4 (Accessory Dwelling Unit Toolkit), Program H5 (Below Market Rate [BMR] Housing Program), Program H6 (Affordable Housing Development Assistance), Program H7 (Local Funding Assistance for Affordable Housing), and Program H8 (New Funding Mechanisms and Partnerships for Affordable Housing).

### **Concerns about Displacement**



- Concern regarding gradual exclusion of lower income households due to a gap between actual incomes and the State-mandated area median income (AMI) limits set for affordable housing units
- Concerns for extremely low-income households in Sunnyvale living on fixed incomes like
   Social Security
- Support for protecting mobile home park residents from rent increases

Programs included in the Housing Element to address these comments include: Program H9 (First-Time Home Buyer Programs), Program H10 (Housing Choice Voucher Rental Assistance), Program H13 (Preservation of Government Assisted Housing), Program H14 (Mobile Home Park Preservation), Program H15 (Foreclosure Prevention Resources), Program H28 (Relocation Assistance Ordinance), and Program H29 (Emergency Rental Assistance Program).

### Affirmatively Furthering Fair Housing

- Provide more landlord education on fair housing
- Support for rental subsidy programs

 Support for City-sponsored low-interest loans for home repairs and accessibility accommodations, and expanding the program to offer free home repairs to seniors and people with disabilities



- Increase resources available to the north Sunnyvale community
- Provide facilities for the homeless, including safe parking/safe ground and emergency shelter
- Need ADA units for non-seniors (young adults and adults younger than 65)

Programs included in the Housing Element to address these comments include: Program H12 (Multi-Family Rental Property Rehabilitation), Program H24 (Fair Housing Program), Program H26 (Renter's Choice Ordinance), Program H28 (Relocation Assistance Ordinance), Program H30 (Funding for Accessibility Improvements), and Program H32 (Programs to Address Homelessness).

### **Constraints to Housing Development**



- Evaluate park dedication fees as a constraint to housing production
- Suggest reducing development standards, such as parking standards, and reducing fees for affordable housing
- Review setbacks for ADUs on non-rectangular, non-standard lots to open up development opportunities

Some of the programs included in the Housing Element to address these comments include: Program H4 (Accessory Dwelling Units), Program H23 (Zoning Code Amendments), Program H18 (Private Open Space Requirements), and Program H19 (Review Park Dedication Requirements).

### **Community Character and Quality of Life Concerns**



- Concerns about too much housing changing the character of Sunnyvale and impacting quality of life
- Concerns about traffic, noise, safety, and availability of infrastructure and services
- Concerns about homeless facilities impacting neighborhoods
- Concerns about single-family zoning being eliminated and higher density housing encroaching on single-family neighborhoods

Some of the programs included in the Housing Element to address these comments include: Program H11 (Home Improvement Program), Program H32 (Programs to Address Homelessness), Program H38 (Neighborhood Conditions Survey), and Program H39 (Prioritize Capital Improvement Program).

# CHAPTER 2 HOUSING PLAN

This chapter establishes the Housing Plan and the City's goals, policies, and programs for the 2023-2031 period to ensure the needs of all community residents are met.

# 2.1 Housing Goals and Policies

## **Goal H-1: Provision of Adequate Housing Sites**

Provide adequate sites for the development of new housing through appropriate land use and zoning to address the diverse needs of Sunnyvale's residents and workforce.

- **Policy H-1.1** Adequate Housing Sites. Provide adequate sites for housing development that responds to diverse community needs in terms of density, tenure, unit size, accessibility, location, and cost.
- Policy H-1.2 Infill Development Near Transit and Employment Centers. Facilitate new residential infill development near transit and employment and activity centers, such as El Camino Real corridor, Lawrence Station, Downtown Sunnyvale, the Village Centers, and Moffett Park, through incentives and streamlining development consistent with specific plans.
- Policy H-1.3 Additional Affordable Housing Opportunities in High Resource Areas. Accommodate additional high density residential development (greater than 30 dwelling units/acre) in areas of high resource with access to transit, education, and employment, such as the Village Centers, to increase opportunities for new affordable housing in high resource areas.
- **Policy H-1.4 Minimum Density Requirement.** Encourage a compact urban form by requiring new development to build to at least 75 percent of the maximum zoning density, unless otherwise stated in a specific plan or an exception is granted by the City Council.
- **Policy H-1.5** Sites Inventory Dissemination. Assist residential developers in identifying sites by maintaining, updating, and distributing the sites inventory.
- Policy H-1.6 Housing Opportunities in Single-Family Neighborhoods. Allow for a greater variety of housing options within traditionally single-family residential neighborhoods, including accessory dwelling units, and duplexes and lot splits consistent with Government Code Section 65852.21 (i.e., Senate Bill 9).
- **Policy H-1.7 Utilization of the Local Workforce.** Consistent with Council Policy 5.1.5, encourage developers and contractors performing work in Sunnyvale to:
  - Employ as many local workers residing in Sunnyvale and surrounding communities as possible;
  - Pay workers a fair wage, consistent with prevailing wages set forth by the State Department of Industrial Relations for public works projects; and
  - Utilize State-certified apprentices to the extent possible.

## Goal H-2: Affordable Housing and Home Buyer Assistance

Assist in the provision of affordable housing to meet the diverse needs of Sunnyvale's lower- and moderate-income households.

### **POLICIES**

- **Policy H-2.1** Maximize Affordable Housing. Leverage local financial assistance with other sources of funding and identify new funding sources for affordable housing to maximize the number of affordable units and to reach the deepest level of affordability.
- Policy H-2.2 Below Market Rate Housing Program. Continue to implement and consider revisions to the Below Market Rate (BMR) Housing program to increase the amount of affordable housing built in the city, while ensuring the program remains consistent with current market trends, does not impede development, and is appropriate for the Bay Area region.
- **Policy H-2.3** Integration of Below Market Rate Housing. Utilize the Below Market Rate (BMR) Housing requirements as a tool to integrate affordable units within market rate developments and increase the availability of affordable housing throughout the community.
- **Policy H-2.4** Affordable Housing Mitigation. Continue to require office, market rate residential, retail, hotel, research and development, and industrial development to mitigate the demand for affordable housing.
- **Policy H-2.5** Workforce Housing. Work with Sunnyvale's major employers, educational and health care institutions to facilitate and encourage the development of workforce housing. Promote the City's affordable housing programs with local employers.
- **Policy H-2.6** Missing Middle Housing. Encourage the development of missing middle housing, such as smaller homes, duplexes, townhomes, and fourplexes, that are affordable to the local workforce.
- **Policy H-2.7** Regulatory Incentives for Affordable Housing. Facilitate the development of affordable housing through regulatory incentives and concessions.
- Policy H-2.8 First Time Homebuyer Assistance. Provide first time homebuyer assistance to low- and moderate-income households who currently work and/or live in Sunnyvale and an emphasis on promoting homeownership for transitionally underrepresented community members. Advocate for the County to amend the first time homebuyer program to make it more accessible for middle-income households.
- **Policy H-2.9** Alternative Homeownership Models. Support alternative models of homeownerships for middle-income homebuyers, such as shared equity programs and collective ownership models.
- Policy H-2.10 Rental Assistance Outreach. Collaborate with the Santa Clara Housing Authority and local nonprofits to educate, market, and provide incentives for landlords to participate in the Housing Choice Vouchers program and local Tenant Based Rental Assistance Program to provide affordable housing opportunities throughout the City, specifically in areas of high resource. Inform residents of the programs and encourage participation.

- Policy H-2.11 Expand Rental Assistance Programs. Support the provision of rental assistance by the Santa Clara County Housing Authority to lower income households. Continue to strengthen the Tenant Based Rental Assistance Program as funds allow.
- Policy H-2.12 Partnerships for Affordable Housing Funds. Support collaborative partnerships with non-profit organizations, affordable housing builders, and for-profit developers to gain greater access to various sources of affordable housing funds.
- **Policy H-2.13 State Density Bonus.** Encourage developers to use State density bonus incentive to provide affordable housing units.

## **Goal H-3: Housing Conservation and Maintenance**

Maintain and enhance the condition and affordability of existing housing in Sunnyvale.

- **Policy H-3.1** Housing Conditions. Encourage property owners to maintain rental and ownership units in sound condition through the City's neighborhood preservation and housing rehabilitation programs.
- **Policy H-3.2** Outreach and Neighborhood Improvement. Provide and expand multilingual community outreach and comprehensive neighborhood improvement programs within the city to improve housing conditions and the overall quality of life.
- **Policy H-3.3** Multi-family Acquisition and Rehabilitation. Strengthen multi-family neighborhoods through partnerships with non-profit housing organizations in the acquisition and rehabilitation of older residential properties and maintenance as long-term affordable housing.
- **Policy H-3.4** Preservation of Affordable Rental Housing. Work with property owners, tenants, and non-profit purchasers to facilitate the preservation of publicly-assisted rental housing and at-risk below-market rate units to maintain affordability to lower-income households.
- Policy H-3.5 Replacement Housing Unit Requirement. Require the replacement of housing units for any new development (residential, mixed-use or nonresidential) proposed on a site that meets the following conditions, consistent with the requirements of Government Code section 65915, subdivision (c)(3):
  - currently has residential uses or within the past five years has had residential uses that have been vacated or demolished, and
  - was subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low-income, or
  - subject to any other form of rent or price control through a public entity's valid exercise of its police power, or
  - occupied by low or very low-income households.
- **Policy H-3.6** Mobile Home Park Preservation. Preserve Sunnyvale's mobile home parks as an affordable housing option by continuing to enforce the Mobile Home Memorandum of Understanding (MOU) and maintaining at least 400 acres of mobile home park zoning.

- **Policy H-3.7** Condominium Conversions. Regulate the conversion of rental apartments to condominium ownership, and only permit conversions when the citywide vacancy rate for rental units warrants, and a benefit to the overall housing supply can be shown.
- **Policy H-3.8** No Net Loss of Housing Stock. Ensure that sites being redeveloped for housing do not result in a net reduction in housing units, consistent with Government Code Section 66300(d).

### **Goal H-4: Removal of Governmental Constraints**

Minimize the impact of governmental constraints on the maintenance, improvement and development of housing.

- **Policy H-4.1** Processing Procedures and Fees. Monitor and revise when appropriate all regulations, ordinances, departmental processing procedures and fees related to the rehabilitation and construction of housing units to assess the impact on housing costs and/or future supply.
- **Policy H-4.2** Fee Exemptions for Affordable Housing. Continue to provide an exemption to the fee requirement for the park in lieu fee for rental housing units affordable to extremely low-, very low-, and low-income households, as well as ADUs and two-family units (i.e., duplexes).
- Policy H-4.3 Supportive and Transitional Housing and Emergency Shelters. Maintain provisions for supportive and transitional housing and emergency shelters in the City's Zoning Code consistent with State law.
- **Policy H-4.4** Parking Standards for Special Needs Housing. Maintain reduced parking standards for special needs housing and housing in close proximity to public transit.
- **Policy H-4.5** By-right Housing on Previously Identified Housing Sites. Allow housing developments with at least 20 percent affordable housing by-right, consistent with objective development and design standards, on lower-income sites counted in previous housing cycles, consistent with Government Code Section 65583.2.
- **Policy H-4.6 Objective Design Standards.** Maintain and implement the City's multi-family residential, single-family residential, and mixed use design standards to ensure they are clear, objective, and quantifiable to streamline the development review process and increase predictability of review outcomes.
- **Policy H-4.7** Support Workforce Pathways into Construction Industry. Support local and regional efforts to expand the construction workforce, including the Santa Clara County Trades Orientation Program.

## **Goal H-5: Equal Housing Opportunities and Special Needs**

Promote equal housing opportunities for all residents, including Sunnyvale's special needs populations, so that residents can reside in the housing of their choice.

**Policy H-5.1** Fair Housing. Support the provision of fair housing services and tenant/landlord mediation to residents.

- **Policy H-5.2** Access to Opportunity. Improve access to opportunity in low and moderate resource areas through financial investments, provision of public facilities and services, and encouragement of private retail, service, and employment opportunities.
- **Policy H-5.3** Prohibition of Discrimination. Implement City ordinances regarding prohibition of discrimination in housing.
- **Policy H-5.4** Prevent Displacement. Work with landlords, property managers, homeowners, and the housing authority to prevent involuntary displacement, particularly displacement of people of color and other vulnerable populations, such as low-income households, the elderly, and people with disabilities.
- Policy H-5.5 Tenant Eviction Protections. Continue to prohibit eviction of tenants without "just cause."
- **Policy H-5.6** Rent Stabilization. Continue to enforce the adopted limitations on rent increases consistent with the Tenant Protection Act of 2019.
- **Policy H-5.7 Emergency Rental Assistance.** Provide emergency rental assistance for residents in greatest need as a strategy for preventing homelessness.
- **Policy H-5.8** Age-Friendly Housing. Promote the construction of new age-friendly housing units for seniors, including both affordable and market-rate senior housing, independent living, assisted living, and skilled nursing facilities.
- Policy H-5.9 Support Programs for Seniors to "Age in Place." Continue to enable senior homeowners to stay in their homes and "age in place" through the provision of housing-related services, such as home rehabilitation programs, home access grants, and maintenance programs; and home sharing programs. Improve information, education, partnerships, and outreach to encourage seniors to participate in these programs.
- **Policy H-5.10** Universal Design. Encourage new development to incorporate universal design and accessibility features to create more housing opportunities for seniors and persons with disabilities.
- **Policy H-5.11** Housing for Persons with Disabilities. Continue to address the special needs of persons with disabilities through provision of supportive housing, accessibility grants, and procedures for reasonable accommodation.
- **Policy H-5.12** Residential Care Facilities. Encourage the provision and distribution of residential care facilities throughout the community, including simplified approval processes for residential care facilities of 7 or more individuals.
- Policy H-5.13 Housing and Services to Address Homelessness. Participate in the County Collaborative on Affordable Housing and Homeless Issues to support its efforts to prevent and end homelessness. Facilitate and sponsor the provision of permanent supportive housing for homeless people. Support local service providers that offer facilities and support services to homeless individuals and families, and persons at risk of homelessness.
- **Policy H-5.14** Family Friendly Housing. Encourage developers to design and develop housing projects that accommodate the needs of large families, single-parent households, and families with children, such

- as including units with three or more bedrooms, on-site child care facilities, and/or family-friendly open space and common areas.
- **Policy H-5.15** Environmental Justice and Affordable Housing. Consider existing pollution burden levels when siting new affordable housing developments and encourage developers to provide mitigation measures to reduce pollution burden in low-income communities.

## **Goal H-6: Neighborhood Quality**

Maintain sustainable neighborhoods with quality housing, infrastructure, and open space that fosters neighborhood character and the health of residents.

- **Policy H-6.1 Neighborhood Character.** Continue efforts to balance the need for additional housing with other community values, including preserving the character of established neighborhoods, high quality design, and promoting a sense of identity in each neighborhood.
- **Policy H-6.2** Community Facilities and Infrastructure. Promote neighborhood vitality by providing adequate community facilities, infrastructure, landscaping and open space, parking, and public health and safety within new and existing neighborhoods.
- **Policy H-6.3 Neighborhood Circulation and Connections.** Continue a high quality of maintenance for public streets, rights-of-way, and recreational areas, and provide safe and accessible pedestrian, bike, and transit linkages (accessibility) between jobs, residences, transportation hubs, and goods and services.
- **Policy H-6.4** Neighborhood Preservation. Continue to implement a citizen-oriented, proactive education program regarding neighborhood preservation. Encourage resident involvement in identifying and addressing neighborhood needs in partnership with the City.
- Policy H-6.5 Historically and Architecturally Significant Buildings. Promote the preservation of historically and architecturally significant buildings and neighborhoods through land use, design, preservation and housing policies.
- **Policy H-6.6** Sustainable Building. Continue enforcement of City Reach Codes and require the use of sustainable and green building design in new and existing housing.
- **Policy H-6.7 Density Bonus for Green Building.** Continue to provide up to 5 percent density bonus for projects exceeding minimum green building standards.
- **Policy H-6.8** Mix of Uses. Continue to permit and encourage a mix of residential, neighborhood-serving retail, and job-producing land uses, as long as there is neighborhood compatibility and no unavoidable environmental impacts.

# 2.2 Programs and Objectives

The implementation programs described on the following pages include existing programs as well as several new programs that have been added to address the City's identified housing needs. Each program includes the following: objective(s), timeframe, the policies implemented by the program, and City department responsible for implementation of the program.

## **Implementation Programs**

- **H1.** Residential Sites Inventory. Develop and maintain a web-based sites inventory that is updated regularly to identify sites suitable for housing development and to track remaining capacity needed to meet the RHNA in compliance with no-net-loss requirements to maintain adequate capacity for housing throughout the planning period.
  - Objective: Maintain adequate capacity to meet the RHNA.
  - Policy(ies) Implements: H-1.1 and H-1.5
  - Timeframe: Develop a web-based inventory in 2023 and update as projects are approved.
  - Responsible Department or Agency: Community Development Department, Housing Division
- **H2. Rezone Program.** As of the start of the planning period (January 31, 2023), the City has an unmet RHNA of 1,535 lower-income and 3,280 above moderate-income units. The City shall approve a specific plan for the Moffett Park area to accommodate the City's RHNA shortfall by January 31, 2024, and shall ensure that sites rezoned to meet the City's unmet lower-income RHNA meet the following criteria:
  - Permit owner-occupied and rental multifamily uses by right pursuant to Government Code section 65583.2(i) for developments in which 20 percent or more of the units are affordable to lower income households.
  - Accommodate at least 50 percent of the lower-income RHNA shortfall on parcels designated exclusively for residential uses.
  - Allow for densities of at least 30 dwelling units per acre, with a minimum density of 20 dwelling units per acre.
  - Have existing or planned water, sewer, and dry utilities.
    - Objective: Rezone sufficient land to accommodate the RHNA shortfall of 1,535 lower-income units and 3,280 above moderate-income units.
    - Policy(ies) Implements: H-1.1
    - ❖ Timeframe: Complete rezone before January 31, 2024
    - Responsible Department or Agency: Community Development Department, Housing and Planning Divisions

H3. Increase Affordable Housing Opportunities in High Resource Areas. Implement zoning modifications to create additional capacity for high density residential in areas of high resource, such as the Village Centers and other high opportunity sites in the central and southern parts of the city, to create more opportunities for affordable housing in areas of high resource and ensure that lower-income housing is dispersed throughout the city. The City shall increase capacity in the lower-income sites inventory by increasing the allowed density in Village Centers to a minimum of 30 units per acre and designating additional non-residential sites in Southern Sunnyvale as residential sites with a minimum allowed density of 30 units per acres, which may or may not be designated as formal Village Centers. Create new mixed-use Village Center zoning designation to ensure consistency with General Plan land use designation.

- Objective: Rezone sites and/or increase allowed densities to increase capacity in the Sixth Cycle Housing Element lower-income sites inventory by at least 750 lower-income units in high and highest resource areas to increase housing mobility opportunities for lower-income households.
- ❖ Policy(ies) Implements: H-1.3
- **❖ Timeframe:** Complete rezone by December 2026
- Responsible Department or Agency: Community Development Department, Housing and Planning Divisions

**H4.** Accessory Dwelling Units. Facilitate the construction of new accessory dwelling units (ADUs) through the following actions:

- Amending the ordinance to comply with state law, and annually reviewing the ADU ordinance and making amendments as necessary to maintain compliance with State legislative changes.
- Establishing and publicizing ADU resources, including an ADU toolkit and other web-based materials. ADU resources may be created in collaboration with nearby jurisdictions and may include: pre-approved design plans; loan programs and/or partnerships with local lenders to provide funding for accessory dwelling unit construction; and technical assistance, including assistance with cost/benefit analyses through a web-based cost calculator. The ADU toolkit will provide additional technical assistance including design standards, permit processes, and application resources.
- Promoting tools and resources to homeowners throughout the city to increase the production of ADUs and dual urban opportunity housing (DUOs) to promote mixed-income neighborhoods in areas of high resource, specifically south of the El Camino Real corridor. Promotion will include workshops, utility billing inserts, City newsletter articles, easy to use website features and more.
- Monitoring the production and affordability of ADUs every two years and the progress made according to
  the assumptions in the inventory. Take alternative actions within six months (e.g., additional incentives) if
  not meeting the assumptions in the sites inventory.
  - ❖ Objective: Target the production of at least 80 ADUs annually and a total of 640 ADUs and/or DUOs during the planning period.
  - Policy(ies) Implements: H-1.6
  - Timeframe:
    - Amend ADU Ordinance for consistency with State law by July 2023.

- Review ADU ordinance annually in September and amend the ordinance as necessary before January
   1st of the following year to comply with State law.
- Monitor ADU affordability every odd-numbered year starting in January 2025 and adjust ADU assumptions in the sites inventory within 6 months.
- Implement the ADU Toolkit and other web-based materials by early 2024
- \* Responsible Department or Agency: Community Development Department, Housing and Planning Divisions

H5. Below Market Rate (BMR) Housing Program. Continue to implement the BMR Program citywide. Complete a feasibility study to determine if an increase to the BMR percentage for rental and ownership projects can be supported. Review and refine the BMR program code requirements and amend the Guidelines periodically as needed to accommodate changing market conditions and improve overall program effectiveness. Expand outreach opportunities, education, and visibility of the BMR program as needed to ensure success and fairness for all that are interested.

- Objective: Target the production of 1,250 very low-, 1,250 low-, and 500 moderate-income units.
- Policy(ies) Implements: H-2.2 and H-2.3
- ❖ Timeframe: Implementation of BMR program is ongoing. Conduct a feasibility study to analyze potential increases in the BMR percentage requirement for affordable housing by July 2024.
- \* Responsible Department or Agency: Community Development Department, Housing Division

**H6. Affordable Housing Development Assistance.** In addition to local funding, City staff shall provide direct staff assistance for 100 percent affordable housing developments throughout the predevelopment, entitlement, and development process. City staff will provide the following assistance to ensure projects are efficiently reviewed and meet all local and federal development timelines:

- Regular meetings with affordable housing developers to plan and coordinate entitlements, permits, financing, legal documents, and other project requirements as needed;
- Technical assistance and support for state and federal funding applications, such as the Affordable Housing Sustainable Communities grant, Infrastructure Infill Grant, and Multifamily Housing Program; and
- Support with entitlement and permitting processes and procedures.
  - ❖ Objective: Provide technical assistance for the development of 2,500 new deed-restricted lower-income units. Target production of 500 lower-income units in high resource areas.
  - Policy(ies) Implements: H-2.4, H-2.6, and H-2.9
  - Timeframe: Ongoing as projects are proposed
  - Responsible Department or Agency: Community Development Department, Housing, Planning, and Building Divisions

- H7. Local Funding Assistance for Affordable Housing. Continue to collect housing mitigation fees from non-residential developments to offset the demand they generate for affordable workforce housing. Annually monitor availability of State and federal funding and partner with affordable housing developers, if necessary, in applying for additional funds. Prioritize sites in high opportunity areas and in communities that are underserved by existing affordable units. Issue notices of funding availability every other year, with advance outreach to potential applicants.
  - Objective: Provide \$60 million in local and federal housing funding throughout the planning period for the development of 2,500 lower-income units. Target production of 500 lower-income units in high resource areas. Evaluate progress in 2027 to determine if additional actions are needed to achieve funding target.
  - ❖ Policy(ies) Implements: H-2.4, H-2.6, and H-2.9
  - \* Timeframe: Ongoing with biennial notices of funding availability. Mid-cycle progress check in 2027.
  - \* Responsible Department of Agency: Community Development Department, Housing Division
- **H8. New Funding Mechanisms and Partnerships for Affordable Housing.** Evaluate new mechanisms for funding affordable housing for lower-income households, including but not limited to: real estate transfer tax, business tax for housing, short-term rental taxes or fees, and/or enhanced infrastructure financing districts. Identify partnerships that leverage funds for a range of projects, to provide increased certainty to the City's affordable housing pipeline. Partnerships can include: the County of Santa Clara, local Housing Authorities, private employers, Housing Trust of Silicon Valley, philanthropic agencies, and private developers. Select the most viable to implement in the planning period and make recommendations with a focus on how to help achieve fair housing goals through use of additional allocated funds using an equity lens.
  - Objective: Implement new funding mechanisms to support the development of 2,500 lower-income units by 2024 and continuously develop relationships with partner agencies to leverage additional funding, securing over \$100 million for new very low- and low-income units by 2027
  - ❖ Policy(ies) Implements: H-2.4 and H-2.10
  - ❖ Timeframe: Implement new funding mechanisms by 2024 and continuously develop relationships with partner agencies to leverage additional funding by 2027
  - \* Responsible Department or Agency: Community Development Department, Housing Division
- H9. First-Time Home Buyer Programs. Continue to implement the First-Time Home Buyer Program and aim to assist 5-10 low to moderate income homebuyers per year, or as demand warrants. Collaborate with non-profit organizations to promote the program to non-English speaking community members and communities of color that have historically been excluded from homeownership opportunities by discriminatory lending practices. Seek new funding opportunities for an additional loan program for workforce-income households (up to 150 percent area median income) using new federal, state, and local funding sources such as Permanent Local Housing Allocation.
  - Objective: Assist 5-10 low- to moderate-income homebuyers per year. Consider workforce-income loan program by 2025 and assist 5 workforce-income households.
  - Policy(ies) Implements: H-2.7
  - Timeframe: Ongoing
  - \* Responsible Department or Agency: Community Development Department, Housing Division

**H10.** Housing Choice Voucher Rental Assistance. Support the Housing Authority in its efforts to maintain adequate federal funding for the Housing Choice Voucher program and continue to refer extremely low- and very low-income residents to the Housing Authority for information about Section 8 assistance and other Housing Authority-provided affordable housing opportunities. Provide outreach and education to tenants and landlords/property management regarding the prohibition of housing discrimination based on source of income, including public subsidies. Prioritize outreach in high resource areas, as well as for new developments that have included density bonus provisions to aid accessibility by income qualified residents.

Objective: Increase Housing Choice Voucher usage in highest or high resource areas by 5 percent.

Policy(ies) Implements: H-2.9

Timeframe: 2026

\* Responsible Department or Agency: Community Development Department, Housing Division

**H11.** Home Improvement Program. Continue to operate and expand the Home Improvement Program to assist lower-income households with funding for rehabilitation and minor improvements. Promote the program on the City's website, at City facilities, at community workshops, and through the Neighborhood Preservation Program, providing targeted outreach to neighborhoods in the City with the greatest need for housing rehabilitation, poorest housing conditions, and highest number of code violations. Expand the program to assist an additional 10 households per year for a total of 20-35 households per year or as demand warrants.

• Objective: Expand program to assist 20-35 homeowners per year with housing home improvements to help prevent displacement of at-risk households.

Policy(ies) Implements: H-3.1

❖ Timeframe: Conduct no less than one workshop annually starting in 2023, targeting neighborhoods with the greatest need for housing rehabilitation. Expansion of program by 2024.

Responsible Department or Agency: Community Development Department, Housing Division.

**H12. Multi-Family Rental Property Rehabilitation.** Assist in the acquisition and/or preservation of affordable multifamily rental properties. Continue to offer below-market rate financing for rehabilitation of affordable rental units, using funding sources available to the City for this purpose.

Objective: Provide rehabilitation financing for at least one property during the planning period.

Policy(ies) Implements: H-3.3 and H-3.4

Timeframe: Ongoing

\* Responsible Department or Agency: Community Development Department, Housing Division

**H13. Preservation of Deed Restricted Housing.** Strive to preserve the 46 existing affordable housing units in the City's Below Market Rate program that are at risk of expiration through the following actions:

• Continue to negotiate affordability term extensions with property owners and/or property management for existing Below Market Rate units nearing expiration.

 Extend Below Market Rate affordability terms by providing City funding to fill the gap between affordable rents and market rate rents.

- Track Below Market Rate affordability agreements for existing units and maintain close contact with the property owner regarding long-term plans for the affordable units at the property.
- Provide financial and/or technical assistance to property owners whose Below Market Rate affordability restrictions will expire within 36 months for preservation and/or rehabilitation of the affordable units.
- Coordinate with qualified entities on the potential acquisition of at-risk Below Market Rate units and continue to offer below-market rate financing for rehabilitation of affordable rental units, using funding sources available to the City for this purpose.

Continue to require Below Market Rate projects to provide at least three years notice prior to the conversion of any deed-restricted affordable rental units to market rate and providing additional notice at 12 and 6 months. The City shall also minimize displacement of current Below Market Rate tenants by negotiating an anti-displacement policy or relocation mitigation with the owner, whenever possible.

- Objective: Preserve and maintain long-term affordability for 46 at-risk Below Market Rate units and minimize displacement of residents in deed-restricted Below Market Rate housing.
- Policy(ies) Implements: H-3.4
- ❖ Timeframe: Ongoing, as affordability restrictions expire
- \* Responsible Department or Agency: Community Development Department, Housing Division

**H14. Mobile Home Park Preservation.** Continue to implement current mobile home park protections, including the Sunnyvale Mobile Home Park Memorandum of Understanding (MOU), and maintain mobile home park zoning. Maintain an MOU compliance committee to annually enforce rent regulations and provide resident assistance. In the event of a closure of a mobile home park, enforce the provisions of Chapter 19.72, Mobile Home Park Conversions, which requires relocation assistance to be provided to park residents.

- ❖ Objective: Preservation of 3,862 mobile homes
- Policy(ies) Implements: H-3.6
- ❖ 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.

- ❖ 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.

- 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.

- 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.

- ❖ 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.
  - ❖ 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.
  - 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 onehalf mile of transit, pursuant to Government Code Section 65863.2.
  - ❖ 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.
- Provide fair housing information on the City's website, including a direct link to HUD fair housing website.
- Continue to participate in the Santa Clara County Fair Housing Task Force.
  - Objective: Ensure fair housing information is accessible to all.
  - **❖ Policy(ies) Implements:** H-5.1
  - ❖ Timeframe: Ongoing
  - \* Responsible Department or Agency: Community Development Department, Housing Division

**H25.** Language Access. Evaluate City programs, services, and materials to assess language accessibility and provide multilingual resources, as appropriate, to ensure residents with limited English proficiency have accessible information.

❖ Objective: Remove language barriers and increase accessibility to City housing programs.

❖ Policy(ies) Implements: H-5.1

❖ Timeframe: 2025

\* Responsible Department or Agency: Community Development Department, Housing Division

**H26. Renter's Choice Ordinance.** Evaluate alternatives to a traditional security deposit, including rental security insurance, and installment plan, or reduced upfront security deposit and consider establishing an ordinance requiring landlords who own 25 or more units to provide tenants with a security deposit alternative.

• Objective: Evaluate security deposit alternative programs and consider establishing an ordinance to provide tenants with alternatives to a traditional security deposit.

❖ Policy(ies) Implements: H-5.1 and H-5.3

**❖ Timeframe:** 2026

Responsible Department or Agency: Community Development Department, Housing Division

**H27. Right-to-Lease Ordinance.** Adopt a right-to-lease ordinance which requires that landlords offer renters a lease specifying a minimum one-year lease term prior to any other term lengths. Educate landlords and tenants by posting information about the ordinance on the City website, distributing mailers and/or fliers to landlords and tenants throughout the city, and conducting a social media campaign.

**Objective:** Provide tenants with stability and predictability of costs during the term of their lease.

Policy(ies) Implements: H-5.4

❖ Timeframe: Adopt ordinance and conduct public outreach in 2023

\* Responsible Department or Agency: Community Development Department, Housing Division

**H28.** Relocation Assistance Ordinance. Adopt a relocation assistance ordinance which requires landlords to provide financial assistance to tenants who are being displaced from rental units due to no-fault just cause factors such as substantial renovations or demolition of rental units. Educate landlords and tenants by posting information about the ordinance on the City website, distributing mailers and/or fliers to landlords and tenants throughout the city, and conducting a social media campaign.

Objective: Disincentivize actions that lead to displacement and ensure displaced tenants have adequate resources to find new housing.

Policy(ies) Implements: H-5.4

❖ Timeframe: Adopt ordinance and conduct public outreach in 2023

Responsible Department or Agency: Community Development Department, Housing Division

H29. Emergency Rental Assistance Program. Following expiration of COVID-19-related rental assistance funds, the City shall identify new local funding sources or work with Santa Clara County to identify potential replacement funding to maintain the rental assistance program that would provide emergency funds for low-income tenants to pay rent and stave off eviction during moments of economic hardship. The City shall partner with local nonprofits who operate emergency rental subsidy programs to prioritize support for at-need households on existing waiting lists. The City will address additional rental assistance needs by expanding other rental assistance programs to address homelessness under Program H32.

Objective: Secure funding for emergency rental assistance for 25 lower-income households per year.

Policy(ies) Implements: H-5.4

❖ Timeframe: 2024

\* Responsible Department or Agency: Community Development Department, Housing and Planning Divisions

**H30.** Funding for Accessibility Improvements. Continue to provide grants to income-qualified households for accessibility improvements, and continue to provide CDBG funding, when available, for accessibility improvements to pedestrian facilities as needed in residential neighborhoods.

• Objective: Ensure lower-income residents can afford repairs on limited or fixed incomes and ensure neighborhoods remain ADA compliant. Serve up to 10 households per year.

Policy(ies) Implements: H-5.9 and H-5.10

❖ Timeframe: 2023 and ongoing

\* Responsible Department or Agency: Community Development Department, Housing, Planning, and Building Divisions

H31. Reasonable Accommodations and Code Updates. Review and revise findings for reasonable accommodations to remove constraints to housing for persons with disabilities and to reduce the burden of the applicant to determine alternative accommodations that provide an equivalent level of benefit. Ensure that the reasonable accommodation regulations provide persons with disabilities with a streamlined and objective process for requesting modification to any policy, rule, or procedure that presents a barrier to obtaining equal housing opportunity. Continue to adopt applicable accessibility updates to building and housing codes.

❖ Objective: Remove barrier to housing for persons with disabilities.

❖ Policy(ies) Implements: H-5.10 and H-5.11

❖ Timeframe: 2024

Responsible Department or Agency: Community Development Department, Housing and Planning Divisions

H32. Programs to Address Homelessness. Continue to provide funding for programs that seek to prevent and end homelessness and provide supportive services to homeless and at-risk clients. Continue to implement programs such as WorkFirst Sunnyvale and Tenant-Based Rental Assistance. Using new funds such as Permanent Local Housing Allocation and HOME-ARP, create and fund new programs that support the City's residents who are experiencing homeless or at risk of homelessness.

- Objective: Provide annual funding for homeless programs and at-risk households to serve at least 150 households per year. Implement new rental assistance program for seniors experiencing homelessness.
- Policy(ies) Implements: H-5.13
- \* Timeframe: Implement new funding sources in 2023, ongoing once implemented.
- \* Responsible Department or Agency: Community Development Department, Housing Division

**H33.** Capital Projects to Address Homelessness. Prioritize City financing and provide development assistance to capital projects that address homelessness including permanent housing, interim housing, and emergency shelter. The City will adopt a comprehensive approach to identify multiple projects located throughout the City through the following actions:

- Work with owners of hotels, aging lower-density multifamily developments, or other scattered sites to apply for Homekey funding to create housing for people experiencing homelessness.
- Identify public or private property for new inclement weather shelters.
- Continue collaborating with Santa Clara County Office of Supportive Housing on Measure A-funded projects for the creation of new permanent supportive housing units.
- Continue to prioritize financing for new development projects that reserve units for tenants transitioning out of homelessness, including permanent supportive housing and rapid rehousing projects.
  - ❖ Objective: Collaborate with property owners and affordable housing developers to identify sites throughout the City for projects serving tenants experiencing homelessness. Provide City funding in partnership with County funds to support the creation of 300 units serving tenants experiencing homelessness.
  - ❖ Policy(ies) Implements: H-5.13
  - Timeframe: Identify at least one project site for tenants experiencing homelessness in 2024. Award funds to projects serving tenants experiencing homelessness through biennial notices of funding availability for development projects
  - \* Responsible Department or Agency: Community Development Department, Housing Division

**H34.** Safe RV Parking. Work with local human service providers to encourage the creation of a safe RV parking program for the unhoused community.

- Objective: Support the establishment of a safe RV parking program and identify at least one potential site
- ❖ Policy(ies) Implements: H-5.13
- ❖ Timeframe: Commence study in 2023 and implement by 2025
- \* Responsible Department or Agency: Community Development Department, Housing Division

H35. Special Needs Housing Development Assistance. Include priority for special needs units in City notices of funding availability for new housing construction, rehabilitation, and/or preservation projects. Aim to assist in the development of at least one new project with some or all of the units reserved for special needs tenants as defined in State Regulations Section 10325(g)(3), including tenants with severe intellectual or developmental disabilities, individuals with chronic illnesses, and individuals, families, and/or youth experiencing homelessness. Encourage developers to include special needs advocacy groups in their marketing and leasing efforts related to newly available special needs units.

❖ Objective: Support the creation of a minimum of 50 dedicated units for special needs tenants, within various affordable housing developments.

Policy(ies) Implements: H-5.8 and H-5.11

❖ Timeframe: 2031

\* Responsible Department or Agency: Community Development Department, Housing Division

**H36. New Age-Friendly Housing.** Promote the development of age-friendly housing to allow residents to age in place through various strategies, including:

Provide financial assistance to projects that create new age-friendly housing units.

• Prioritize the allocation of funding for senior housing development.

 Provide City-owned land for the development of affordable housing that includes support for seniors or other vulnerable populations.

Incentivize developers to provide accessible units for sale and rent, such as product types without stairs

 Ensure BMR program applications are available at local senior resource agencies and provide one-on-one application support

❖ Objective: Promote 15 percent of new or renovated units (10 percent ADA plus an additional 5 percent age friendly) to meet age friendly housing criteria.

Policy(ies) Implements: H-5.8

Timeframe: 2023

Responsible Department or Agency: Community Development Department, Housing Division

H37. Age in Place. Establish a streamlined permitting process for home renovations for permits that cannot be issued over the counter, to allow aging in place and promote use of the Sunnyvale Home Improvement Program to assist senior residents with adapting their homes to age in place. Expand Home Improvement Program using additional funding sources such as Permanent Local Housing Allocation to target low-income seniors and assist with accessibility modifications, home repairs, and minor handyman services. Improve and expand outreach to Sunnyvale Senior Center and senior-focused housing nonprofits and policy groups to increase awareness and program referrals.

• Objective: Facilitate ability for seniors to "age in place" and assist 10-25 senior households per year with age-in-place repairs

Policy(ies) Implements: H-5.9

❖ Timeframe: 2024

\* Responsible Department or Agency: Community Development Department, Housing and Planning Divisions

**H38. Neighborhood Conditions Survey.** Re-establish a regularly occurring survey of housing and neighborhood conditions to identify and address building maintenance and quality of life issues in Sunnyvale.

- Objective: Conduct a survey every 5 years to preserve and improve neighborhood quality.
- ❖ Policy(ies) Implements: H-6.1, H-6.4
- ❖ Timeframe: 2025 and every five years thereafter
- Responsible Department or Agency: Community Development Department, Housing and Planning Divisions, Department of Public Safety

H39. Prioritize Capital Improvement Program (CIP). As part of the annual CIP development process, prioritize funding for neighborhood improvements, including pedestrian and bicycle infrastructure, safety improvements, transit amenities, parks, trails, streetscape, and other community amenities in low and moderate resource areas of Northern Sunnyvale, including Moffett Park and Lawrence Station planning areas. Continue to implement the City's Vision Zero Plan by completing ongoing and planned safety improvements to pedestrian and bicycle infrastructure for the Safe Routes to School and in other high injury areas. Safety improvements will include new and/or improved bike lanes and pedestrian crossings, signal improvements, and grade separation projects.

- Objective: Continue prioritizing public infrastructure and grant funding for projects in northern Sunnyvale, as demonstrated over the past ten years, as population growth occurs in these regions. Establish, or collaborate on establishing locations for and implement a new library branch, park facilities, and school site within low or moderate resource areas. Continue progress on the City's Vision Zero plan by completing bicycle and pedestrian improvements for the Safe Routes to School project and in other high injury areas to reduce pedestrian and cyclist fatalities.
- ❖ Policy(ies) Implements: H-5.2, H-6.2, and H-6.3
- Timeframe: Annually review capital improvement projects and funding priorities. Open a new library, and additional City park facilities by 2029, and collaborate with the local school districts on future school sites by 2031. Complete Vision Zero improvements on an ongoing basis with annual progress updates.
- \* Responsible Department or Agency: Community Development Department, Housing and Planning Divisions, Public Works Department, Sunnyvale School District, Fremont Union High School District

**H40. Prioritize ADA and Pedestrian Infrastructure.** Prioritize construction and maintenance of ADA curb ramps, sidewalks, and other bicycle and pedestrian infrastructure in low and moderate resource neighborhoods to improve ADA accessibility and pedestrian safety and increase access to opportunity in these areas.

- ❖ Objective: Over \$50 million is budgeted to repair sidewalks over next 20 years; identify locations within low and moderate resource areas to repair earlier in timeline. Construct 100 new ADA curb ramps within low and moderate resource areas by 2025.
- ❖ Policy(ies) Implements: H-5.2, H-6.2, and H-6.3
- ❖ Timeframe: 2025
- \* Responsible Department or Agency: Community Development Department, Housing and Planning Divisions, Public Works Department

**H41. Prohousing Designation.** Pursue and maintain the State's Prohousing Designation by demonstrating a sufficient number of polices that significantly contribute to accelerating housing production. Jurisdictions that receive a Prohousing Designation will receive incentives in the form of additional points or other preferences in the scoring of competitive State funding grant programs in the areas of housing, transportation, infrastructure, and land use.

Objective: Increase the City's competitiveness in receiving affordable housing funding from the State.

❖ Policy(ies) Implements: H-2.1

Timeframe: 2023

\* Responsible Department or Agency: Community Development Department, Housing and Planning Divisions

**H42.** Infrastructure Priority for Affordable Housing. Establish procedures for granting priority water and sewer service to developments with lower-income units in compliance with California Government Code Section 65589.7.

❖ Objective: Compliance with State law.

Policy(ies) Implements: H-6.2

❖ Timeframe: 2023

\* Responsible Department or Agency: Community Development Department, Housing and Planning Divisions

H43. Objective Design Standards. Adopt new objective design standards for multifamily and residential mixed-use development consistent with State law. Objective design standards will be established for the following housing types:

Residential-only projects with three or more units

Mixed-use projects with at least two-thirds of gross square footage dedicated to housing

Supportive and transitional housing projects

These standards will apply to residential projects throughout the City unless plan-specific objective design standards have been adopted. In specific plan areas including Downtown Specific Plan, El Camino Real Specific Plan, Lawrence Station Area Plan, and Moffett Park Specific Plan, plan-specific objective design standards will apply. New standards will establish clear, objective design standards, help streamline the residential development process, and ensure high quality residential development.

• Objective: Streamline residential development and ensure compliance with State law.

❖ Policy(ies) Implements: H-4.6

❖ Timeframe: Adopt Residential Objective Design Standards for multifamily and mixed-use development in 2023.

Responsible Department or Agency: Community Development Department, Planning Division

**H44. Review Development Fees.** Review the City's planning and development impact fees to reconfirm the relationship between required services and fees paid and to add further gradations of unit sizes (e.g., square footage-based fees) to reduce financial disincentives to build smaller units. Review and consider whether reductions or alternatives for addressing development impacts are appropriate.

Objective: Ensure planning and development impact fees are not a constraint on housing production

Policy(ies) Implements: H-4.1

Timeframe: 2026

\* Responsible Department or Agency: Community Development Department, Housing and Planning Divisions

**H45. East Sunnyvale Industrial to Residential Rezoning.** Rezone the future opportunity sites in the East Sunnyvale Industrial to Residential area at Stewart and De Guigne Drives to Medium Density Residential zoning. Rezoning will clarify allowable land uses that support a capacity of approximately 700 units near areas at risk of displacement.

Objective: Clarify allowable residential capacity in the East Sunnyvale area (700 units).

❖ Policy(ies) Implements: H-1.1

❖ Timeframe: Rezone remaining Industrial to Residential sites by 2026.

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

# **Quantified Objectives**

State law (California Government Code Section 65583[b]) requires that housing elements contain quantified objectives for the maintenance, preservation, and construction of housing. The quantified objectives, shown in Table 2-1, set a target goal for Sunnyvale to strive for based on needs, resources, and constraints.

Table 2-1: Summary of Quantified Objectives 2023-2031

| lucana Laval   | Quantified Objectives         |                             |                           |  |  |  |
|----------------|-------------------------------|-----------------------------|---------------------------|--|--|--|
| Income Level   | New Construction <sup>1</sup> | Rehabilitation <sup>2</sup> | Preservation <sup>3</sup> |  |  |  |
| Extremely Low  | 1,484                         | 20                          | 988                       |  |  |  |
| Very Low       | 1,484                         | 50                          | 988                       |  |  |  |
| Low            | 1,709                         | 98                          | 966                       |  |  |  |
| Moderate       | 2,032                         | 68                          | 976                       |  |  |  |
| Above Moderate | 5,257                         | 0                           | 0                         |  |  |  |
| Total          | 11,966                        | 236                         | 3,918                     |  |  |  |

<sup>&</sup>lt;sup>1</sup> The quantified objective for new construction is based on the City's RHNA.

<sup>&</sup>lt;sup>2</sup> The quantified objective for rehabilitation is estimated based on implementation of Programs H10 and H11.

<sup>&</sup>lt;sup>3</sup> The quantified objective for preservation is estimated based on implementation of Programs H12, H13, and H14.

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# **CHAPTER 3** HOUSING NEEDS ASSESSMENT

This chapter describes the characteristics of the population and housing stock in Sunnyvale as a means of better understanding the nature and extent of unmet housing needs. The Housing Needs Assessment fulfills the requirements of Government Code Section 65583(a)(1), 655853(a)(2), and 65583.1(d) and is comprised of the following components: Demographic Profile; Employment Trends; Household Characteristics; Special Needs Populations; Housing Stock Characteristics; Housing Costs and Affordability; Assisted Housing at Risk of Conversion; Housing Needs; and Regional Housing Needs Determination.

Data in this appendix is derived from a variety of sources, and compiled to show relationships, major trends, and to respond to known issues and concerns. The most prominent data source used in varying forms is from the U.S. Census, including the decennial census from 1990, 2000, and 2010 and the 2015-2019 American Community Survey (ACS). Other sources include the Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) data, which are derived from ACS 5-year datasets. Employment data was also obtained from the State of California Employment Development Department's (EDD) Data Library. Data on rent-restricted low-income housing units at risk of conversion to market-rate housing is sourced from Sunnyvale's inventory of assisted housing and Below Market Rate (BMR) units. Data was also sourced from the City of Sunnyvale Housing Strategy Report prepared by BAE Urban Economics in 2020.

# 3.1 Population and Demographic Profile

### **Population Trends**

The Bay Area is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession (see Figure 3-1 below). Many cities in the region, including Sunnyvale, have experienced significant growth in population. Since 2000, the population in Sunnyvale has increased by 15.8 percent; this rate is above that of the whole region, at 12.9 percent. In the most recent decade (2010-2020), the population increased by 10.5 percent. Sunnyvale had an estimated population of 156,503 people in 2020, which accounts for 8 percent of the population in Santa Clara County (see Table 3-1). Sunnyvale is the second largest city in Santa Clara County behind San Jose, which far exceeds Sunnyvale in both population and area.

<sup>&</sup>lt;sup>1</sup> The decennial census data are based on a survey of the entire U.S. population, with about one person in six answering a more detailed questionnaire. The ACS data are based on a much smaller survey size, with about 3 million people answering the survey each year. This smaller sample size results in a lower level of accuracy than the decennial census. Because of the variability of the data sources, not all information is consistently available during the same time period, and the margin of error for data also varies. The most recently available data by source was always used, and notations are provided within the text and charts to document the source data and source year.

140 135 130 125 120 115 110 105 100 Index Index Index Sunnyvale Santa Clara County Bay Area

Figure 3-1: Regional Population Trends, Sunnyvale, Santa Clara County, and Bay Area, 1990-2020

The data shown on the graph represents population for the jurisdiction, county, and region indexed to the population in the year 1990. The data points represent the population growth (i.e., percent change) in each of these geographies relative to their populations in 1990.

Source: ABAG Housing Element Data Package, California Department of Finance, E-5 series

Table 3-1: Population Growth Trends, Sunnyvale, Santa Clara County, and Bay Area, 2000-2020

| Jurisdiction       | 2000      | 2010      | 2020      | Percent<br>Change<br>2000-2010 | Percent<br>Change<br>2010-2020 | Percent<br>Change<br>2000-2020 |
|--------------------|-----------|-----------|-----------|--------------------------------|--------------------------------|--------------------------------|
| Sunnyvale          | 131,844   | 140,081   | 156,503   | 6.25%                          | 11.72%                         | 18.70%                         |
| Santa Clara County | 1,682,585 | 1,781,642 | 1,961,969 | 5.89%                          | 10.12%                         | 16.60%                         |
| Bay Area           | 6,784,348 | 7,150,739 | 7,790,537 | 5.40%                          | 8.95%                          | 14.83%                         |

Source: ABAG Housing Element Data Package; California Department of Finance, E-5 Population Estimates for Cities, Counties, and the State.

### PROJECTED POPULATION GROWTH

The Association of Bay Area Governments (ABAG) produces population estimates as part of its program of projecting future growth in the Bay Area. The projections provide a quantitative basis for how the region will accommodate anticipated growth if local jurisdictions adopt a set of policies consistent with the vision of Plan Bay Area. Table 3-2 displays ABAG's latest projection, which covers the period between 2010 and 2040.

According to ABAG, Santa Clara County is projected to increase by 22 percent (or 551,980 people) between 2020 and 2040. Sunnyvale is expected to add about 72,000 new residents by 2040, representing the largest percent change in population of any city in the county (33 percent).

Table 3-2: Projected Population Growth, Santa Clara County Jurisdictions, 2020-2040

|                    | 2020      | 2030      | 2040      | Percent of<br>Population<br>(2020) | Percent of<br>Population<br>(2040) | Percent<br>Change<br>2020-2040 |
|--------------------|-----------|-----------|-----------|------------------------------------|------------------------------------|--------------------------------|
| Campbell           | 43,700    | 46,170    | 47,120    | 2%                                 | 2%                                 | 8%                             |
| Cupertino          | 63,515    | 65,690    | 68,305    | 3%                                 | 3%                                 | 8%                             |
| Gilroy             | 48,820    | 61,935    | 70,375    | 2%                                 | 3%                                 | 44%                            |
| Los Altos          | 31,530    | 32,225    | 32,960    | 2%                                 | 1%                                 | 5%                             |
| Los Altos Hills    | 8,340     | 8,475     | 8,650     | 0%                                 | 0%                                 | 4%                             |
| Los Gatos          | 31,635    | 32,560    | 33,050    | 2%                                 | 1%                                 | 4%                             |
| Milpitas           | 90,645    | 95,605    | 103,970   | 5%                                 | 4%                                 | 15%                            |
| Monte Sereno       | 3,440     | 3,535     | 3,575     | 0%                                 | 0%                                 | 4%                             |
| Morgan Hill        | 43,285    | 48,130    | 50,165    | 2%                                 | 2%                                 | 16%                            |
| Mountain View      | 111,725   | 119,445   | 138,980   | 6%                                 | 5%                                 | 24%                            |
| Palo Alto          | 81,170    | 82,835    | 86,510    | 4%                                 | 3%                                 | 7%                             |
| San Jose           | 1,028,210 | 1,189,660 | 1,377,145 | 52%                                | 54%                                | 34%                            |
| Santa Clara        | 131,655   | 142,425   | 159,500   | 7%                                 | 6%                                 | 21%                            |
| Saratoga           | 30,560    | 31,205    | 31,880    | 2%                                 | 1%                                 | 4%                             |
| Sunnyvale          | 149,935   | 162,975   | 222,210   | 8%                                 | 9%                                 | 48%                            |
| Unincorporated     | 88,170    | 94,885    | 103,925   | 4%                                 | 4%                                 | 18%                            |
| Santa Clara County | 1,986,340 | 2,217,750 | 2,538,320 | 100%                               | 100%                               | 28%                            |

Source: Projections 2040 MTC/ABAG; Data downloaded 2021.

# **Age Distribution**

The distribution of age groups in a city can be telling of what types of housing the community needs or may need in the future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multifamily and accessible units are also needed. Figure 3-2 below shows the age distribution for Sunnyvale as estimated in 2019 and Table 3-3 shows the population distribution by age groups in the city in comparison to the county and the state in 2010 and 2019.

In Sunnyvale, the median age in 2000 was 33.5; by 2019, this figure had increased to around 35 years. Young adults (25 to 44) comprise 39 percent of the population in Sunnyvale, compared to only 31 percent countywide. This predominance of young adults can be attributed to the concentration of high tech and emerging technology industries in Sunnyvale, and the variety of rental and ownership opportunities attractive to this age group. In contrast, school age children (5 to 24) encompass about 20 percent of the population in Sunnyvale, versus 25 percent countywide.

Age 85+ 2% Age 75-84 4% Age 65-74 6% Age 55-64 10% Age 45-54 12% Age 35-44 16% Age 25-34 23% Age 15-24 9% Age 5-14 11% Age 0-4 7%

Figure 3-2: Population by Age, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table DP05

Overall, the population has skewed older from 2010 to 2019. Persons 65 years of age and over accounted for 10.9 percent of the total population in 2010, but in 2019 they made up 11.8 percent of the total population. Persons 65 years of age and older were the fastest growing segment of population in Sunnyvale between 2010 and 2019. The population of residents in this age group increased by 22 percent as compared to an overall population increase of 11 percent during that same time period. Although the 65 years and older population has increased in Sunnyvale, it has increased much more rapidly in both the county (36 percent) and the state (35 percent) during the same time period. The population of older adults is projected to grow during the planning period, as many of the "baby boomers" (the large group of people born between 1946 and 1964) will have reached age 65 by 2023.

Table 3-3: Population by Age, Sunnyvale, Santa Clara County, and California, 2010 and 2019

| <u> </u>   |         |         |         | <u> </u> |                       |
|------------|---------|---------|---------|----------|-----------------------|
| Ago Group  | 2010    |         | 2019    |          | Change from 2010-2019 |
| Age Group  | Number  | Percent | Number  | Percent  | Percent               |
| Sunnyvale  |         |         | •       | •        |                       |
| Age 0-4    | 11,252  | 8.2%    | 11,129  | 7.3%     | -1.1%                 |
| Age 5-14   | 14,609  | 10.7%   | 17,099  | 11.2%    | 17.0%                 |
| Age 15-24  | 12,875  | 9.4%    | 13,003  | 8.5%     | 1.0%                  |
| Age 25-34  | 27,772  | 20.3%   | 34,422  | 22.5%    | 23.9%                 |
| Age 35-44  | 23,584  | 17.3%   | 25,195  | 16.5%    | 6.8%                  |
| Age 45-54  | 18,752  | 13.7%   | 18,461  | 12.1%    | -1.6%                 |
| Age 55-64  | 12,791  | 9.4%    | 15,393  | 10.1%    | 20.3%                 |
| Age 65-74  | 7,965   | 5.8%    | 9,626   | 6.3%     | 20.9%                 |
| Age 75-84  | 4,979   | 3.6%    | 5,587   | 3.7%     | 12.2%                 |
| Age 85+    | 1,901   | 1.4%    | 2,855   | 1.9%     | 50.2%                 |
| Total      | 136,480 | 100.0%  | 152,770 | 100.0%   | 11.9%                 |
| Median Age | 35.6    |         | 35.3    |          | -0.8%                 |

### CHAPTER 3 | HOUSING NEEDS ASSESSMENT

| Ago Cuoun          | 20         | 10      | 20         | 19      | Change from 2010-2019 |
|--------------------|------------|---------|------------|---------|-----------------------|
| Age Group          | Number     | Percent | Number     | Percent | Percent               |
| Santa Clara County |            |         |            |         |                       |
| Age 0-4            | 124,911    | 7.2%    | 116,508    | 6.0%    | -6.7%                 |
| Age 5-14           | 227,200    | 13.1%   | 241,580    | 12.5%   | 6.3%                  |
| Age 15-24          | 225,435    | 13.0%   | 234,424    | 12.2%   | 4.0%                  |
| Age 25-34          | 267,893    | 15.4%   | 309,599    | 16.1%   | 15.6%                 |
| Age 35-44          | 279,702    | 16.1%   | 279,571    | 14.5%   | 0.0%                  |
| Age 45-54          | 254,289    | 14.6%   | 266,848    | 13.8%   | 4.9%                  |
| Age 55-64          | 173,392    | 10.0%   | 224,766    | 11.7%   | 29.6%                 |
| Age 65-74          | 99,382     | 5.7%    | 141,994    | 7.4%    | 42.9%                 |
| Age 75-84          | 62,642     | 3.6%    | 77,225     | 4.0%    | 23.3%                 |
| Age 85+            | 24,550     | 1.4%    | 34,955     | 1.8%    | 42.4%                 |
| Total              | 1,739,396  | 100.0%  | 1,927,470  | 100.0%  | 10.8%                 |
| Median Age         | 35.8       |         | 37.1       |         | 3.6%                  |
| California         | <u>'</u>   |         | -          |         | <u>'</u>              |
| Age 0-4            | 2,545,065  | 6.9%    | 2,451,528  | 6.2%    | -3.7%                 |
| Age 5-14           | 5,092,471  | 13.9%   | 5,043,689  | 12.8%   | -1.0%                 |
| Age 15-24          | 5,501,809  | 15.0%   | 5,316,737  | 13.5%   | -3.4%                 |
| Age 25-34          | 2,698,489  | 7.4%    | 5,967,864  | 15.2%   | 121.2%                |
| Age 35-44          | 5,236,909  | 14.3%   | 5,205,887  | 13.3%   | -0.6%                 |
| Age 45-54          | 5,288,140  | 14.4%   | 5,101,422  | 13.0%   | -3.5%                 |
| Age 55-64          | 3,764,850  | 10.3%   | 4,710,329  | 12.0%   | 25.1%                 |
| Age 65-74          | 2,135,547  | 5.8%    | 3,172,271  | 8.1%    | 48.5%                 |
| Age 75-84          | 1,366,990  | 3.7%    | 1,600,241  | 4.1%    | 17.1%                 |
| Age 85+            | 558,059    | 1.5%    | 713,529    | 1.8%    | 27.9%                 |
| Total              | 36,637,290 | 100.0%  | 39,283,497 | 100.0%  | 7.2%                  |
| Median Age         | 34.9       |         | 36.5       |         | 4.6%                  |

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2010-2015; 2015-2019), Table DP05

### **Racial and Ethnic Composition**

Since 2000, the percentage of residents in Sunnyvale identifying as White has decreased while the percentage of residents of all other races and ethnicities has increased—by 17.2 percentage points. In 2019, the non-White and Hispanic population combined (46,940 people) made up 69 percent of the overall population (see Figure 3-3 below). In absolute terms, the Asian / Pacific Islander, Non-Hispanic population increased the most while the White, Non-Hispanic population decreased the most.

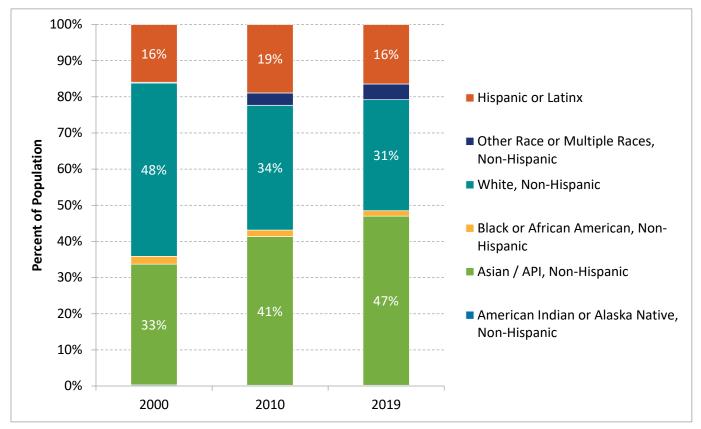


Figure 3-3: Population by Race and Ethnicity\*, Sunnyvale, 2000-2019

Source: ABAG Housing Element Data Package, Table POPEMP-02. U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

#### SENIOR AND YOUTH POPULATION BY RACE

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color, or all non-White racial groups, make up 42.5 percent of seniors and 64.9 percent of youth under 18 (see Figure 3-4 below).

<sup>\*</sup> The Census Bureau defines Hispanic/Latinx ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity.

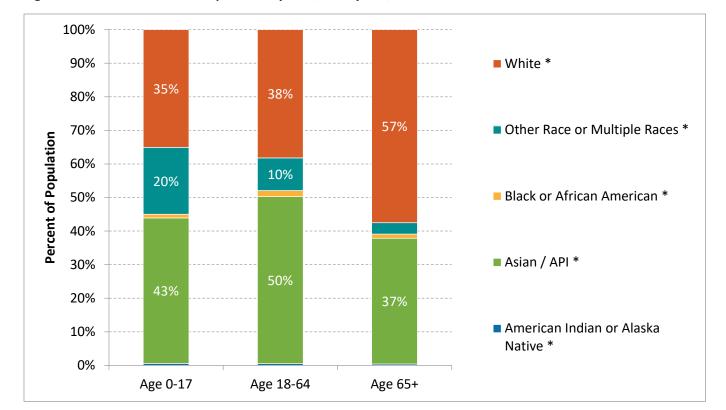


Figure 3-4: Senior and Youth Population by Race, Sunnyvale, 2019\*

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G).

# **Non-English Speakers**

California has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is not uncommon for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction or other tenant-landlord dispute. According to the American Community Survey, 19 percent of Sunnyvale residents 5 years and older identify as speaking English less than "very well." This percentage is slightly below the proportion for Santa Clara County (19.5 percent). Throughout the Bay Area the proportion of residents 5 years and older with limited English proficiency is 8 percent.

<sup>\*</sup> The Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity in the source of this information (Table B01001) so each racial category accounts for Hispanic / non-Hispanic ethnic characteristics.

3-8

# 3.2 Employment Trends

Information on the local workforce and how it is changing over time can help estimate potential housing and employment needs in the future. This section describes employment trends in Sunnyvale to provide insight into household earning power and the types of housing they can likely afford.

### **Industry Sector Composition**

Between 2002 and 2018, the number of jobs in Sunnyvale increased by 11.3 percent (see Figure 3-5 below), from 81,352 jobs in 2002 to 90,585 jobs in 2018.

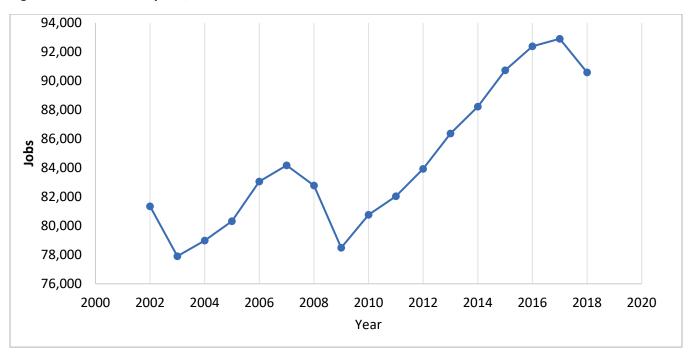


Figure 3-5: Jobs in Sunnyvale, 2002-2018

Note: The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized.

Source: ABAG Housing Element Data Package, U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018

Figure 3-6 below shows which industry sectors that Sunnyvale residents work in, regardless of where their jobs are in Sunnyvale or not. The largest industry in which Sunnyvale residents work is Financial and Professional Services (34 percent). In addition, 22 percent of residents are in the Manufacturing, Wholesale and Transportation industry and 21 percent are in Health and Educational Services industries.

In Santa Clara County and the Bay Area as a whole, the highest percentage of people work in the Health & Educational Services industry, 27 and 30 percent respectively, followed by the Financial & Professional Services industry at 26 percent each.

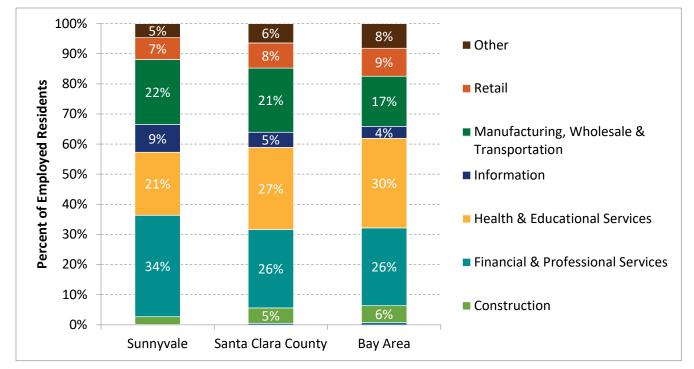


Figure 3-6: Resident Employment by Industry, Sunnyvale, 2019

Note: The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not).

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030

### **Balance of Jobs and Housing**

A city houses employed residents who either work in the community where they live or work elsewhere in the region. Smaller cities typically will have more employed residents than jobs and therefore export workers, while larger cities tend to have a surplus of jobs and import workers. Silicon Valley and the Bay Area region are some of the largest and fastest growing job centers in the state. Sunnyvale's job centers are accessible to workers throughout the region and are in close proximity to neighboring jurisdictions like San Jose, Santa Clara, Mountain View, and Cupertino. To some extent the regional transportation system is set up for this flow of workers to the region's core job centers but balances between jobs and workers may directly influence the housing demand in a community.

New jobs may draw new residents, and when there is high demand for housing relative to supply, many workers may be unable to afford to live where they work, particularly where job growth has been in relatively lower wage jobs. This dynamic not only means many workers will need to prepare for long commutes and time spent on the road, but in the aggregate, it contributes to traffic congestion and time lost for all road users.

As of 2018, there were 82,202 employed residents in Sunnyvale, and 107,385 jobs. If there are more jobs than employed residents, it means a city is relatively "jobs-rich." The ratio of jobs to resident workers in Sunnyvale is 1.31; therefore, the city can be considered a "net importer" of workers.

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The jobs-household ratio in Sunnyvale has increased from 1.54 in 2002, to 1.59 jobs per household in 2018 (see Figure 3-7 below). The number of jobs in Sunnyvale is projected to continue to grow according to the ABAG 2040 Projections. As more jobs become available in Sunnyvale, consistent housing growth will be crucial to the city and can help to reduce commutes, alleviate traffic congestion and the associated environmental and social impacts.

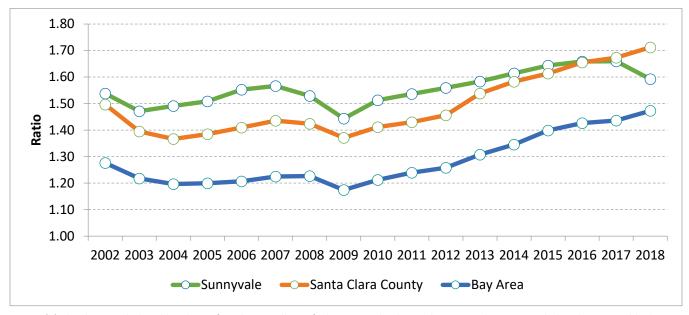


Figure 3-7: Jobs-Household Ratio, Sunnyvale, Santa Clara County, and Bay Area, 2002-2018

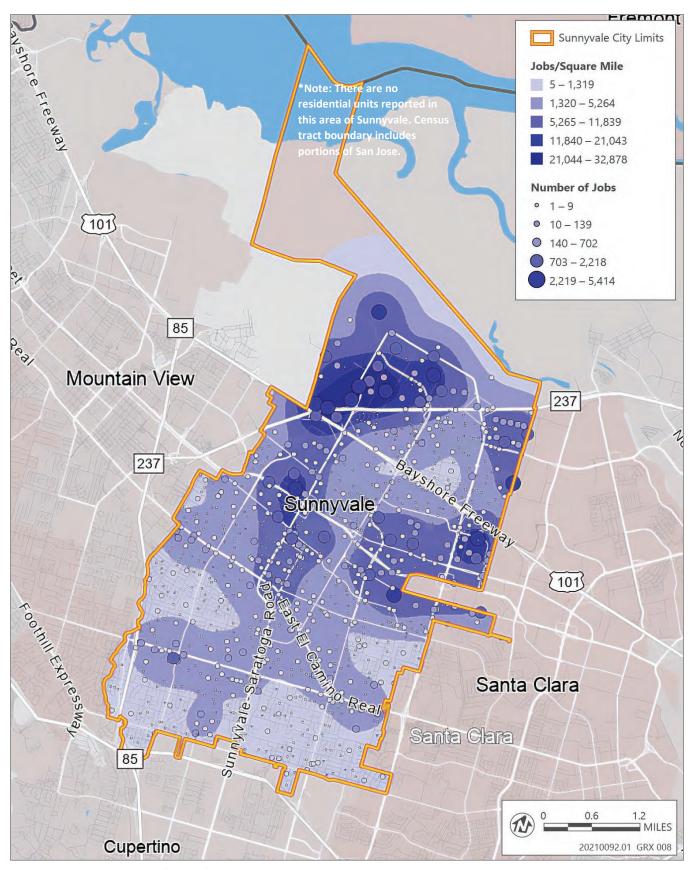
Notes: (1) The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized. (2) The ratio compares place of work wage and salary jobs with households, or occupied housing units.

Source: ABAG Housing Element Data Package, U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households).

Sunnyvale's largest employment centers are located in the northern portion of the city in Moffett Park and in the eastern portion of the city, near the Santa Clara city limits, see Figure 3-8. The City is conducting a comprehensive update to the Moffett Park Specific Plan, anticipated for adoption in early 2023, and recently updated the Lawrence Station Area Plan, both of which will substantially increase housing opportunities near these employment centers to improve Sunnyvale's job-housing balance.

Figure 3-9 below shows that Sunnyvale has more workers (shown in green) than workers who are also residents (shown in blue), at all income levels. The City has more low-wage workers than low wage residents where low-wage refers to jobs paying less than \$25,000. At the other end of the wage spectrum, the City has more high-wageworkers than high-wage residents, where high-wage notably refers to jobs paying more than \$75,000. For two householders each earning \$75,000 or more a year, this adds up to an annual income of \$150,000. This is slightly below the area median income for the county in 2021 (\$151,300).

Figure 3-8: Distribution of Jobs in Sunnyvale, 2019



Source: U.S. Census Bureau OnTheMap data, 2022.

70,000 63,008 **Number of Residents/Workers** 60,000 50,000 45,592 40,000 30,000 12,984<sup>15,864</sup> 14,052<sup>15,828</sup> 20,000 9,574 <sup>12,685</sup> 10,000 0 Less than \$25,000 \$25,000 to \$49,999 \$50,000 to \$74,999 \$75,000 or more ■ Place of Residence (Sunnyvale) ■ Place of Work (Sunnyvale)

Figure 3-9: Workers by Earnings as Place of Work and Place of Residence, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, Table POPEMP-10.; U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519.

### Unemployment

As shown in Figure 3-10 below, there was a 6-percentage point decrease in the unemployment rate in Sunnyvale, between January 2010 (10 percent) and January 2021 (4 percent). Jurisdictions throughout the region experienced a sharp rise in unemployment in 2020 due to impacts related to the COVID-19 pandemic, though with a general improvement and recovery in the later months of 2020.

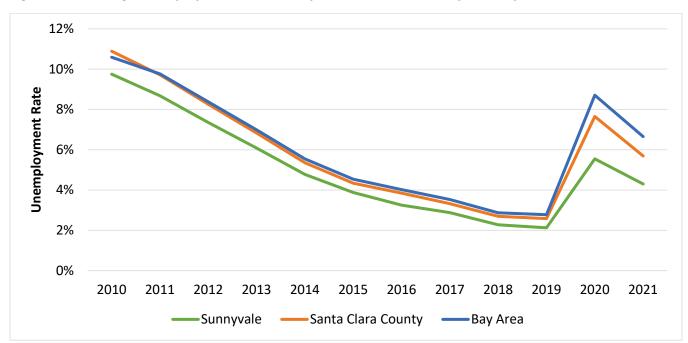


Figure 3-10: Average Unemployment Rates, Sunnyvale, Santa Clara County, and Bay Area, 2010-2021

Source: ABAG Housing Element Data Package, California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021.

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### **Projected Job Growth**

According to the ABAG 2040 Projections, the number of jobs in Santa Clara County is projected to increase from 1,120,420 in 2020 to 1,289,870 in 2040, an increase of 13 percent. In Sunnyvale, the total number of jobs is projected to increase by 15 percent with most of the growth anticipated between 2030 and 2040 (see Table 3-4). Sunnyvale shifts slightly from 8.2 percent of jobs in Santa Clara County to 8.4 percent of jobs in Santa Clara County

Table 3-4: Total Projected Job Growth, Santa Clara County 2020-2040

|                    | 2020      | 2030      | 2040      | Percent Change<br>2020-2030 | Percent Change<br>2030-2040 | Percent Change<br>2020-2040 |
|--------------------|-----------|-----------|-----------|-----------------------------|-----------------------------|-----------------------------|
| Campbell           | 29,870    | 31,825    | 32,745    | 7%                          | 3%                          | 10%                         |
| Cupertino          | 34,795    | 37,830    | 37,980    | 9%                          | 0%                          | 9%                          |
| Gilroy             | 18,330    | 20,570    | 22,315    | 12%                         | 8%                          | 22%                         |
| Los Altos          | 16,420    | 16,880    | 17,235    | 3%                          | 2%                          | 5%                          |
| Los Altos Hills    | 1,640     | 1,665     | 1,670     | 2%                          | 0%                          | 2%                          |
| Los Gatos          | 19,590    | 20,425    | 20,620    | 4%                          | 1%                          | 5%                          |
| Milpitas           | 46,810    | 56,035    | 58,030    | 20%                         | 4%                          | 24%                         |
| Monte Sereno       | 555       | 560       | 560       | 1%                          | 0%                          | 1%                          |
| Morgan Hill        | 18,130    | 18,865    | 19,600    | 4%                          | 4%                          | 8%                          |
| Mountain View      | 62,965    | 68,350    | 73,265    | 9%                          | 7%                          | 16%                         |
| Palo Alto          | 121,740   | 125,065   | 126,510   | 3%                          | 1%                          | 4%                          |
| San Jose           | 470,625   | 493,575   | 554,875   | 5%                          | 12%                         | 18%                         |
| Santa Clara        | 143,565   | 165,255   | 170,575   | 15%                         | 3%                          | 19%                         |
| Saratoga           | 8,675     | 8,985     | 9,085     | 4%                          | 1%                          | 5%                          |
| Sunnyvale          | 92,305    | 97,170    | 108,640   | 5%                          | 12%                         | 18%                         |
| Unincorporated     | 34,395    | 35,310    | 36,155    | 3%                          | 2%                          | 5%                          |
| Santa Clara County | 1,120,420 | 1,198,370 | 1,289,870 | 7%                          | 8%                          | 15%                         |

Source: Projections 2040 MTC/ABAG; Data downloaded 2021.

# 3.3 Household Characteristics

Household type and size, income levels, and the size and types of special needs populations all affect the type of housing needed by residents. This section describes the various household characteristics contributing to housing needs in Sunnyvale.

# Household by Type

A household is defined as all persons living in a housing unit. For the purpose of the data presented in this section, families are a type of household and include people related by blood, marriage, or adoption who live together. A single person living alone is also a household. "Other" types of households are unrelated people residing in the same dwelling unit. People living in group quarters, such as dormitories or convalescent homes, are not counted as households.

As shown in Figure 3-11 below, the largest proportion of households in Sunnyvale is married-couple family households at 57 percent of total households, which is similar to the percentage of married-couple households countywide and higher than the Bay Area. Sunnyvale also continues to have a high proportion of single-person households (22 percent), slightly higher than the County (20 percent) but lower than the Bay Area (25 percent). This can be attributed to the City's large employment base of high technology and emerging industry firms which employs many younger single adults. Single female-headed households with dependents make up about 6 percent of all households in Sunnyvale, which is less than the percentage of female-headed households countywide and in the Bay Area (10 percent). These household data support the need for smaller, higher density and mixed-use units close to transportation and services, as well as larger housing types suitable for families.

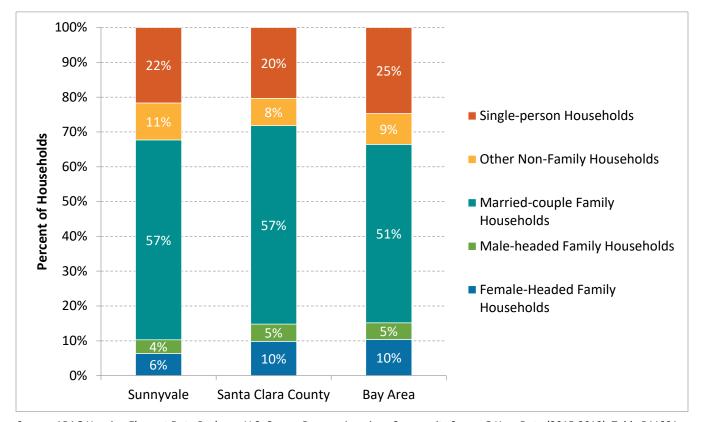


Figure 3-11: Households by Type, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001

# **Housing Tenure**

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity – ability for individuals to stay in their homes – in a city and region. Generally, renters may be displaced more quickly if prices increase. In Sunnyvale there are a total of 55,424 households and more residents rent than own their homes: 55 percent versus 45 percent (see Figure 3-12 below). This was a recent shift in tenure patterns in the city. In 2000, the homeownership rate in Sunnyvale was 48 percent, and decreased to 45 percent in 2019. Notably, a majority of the housing in Sunnyvale is ownership choice, however a fair number of townhomes, condos, and single family homes are rented. Furthermore, much of the new housing in Sunnyvale has been multifamily rental housing which is leading to a decline in the homeownership rate in the city. By comparison, 56 percent of Santa Clara County and Bay Area households, respectively, own their home.

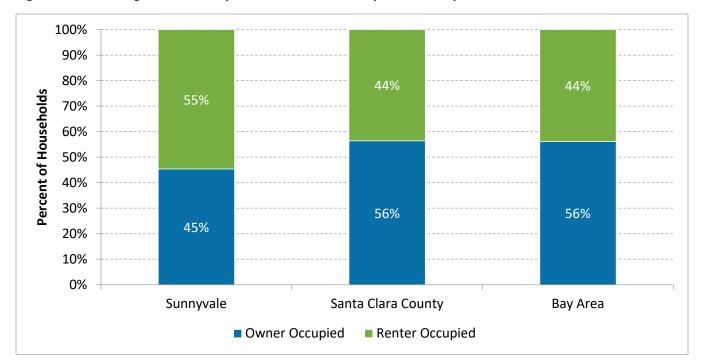


Figure 3-12: Housing Tenure, Sunnyvale, Santa Clara County, and the Bay Area, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, Census 2000 SF1, Table H04; U.S. Census Bureau, Census 2010 SF1, Table H04; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003

#### HOUSING TENURE BY RACE AND ETHNICITY

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities. In Sunnyvale, 21.9 percent of Black households and 29.2 percent of Latinx households owned their homes in 2019; meanwhile homeownership rates were 42.7 percent for Asian households and 52.1 percent for White households (see Figure 3-13 below).

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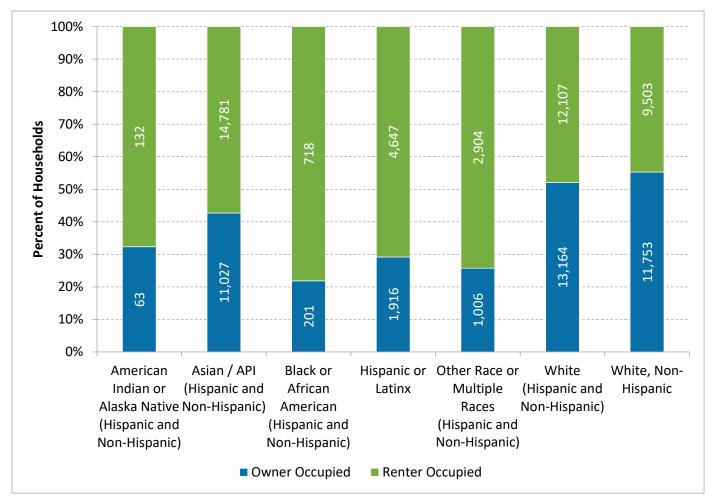


Figure 3-13: Housing Tenure by Race\*, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I).

#### **HOUSING TENURE BY AGE**

The age of residents who rent or own their home can also signal the housing challenges a community is experiencing. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options in an expensive housing market. In Sunnyvale, 74.5 percent of householders between the ages of 25 and 44 are renters, while 25.4 percent of householders over 65 years old are renters (see Figure 3-14 below).

<sup>\*</sup> The Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity in the source of this information (Table B25003) so each racial category accounts for Hispanic / non-Hispanic ethnic characteristics.

100% 90% 22% 24% 27% 37% 80% Percent of Households 70% 60% 84% 94% 50% 40% 78% 76% 73% 64% 63% 30% 60% 20% 35% 10% 16% 6% 0% Age 60-Age 15-Age 25-Age 35-Age 45-Age 55-Age 65-Age 75-Age 85+ 24 34 54 59 64 74 84 44 ■ Renter Occupied Owner Occupied

Figure 3-14: Housing Tenure by Age, Sunnyvale, 2019

Source: Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007.

#### HOUSING TENURE BY HOUSING TYPE

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In Sunnyvale, 80.8 percent of households in detached single-family homes are homeowners, while 6.0 percent of households in multi-family housing are homeowners (see Figure 3-15 below).

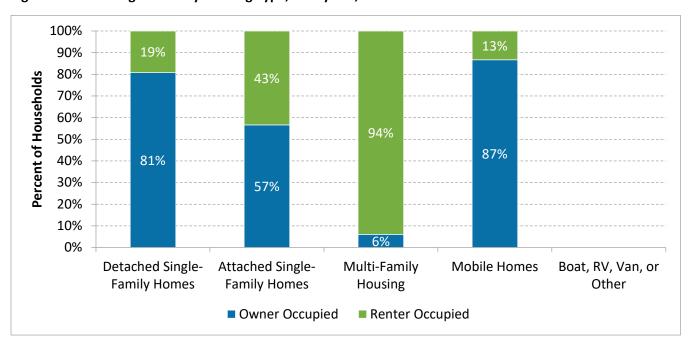


Figure 3-15: Housing Tenure by Housing Type, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032.

### **Household Income Characteristics**

Household income is the most important factor affecting housing opportunity, as it determines a household's ability to afford its preferred type and location of housing, and to balance housing costs with other basic necessities of life. Income levels can vary considerably among households based on age, number of workers per household, education level, type of employment, and/or race and ethnicity, among other factors.

Household income levels include the categories extremely low, very low, low, moderate, and above moderate income. The parameters of the target income categories are determined in relation to the median household income for Santa Clara County, adjusted by household size. The standard income definition of income categories used by the U.S. Department of Housing and Urban Development (HUD) is provided in Table 3-5.

**Table 3-5: Income Level Definitions** 

| Income Category | Definition                             |
|-----------------|--|
| Extremely Low   | < 30 % of the Santa Clara County AMI   |
| Very Low        | 50-31 % of the Santa Clara County AMI  |
| Low             | 51-80 % of the Santa Clara County AMI  |
| Moderate        | 81-120 % of the Santa Clara County AMI |
| Above Moderate  | >121 % of the Santa Clara County AMI   |

AMI = Area Median Income

Santa Clara County 2021 Area Median Income (AMI) for a four-person household = \$151,300

Source: California Department of Housing and Community Development, 2021.

#### **INCOME DISTRIBUTION**

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state. Households in Sunnyvale tend to have slightly higher incomes than regional averages.

As shown in Figure 3-16 below, Sunnyvale has more high-income households and fewer extremely low-income households compared to the county and region. About 60.7 percent of households in Sunnyvale earn more than 100 percent the Area Median Income (AMI), compared to 11.9 percent making less than 30 percent of the AMI, which is considered extremely low-income. Regionally, 52 percent of all households make more than 100 percent of the AMI, while 15 percent make less than 30 percent of the AMI.

In 2017, 30 percent of the Santa Clara County AMI was equivalent to an annual income of \$39,900 for a family of four. Many households with single wage earners and even multiple wage earners – including food service workers, full-time students, teachers, farmworkers, and healthcare professionals – can fall into lower AMI categories due to relatively stagnant wages in many industries.

<sup>&</sup>lt;sup>2</sup> Bohn, S.et al. 2020. Income Inequality and Economic Opportunity in California. Public Policy Institute of California.

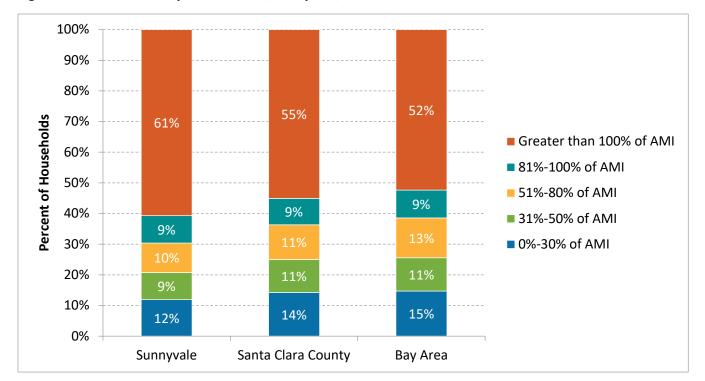


Figure 3-16: Households by Income Level, Sunnyvale, 2017

Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017.

#### **HOUSEHOLD INCOME BY TENURE**

Throughout the region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of available housing that is affordable for these households. In Sunnyvale, renter and owner households alike tend to have relatively high incomes. As shown in Figure 3-17 below, the largest proportion of renters and owners fall in the "Greater than 100 percent of AMI" income group. The high income levels among Sunnyvale's renter population may be due in part to a lack of homeownership opportunities that are affordable to middle-income households, causing many households to remain in rental housing despite having relatively high incomes. In addition, the types of jobs available in Sunnyvale are high-paying and put employees into higher income categories. These jobs are typically occupied by people in the 24-35 age group and residents in that age group tend to be renters, not owners.

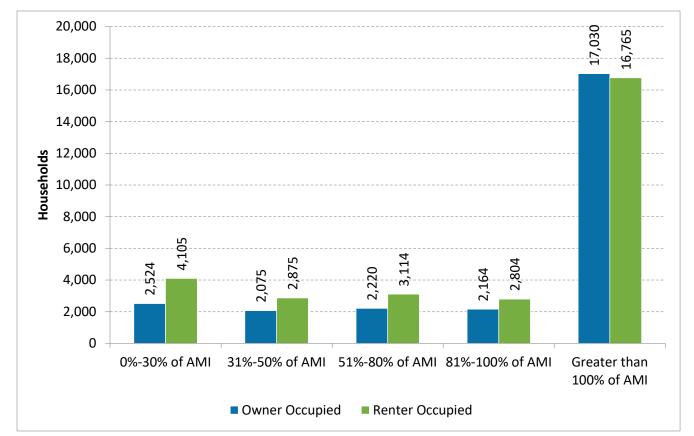


Figure 3-17: Household Income Level by Tenure, Sunnyvale, 2017

Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release.

# **Overcrowding**

Overcrowding occurs when housing costs are so high relative to income that families double up or take in roommates (boarders) /or extended family members to share their housing costs, or they take in an elderly or disabled family member who can no longer live independently, or additional children (nieces, nephews, foster children) for various reasons. It is most likely to occur when demand for housing in a city or region is high. Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several different standards for defining overcrowding; this report uses the Census Bureau definition, which is more than one occupant per room (not including bathrooms or kitchens). Additionally, the Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

In many cities, overcrowding is seen more amongst those that are renting. In Sunnyvale, 7.7 percent of renter households experience moderate overcrowding (1 to 1.5 occupants per room), compared to 2 percent of owner households. Additionally, 6 percent of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 0.2 percent of households that own (see Figure 3-18 below). Overcrowding often disproportionately impacts lower-income households; 5 percent of very low-income households (below 50 percent AMI) experience severe overcrowding in Sunnyvale, while 2 percent of households above 100 percent AMI experience severe overcrowding (see Figure 3-19 below). These data may indicate a shortage of rental units that are large enough to accommodate larger households, and potentially indicates that some renters are living in overcrowded conditions to be able to afford housing. The City's residential capacity identified to meet regional

housing needs (see Chapter 5, "Sites Inventory and Funding Resources") could help to alleviate overcrowded conditions by increasing housing supply, and thereby reduce demand and costs, so that families that have doubled up can obtain their own housing unit. Additionally, Chapter 2 includes a program (H6 Affordable Housing Development Assistance) to create more affordable units for lower-income households, which can reduce the need for households to double up to be able to afford housing.

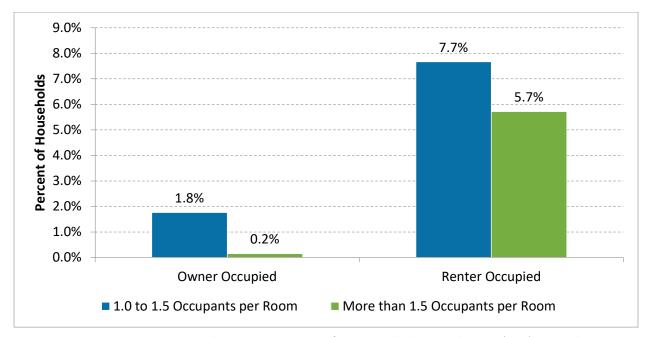


Figure 3-18: Overcrowding by Tenure, Sunnyvale, 2017

Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017.

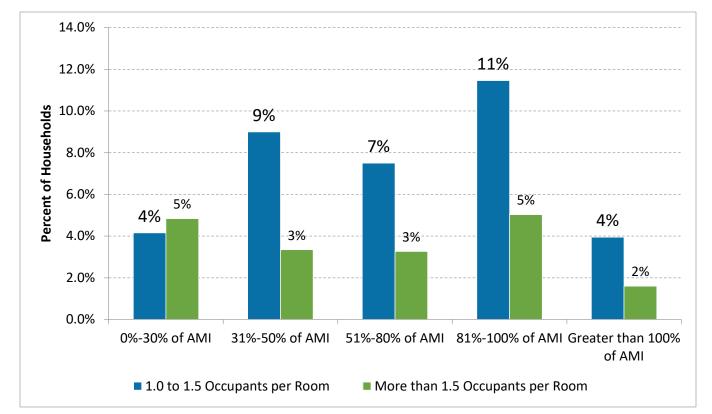


Figure 3-19: Overcrowding by Income Level, Sunnyvale, 2017

Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017.

# 3.4 Special Needs Populations

State law recognizes that certain households have more difficulty finding decent and affordable housing due to special circumstances. Special needs populations include specific demographic or occupational groups that call for specific program responses. These groups often spend a disproportionate amount of their income on housing and can often experience discrimination based on their specific needs or circumstances.

The state requires that housing elements address several different special needs groups, including, extremely low-income households, senior households, persons with disabilities, large families of five or more, female-headed households, people experiencing homelessness, and farmworkers.

# **Extremely Low-Income Households**

Extremely low-income (ELI) households are those with an income of 30 percent or less of the AMI. The 2021 AMI in Santa Clara County is \$151,300. In 2021, a family of four making \$49,700 or less would be classified as ELI in Sunnyvale. This income equates to a wage of about \$23.89 per hour for a single wage-earner, which is higher than Sunnyvale's locally adopted minimum wage for 2021 (\$16.30/hour). An extremely low-income family of four described above could afford a monthly housing cost of approximately \$1,243.

According to HUD's 2013-2017 CHAS data, 6,620 households in Sunnyvale (12 percent of total households) were ELI households. Most ELI households (62 percent) rent their homes. Regardless of tenure, 78 percent of ELI households experience additional housing problems such as overpayment, overcrowding, and/or severe structural dilapidation (see Table 3-6). About 77 percent of ELI households paid more than 30 percent of their incomes for housing, including 66 percent who paid more than 50 percent of their incomes on housing.

Table 3-6: Housing Needs for Extremely Low-Income Households, Sunnyvale, 2017

|  | Renters |         | Owners |         | Total  |         |
|--|---------|---------|--------|---------|--------|---------|
|  | Number  | Percent | Number | Percent | Number | Percent |
| Total Number of ELI Households   | 4,100   | 62%     | 2,520  | 38%     | 6,620  | 100%    |
| ELI Households with Cost Burden (paying more than 30% income on housing)                 | 3,475   | 85%     | 1,650  | 65%     | 5,125  | 77%     |
| ELI Households with Severe Cost<br>Burden (paying more than 50% of<br>income on housing) | 3,035   | 74%     | 1,325  | 53%     | 4,360  | 66%     |
| ELI Households with Any Housing Problems   | 3,500   | 85%     | 1,685  | 67%     | 5,185  | 78%     |

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2013-2017.

State law requires the City to identify the projected need for ELI housing because virtually all ELI households are expected to need aid, including housing cost subsidies and social services. To calculate the projected housing needs for ELI households, the City assumed that 50 percent of the very low-income housing need (see the "Regional Housing Needs Allocation" Section for more details) is equal to the ELI housing need. As such, there is a projected need for 1,484 ELI housing units during the planning period.

Households with extremely low incomes have a variety of housing situations and needs. Most ELI households will be seeking rental housing, including more deeply affordable housing types like deed-restricted units and single-room occupancy units. Some ELI households may also have large families or include household members with mental or other disabilities and special needs and require supportive services. As described in Chapter 6, "Constraints to the Development of Housing," the City's zoning code complies with State law and allows SROs and supportive housing.

## **Senior Households**

Senior households, defined as households headed by someone 65 or older, often experience a combination of factors that can make accessing or keeping affordable housing a challenge. Many seniors live on fixed incomes and are more likely to have disabilities, chronic health conditions, and/or reduced mobility.

As discussed in 1.1 Population and Demographic Profile, persons 65 years and older made up 11.8 percent of the total Sunnyvale population in 2019. ABAG 2040 Projections estimate that the population aged 65 and older in Sunnyvale will continue to increase in line with the county between 2020 and 2040 (see Table 3-7 below). ABAG 2040 Projections estimate a 60 percent increase in Sunnyvale's population of persons 65 years and older while the total population is projected to grow by 33 percent, as shown in Table 3-2. The anticipated growth in the population of older adults is slightly higher than the anticipated change for the population of older adults in the county as a whole (56 percent).

Table 3-7: Projected Population Growth by Age: 65 and older, Sunnyvale, 2020-2040

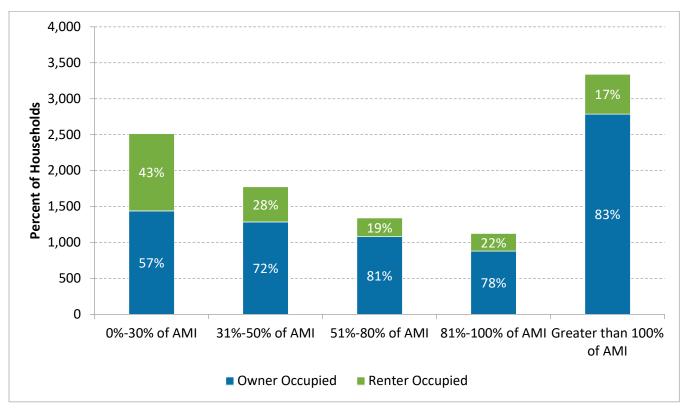
|                       | 2020                |                            |                     | 2040                |                            |                     | Total Change (2020-2040) |                            |                   |
|-----------------------|---------------------|----------------------------|---------------------|---------------------|----------------------------|---------------------|--------------------------|----------------------------|-------------------|
|                       | Total<br>Population | Persons<br>65 and<br>Older | Percent<br>of Total | Total<br>Population | Persons<br>65 and<br>Older | Percent<br>of Total | Total<br>Population      | Persons<br>65 and<br>Older | Percent<br>Change |
| Sunnyvale             | 149,935             | 19,135                     | 13%                 | 222,210             | 47,290                     | 21%                 | +72,275                  | +28,155                    | +48%              |
| Santa Clara<br>County | 1,986,340           | 249,435                    | 13%                 | 2,538,320           | 520,205                    | 20%                 | +55,1980                 | +270,770                   | +28%              |

Source: Projections 2040 MTC/ABAG; Data downloaded 2021.

As shown earlier, 76 percent of senior households own their home compared to 24 percent who rent. Higher homeownership rates among the senior population indicates a need for programs to help seniors in Sunnyvale age in place. It could also indicate a need for smaller homes to allow seniors to downsize.

Seniors who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups. The largest proportion of senior households who rent are extremely low income (below 30 percent of the AMI), while the largest proportion of senior households who are homeowners make more than 100 percent of the AMI (see Figure 3-20 below).

Figure 3-20: Senior Households by Income and Tenure, Sunnyvale, 2017



Note: For the purposes of this graph, senior households are those with a householder who is aged 62 or older.

Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release.

Most seniors experience some changes in their housing needs as they age, though the degree to which housing needs change and the type of changes that seniors need as they age vary substantially from one individual to the next.

- Accessibility Improvements. Many individuals develop a need for physical adaptations to the homes that they live
  in, such as entry ramps or shower grab bars, to improve accessibility and accommodate new physical limitations.
- Access to Transit. For many seniors, having access to public transportation and other services becomes more
  important as they age due to decreased mobility or increased difficulty with driving.
- **Financial Assistance.** Seniors with low incomes may need financial assistance to afford rent, property taxes, mortgage payments, or home repairs.
- Long-Term Care. Seniors with more serious medical needs or physical limitations may require in-home care as they age.

There are a range of potential living arrangements that seniors may seek out as their housing needs change with age, depending on their specific needs, financial resources, and other factors. These can include: remaining in their own homes, potentially with adaptability features or financial assistance; independent living for seniors, which may be market-rate or affordable; and various types of assisted living and skilled nursing facilities with services on-site.

#### **EXISTING RESOURCES FOR ELDERLY RESIDENTS**

As of 2020, the housing stock in Sunnyvale includes 644 rental units for seniors that are affordable to lower-income senior households, as well as 35 residential care homes for seniors with nearly 800 beds. Approximately 350 seniors in Sunnyvale received Housing Choice Voucher subsidies. In addition, the City's Senior Center offers a variety of educational, recreational, and health-related services for older adults, including a Care Management program that offers free assessment, care planning, assistance with service arrangements, and client monitoring for Sunnyvale residents over the age of 50.

### **CURRENT AGE-FRIENDLY HOUSING POLICIES AND PROGRAMS**

Chapter 2, "Housing Plan," includes various policies and programs to address age-friendliness in housing in Sunnyvale. The City of Sunnyvale has also joined the World Health Organization's Global Network of Age-Friendly Cities and Communities (GNAFCC), pledging to become more age-friendly. The City's Library and Recreation Services Department is leading this effort and has created a Draft Age-Friendly Action Plan.

In addition to policies that are specifically targeted to senior households, many of the City's housing programs and policies assist seniors as well as other households. The City operates a Home Improvement Program that provides various types of assistance for homeowners to fund needed improvements to their homes. Through the Home Improvement Program, the City provides grants for accessibility improvements, emergency repairs, purchase of paint for exterior painting to be completed by the homeowner, and minor energy efficiency improvements. These grants can enable seniors to undertake critical home improvements that allow them to age in place. In addition, the City's mobile home park preservation policies included in Chapter 2, "Housing Plan," can also benefit the portion of mobile home park residents that are seniors. The City has also engaged in an effort to facilitate and promote the construction of new accessory dwelling units (ADUs) in Sunnyvale. ADUs can help to address senior housing needs by providing affordable housing for senior renters, providing rental income for senior homeowners that rent ADUs on their property, or providing an option for seniors to downsize to an ADU on their property and rent the primary house to another household. Other policies that address senior housing needs include the City's reasonable accommodation procedures related to zoning, permit processing, and building codes and the City's policy to

encourage new developments to include units for tenants with special needs, including seniors, through incentives and prioritization in funding.

## **Persons with Disabilities**

A disability is defined as a long-lasting condition that impairs an individual's mobility, ability to work, or ability to perform self-care. Persons with disabilities include those with physical, mental, developmental, or emotional disabilities. Physical, mental, and/or developmental disabilities may prevent a person from working, restrict one's mobility, or make it difficult to care for oneself. People with disabilities often have special housing needs because they often have limited or fixed incomes and a lack of affordable and/or accessible housing. Some residents may require living in a supportive or institutional setting or even have less money available for housing costs as they may have more frequent health care costs due to their disability.

When it comes to housing, people with disabilities are not only in need of affordable housing but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. Special needs of individuals with disabilities vary depending on the particular disability. For example, the needs of a blind person differ greatly from those of a person confined to a wheelchair. Special facilities, such as ramps, elevators, or specially designed restrooms necessary for wheelchair access are architectural features needed to make dwellings suitable for persons confined to wheelchairs. Special features needed by ambulatory persons constrained by other disabilities may not be architectural; rather, these might be simple alternatives to conventional dwelling units or furnishings and appliances that make ordinary tasks of housekeeping and home life less trying and more enjoyable. In families, the needs of persons with disabilities, in terms of special features, are fewer than those of a single person. As a result, people with disabilities are typically at a higher risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers. Figure 3-21 below shows the rates at which different disabilities are present among residents of Sunnyvale. Overall, 6.6 percent of people in Sunnyvale have a disability of some kind.

According to data from Project Sentinel from 2015 to 2021, 41 fair housing cases were opened by a household with a person that has a disability, making up 52 percent of all cases filed in Sunnyvale. For people with disabilities, reasonable accommodation was the most frequent type of complaint (34 cases). For more information on fair housing complaints reported to Project Sentinel, refer to Table 4-1 in Chapter 4 Assessment of Fair Housing. The City's reasonable accommodation process is described in further detail in Chapter 6 Constraints to the Development of Housing.

#### PROGRAMS FOR PERSONS WITH DISABILITIES

In December 2004, the City Council created an Advisory Committee on Accessibility (ACA). The City of Sunnyvale's ACA advises and provides input to City staff on accessibility issues related to City services, programs, and facilities. The City also has a dedicated Americans with Disabilities Act Coordinator and identifies resources and local programs for persons with disabilities on its website. The City administers a Home Access Grant program, providing up to \$6,500 to seniors and/or disabled lower-income homeowners or renters to retrofit their homes. Common accessibility retrofits funded through the program include ramps, hand railings, grab bars, hand-held showerheads, widening of doors, modification of steps, and wheelchair lifts. The City also maintains an inventory of lifts it provides to residents and removes the lift when it is no longer needed.

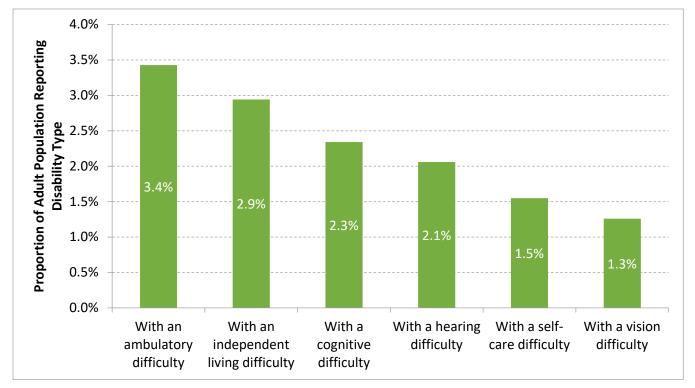


Figure 3-21: Disability by Type, Sunnyvale, 2019

Note: These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107.

#### PERSONS WITH DEVELOPMENTAL DISABILITIES

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as a substantial disability attributable to major impairment of cognitive and/or social functioning. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, mild to severe intellectual disability and other conditions similar in their impact to an intellectual disability. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. While many developmentally disabled persons can live and work independently within a conventional housing environment, there are others who are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them. More severely disabled individuals require a group living environment where supervision and assistance are provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is transition from the person's living situation as a child to an appropriate level of independence as an adult.

According to data from the California Department of Developmental Services, 717 residents in Sunnyvale had a developmental disability in 2020. A developmental disability could include any of the residents reporting an ambulatory difficulty, independent living difficulty, a cognitive difficulty, a self-care difficulty, or a hearing and vision difficulty as shown in Figure 3-21 above. Of the population with a developmental disability, children under the age of 18 make up 56.3 percent (or 395 individuals), while adults account for 43.7 percent (or 307 individuals). The

most common living arrangement for individuals with developmental disabilities in Sunnyvale is the home of parent /family /guardian (see Table 3-8).

Table 3-8: Population with Developmental Disabilities by Place of Residence, Sunnyvale, 2020

| Residence Type                   | Number of Individuals | Percent of Total |
|----------------------------------|-----------------------|------------------|
| Home of Parent /Family /Guardian | 629                   | 87.7%            |
| Independent /Supported Living    | 48                    | 6.7%             |
| Other                            | 15                    | 2.1%             |
| Community Care Facility          | 15                    | 2.1%             |
| Foster /Family Home              | 10                    | 1.4%             |
| Intermediate Care Facility       | 0                     | 0.0%             |
| Totals                           | 717                   | 100.0%           |

Source: ABAG Housing Element Data Package, California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type, 2020.

The type of housing that is suitable for persons with development disabilities varies substantially based on the nature and extent of the disability. Because households that include people with developmental disabilities are disproportionately lower income, many persons with developmental disabilities need affordable housing options. Some individuals with developmental disabilities may be best served in housing with supportive services that can help them live independently or with licensed care. Design of accessibility modifications, proximity to services and transit, availability of group living opportunities, and affordability are some common considerations that are important for serving this need group. Incorporating "barrier-free" design in all new multi-family housing (as required by California and Federal Fair Housing laws) is especially important to provide the widest range of choices for residents with disabilities.

The California Department of Developmental Services provides community-based services to individuals with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The City of Sunnyvale, along with other jurisdictions in Santa Clara County, is serviced by the San Andreas Regional Center, a non-profit organization that serves individuals with developmental disabilities and their families who reside within Monterey, San Benito, Santa Clara, and Santa Cruz Counties and which provides a point of entry to services for people with developmental disabilities. In partnership with the Silicon Valley Independent Living Center (an extension of the San Andreas Regional Center ("SARC"), the Santa Clara County Housing Authority offers a Non-Elderly Disabled program which provides assistance to non-elderly persons with disabilities who are currently residing in long-term care facilities. This voucher program is intended to help participants leave the long-term care facility and live independently. In recent years, the City has seen an increase in affordable housing developments seeking to add I/DD units as a special housing needs set aside, in partnership with local non-profit Housing Choices who works alongside SARC to support those with I/DD housing needs. Since 2020, nearly 100 units are in planning stages or are under construction within 100% affordable housing developments, for those with intellectual or developmental disabilities.

## **Female-Headed Households**

Government Code Section 65583(a)(7) identifies families with female heads of households as a group that may have special housing needs and requires the City to analyze the housing needs of these households. This is because single-parent households tend to have lower incomes than two-parent families and typically need additional

#### CHAPTER 3 | HOUSING NEEDS ASSESSMENT

services, such as childcare and affordable health care. Female-headed households with children, in particular, face challenges finding affordable, decent, and safe housing due to a range of socio-economic and systemic issues including pervasive gender inequality resulting in lower wages for women or juggling priorities because of a child or dependent in the home. In addition, female-headed households may encounter subtle forms of housing discrimination.

Moreover, the added need for childcare or other private services such as nursery schools, day care, and recreational activities for their children can make finding a home that is accessible and affordable more challenging. The 2019 Census reported 3,574 female-headed households in Sunnyvale, 6.4 percent of all households. In Sunnyvale, 18.2 percent of female-headed households with children fall below the Federal Poverty Line, while 9.1 percent of female-headed households without children live in poverty (see Figure 3-22 below).

Programs available in Sunnyvale to specifically help to address the housing needs of female-headed households include Project Sentinel's Fair Housing Center which includes resources for tenants and home-seekers on fair housing rights and responsibilities. Project Sentinel also offers dispute resolution services for landlords and tenants to help special needs households, including female-headed households, obtain and maintain housing in the community. According to Project Sentinel records from 2015 to 2021, about 10 percent of fair housing complaints reported in Sunnyvale were related to familial status (i.e., pertains to a family or household with a child under the age of 18). For more information on the complaint type, refer to Table 4-1 in Chapter 4 Assessment of Fair Housing.

Housing affordability is a primary issue for these special needs groups because there is often only one income available to support the needs of the whole households — and only a limited amount of funds can be allocated to housing. Some households may find assistance through the Housing Choice Voucher Program, administered by the Santa Clara County Housing Authority. In addition to the Housing Choice Voucher (Section 8) program, the Housing Authority administers additional programs that assist low-income families throughout Santa Clara County including the following:

- Family Unification Program. The Family Unification Program provides rental assistance for families whose lack of adequate housing is a primary factor in the placement of their children in out-of-home care (e.g. foster care) or in the delay of their children returning home.
- Family Self Sufficiency Program. The Family Self Sufficiency program provides case management and advocacy to current families who receive assistance through one of the Housing Authority's housing choice voucher programs. Families enroll and sign a five-year contract to participate in the program. After enrolling in the program, participants set goals such as finishing their education, obtaining job training, and/or employment. During the contract term, participants who increase their earned income can receive cash bonuses.

The Housing Authority also partners with other agencies and nonprofit organizations to make supportive services available to residents and tenants located in Santa Clara County. Services offered by other agencies include emergency support to families, food, transportation, shelter referrals, clothing and housing assistance. NOVA, the North Valley Workforce Investment Board, also offers free career development and job-seeking assistance and training that may be accessed by lower-income women.

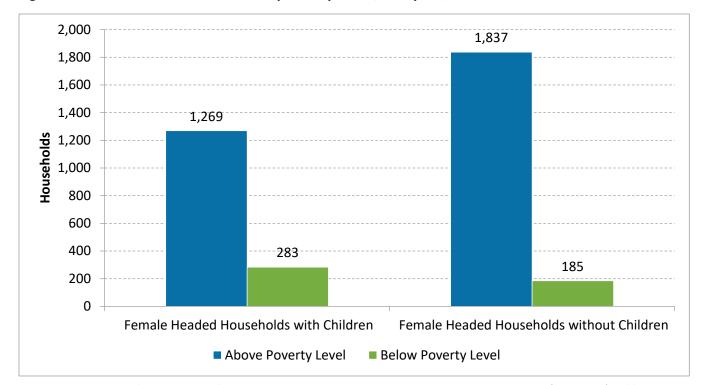


Figure 3-22: Female-Headed Households by Poverty Status, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012.

# **Large Households**

Large households, defined as households with five or more members, often have different housing needs than smaller households. If a city's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions. About 8 percent of all households in Sunnyvale have 5 or more members (approximately 4,342 households). Large families with low to moderate incomes can have greater difficulty finding appropriate and affordable housing and this is frequently more difficult for renter-occupied households, as units with three or more bedrooms are often single-family homes rather than apartments. Just over half of large households in Sunnyvale (51.5 percent) live in owner-occupied housing (see Figure 3-23 below). In addition, slightly more than half (54 percent) of large households were in the above moderate income bracket in 2017 followed by the low to moderate income brackets, earning between 51 and 100 percent of the AMI (27 percent). In the same year, 18 percent of large households were very low-income, earning less than 50 percent of the AMI.

Large families are generally served by housing units with 3 or more bedrooms, of which there are 27,161 units in Sunnyvale according to the U.S. Census American Community Survey 2015-2019 estimates. Among these large units with 3 or more bedrooms, 77.3 percent are owner occupied and 22.7 percent are renter occupied (see Figure 3-24 below). Based on this data, the City concludes that there is a sufficient availability of units suitable for large family households.

12,000 10,127 10,000 8,531 8,000 6,100 Households 5,280 4,676 6,000 4,000 2,104 2,000 0 2 Person 1 Person 3 Person 4 Person 5 Or More Person Household Household Household Household Household Owner Occupied Renter Occupied

Figure 3-23: Household Size by Tenure, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009.

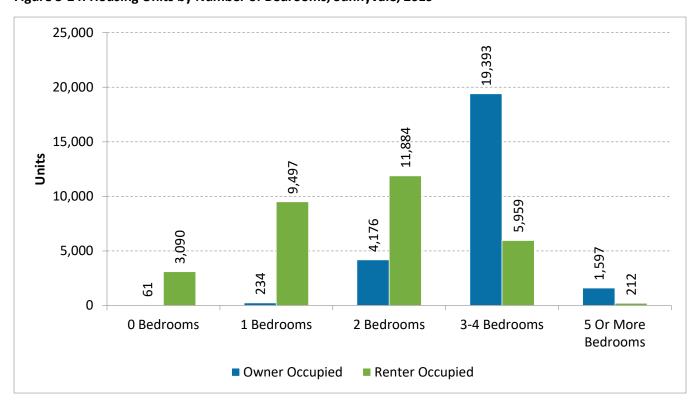


Figure 3-24: Housing Units by Number of Bedrooms, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042.

## **Homelessness**

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing insecure have ended up unhoused or homeless in recent years, either temporarily or longer term.

In February 2022, the jurisdictions within Santa Clara County jointly sponsored a two-day homeless census, known as the Point-in-Time (PIT) Count, to assess the size of the homeless population. The 2022 PIT count estimates a total of 10,028 persons experiencing homelessness countywide, a 3 percent increase from 9,706 unhoused residents in 2019.

The 2022 PIT Count estimates a total of 385 persons experiencing homelessness in Sunnyvale, a 38 percent decrease from the 624 unhoused residents identified in 2019. Of the 385 individuals experiencing homelessness in Sunnyvale, 279 were unsheltered, staying in places that are not designed or fit for human habitation, and 106 were utilizing emergency shelters (see Table 3-9 below). Measuring the true number of individuals experiencing homelessness is a difficult task, in part because in most cases, homelessness is a temporary, not permanent, condition.

Table 3-9: Homeless Population by Jurisdiction and Shelter Status, Santa Clara County, 2019 and 2022

|                    | Unshe | eltered | Sheltered |       | To    | otal   | Percent            |
|--------------------|-------|---------|-----------|-------|-------|--------|--------------------|
| Jurisdiction       | 2019  | 2022    | 2019      | 2022  | 2019  | 2022   | Change in<br>Total |
| Campbell           | 74    | 216     | 0         | 0     | 74    | 216    | 191%               |
| Cupertino          | 159   | 102     | 0         | 0     | 159   | 102    | -36%               |
| Gilroy             | 345   | 606     | 359       | 208   | 704   | 814    | 16%                |
| Los Altos          | 76    | 65      | 0         | 0     | 76    | 65     | -14%               |
| Los Altos Hills    | 2     | 0       | 0         | 0     | 2     | 0      | *                  |
| Los Gatos          | 16    | 58      | 0         | 0     | 16    | 58     | *                  |
| Milpitas           | 125   | 249     | 0         | 25    | 125   | 274    | 119%               |
| Monte Sereno       | 0     | 0       | 0         | 0     | 0     | 0      | *                  |
| Morgan Hill        | 114   | 60      | 0         | 0     | 114   | 60     | -47%               |
| Mountain View      | 574   | 206     | 32        | 140   | 606   | 346    | -43%               |
| Palo Alto          | 299   | 263     | 14        | 0     | 313   | 263    | -16%               |
| San Jose           | 5,117 | 4,975   | 980       | 1,675 | 6,097 | 6,650  | 8%                 |
| Santa Clara        | 264   | 375     | 62        | 65    | 326   | 440    | 35%                |
| Saratoga           | 10    | 0       | 0         | 0     | 10    | 0      | *                  |
| Sunnyvale          | 477   | 279     | 147       | 106   | 624   | 385    | -38%               |
| Unincorporated     | 270   | 254     | 89        | 38    | 359   | 292    | -19%               |
| Santa Clara County | 7,922 | 7,708   | 1,784     | 2,320 | 9,706 | 10,028 | 3%                 |

<sup>\*</sup> Percentage change not calculated for rows with less than 50 individuals.

Source: Santa Clara County PIT Jurisdiction Report, 2022.

Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction, and those dealing with traumatic life circumstances. In 2019, the most common type of household experiencing homelessness in Santa Clara County was those without children in their care. In 2019, there

were more individuals experiencing homelessness who identified as male (62 percent) than female (36 percent), and as White (44 percent) and Black/African American (19 percent) than other races (see Figure 3-27 below). Among households experiencing homelessness that do not have children, 87.1 percent are unsheltered. Of homeless households with children, most are sheltered in emergency shelter (see Figure 3-25 below).

8,000 7,413 7,000 6,000 5,000 4,000 3,000 2,000 696 1,000 400 301 266 243 7 3 0 Adults and Children Children Under 18 Adults without Children Under 18 ■ Sheltered - Emergency Shelter ■ Sheltered - Transitional Housing Unsheltered

Figure 3-25: Homelessness and Shelter Status, Santa Clara County, 2019

Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports, 2019.

Many of those experiencing homelessness are dealing with severe issues – including mental illness, substance abuse and domestic violence – that are potentially life threatening and require additional assistance. In Santa Clara County, homeless individuals are commonly challenged by severe mental illness, with 2,659 reporting this condition in 2019 (see Figure 3-26 below). Of those, some 87.6 percent were unsheltered, further adding to the challenge of addressing the issue.

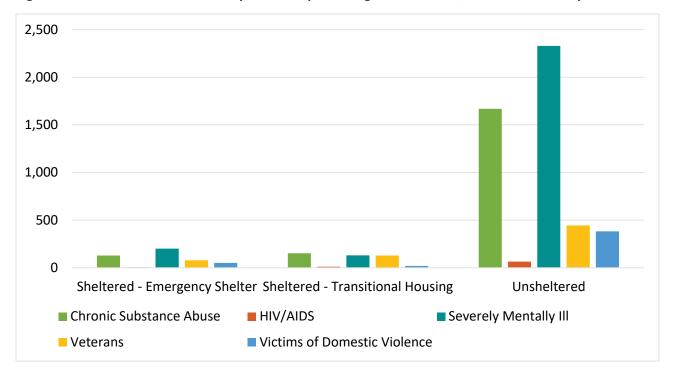


Figure 3-26: Characteristics of the Population Experiencing Homelessness, Santa Clara County, 2019

Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports, 2019.

### RACIAL DEMOGRAPHICS OF THE UNHOUSED POPULATION

People of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area. In Santa Clara County, Black residents make up less than 3 percent of the countywide population but made up nearly 19 percent of the homeless population in 2019. White residents on the other hand represent the largest proportion of residents experiencing homelessness and accounted for 43.9 percent of the homeless population in 2019, while making up 44.5 percent of the overall population (see Figure 3-27 below).

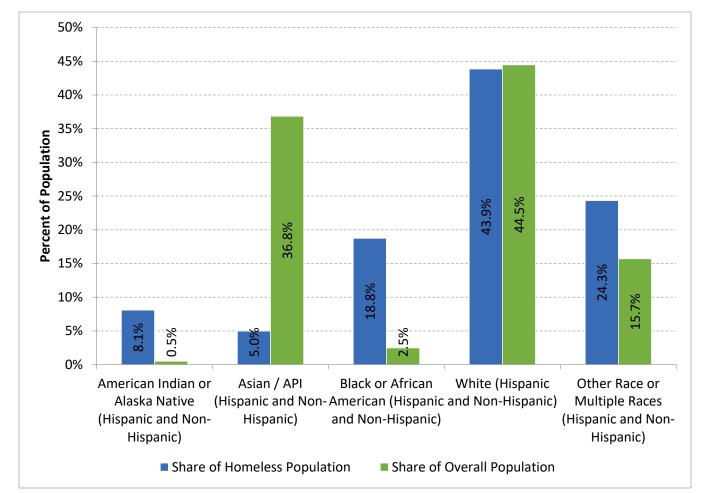


Figure 3-27: Racial Demographics of the Homeless Population, Santa Clara County, 2019

Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I)

#### SERVICES FOR PERSONS EXPERIENCING HOMELESSNESS

There are three major types of facilities that provide shelter for homeless individuals and families: emergency shelters, transitional housing, and permanent supportive housing. These types of facilities are defined below:

- Emergency Shelter: provides overnight shelter and fulfills a client's basic needs (i.e., food, a place to sleep, shower, and/or restroom facilities) either on-site or through off-site services. The permitted length of stay can vary from one day to six months, depending upon whether the shelter is short-term or long-term. Current best practices for addressing homelessness include shifting away from the use of emergency shelters and toward homelessness prevention and rapid-rehousing. This shift has been occurring within the county.
- Transitional Housing: a residence that provides housing for up to two years. Residents of transitional housing are
  usually connected to rehabilitative services, including substance abuse treatment, mental health care,
  employment services, individual and group counseling, and life skills training.
- Permanent Supportive Housing: refers to permanent service-enriched affordable housing that is linked with ongoing supportive services (on-site or off-site) and is designed to allow formerly homeless clients to live at the facility on an indefinite basis.

A number of regional service providers serve homeless people throughout the County and in Sunnyvale, including HomeFirst of Santa Clara County (formerly EHC), InnVision-Shelter Network, West Valley Community Services, Sunnyvale Community Services, and Downtown Streets Team. The City of Sunnyvale provides funding to most of these agencies through its CDBG and human services grant programs.

The City has also provided funding in prior years to create a number of transitional housing facilities, including two group homes in Sunnyvale operated by Momentum for Mental Health (Arbor and Duane Houses), a group home in Sunnyvale for youth aging out of foster care operated by Bill Wilson Center (Socorro House), a mid-size apartment complex for young adults in Santa Clara operated by Bill Wilson Center (Peacock Commons), and a four-plex within the County for survivors of domestic violence. The City also awarded funds to rehabilitate a maternity group home in Santa Clara. In addition, the City has been funding a transitional Tenant-Based Rental Assistance (TBRA) program for two years that primarily serves homeless and at-risk households to help them secure permanent housing. Emergency shelter facilities located in Sunnyvale are shown in Table 3-10 below.

The City of Sunnyvale participates in the local continuum of care, the Santa Clara County Collaborative on Affordable Housing and Homeless Issues, in its efforts to end homelessness. The Collaborative is staffed by the County and comprised of local jurisdictions, shelter and service providers, housing advocates and non-profit housing developers. This group serves as an effective forum for attracting additional funding sources and creating affordable housing for homeless and persons at risk of homelessness. Recently the continuum has merged with Destination: Home in an effort to find a more formal organizational structure.

The City of Sunnyvale provides financial support to the following activities within the area that help homeless people become housed, employed, or obtain other income sources:

- WorkFirst Sunnyvale: This program, funded primarily by the City's CDBG grant, is a partnership of Sunnyvale Community Services and Downtown Streets Team. It provides supportive services, case management, and housing assistance for adults experiencing homelessness. Service programs include a volunteer work-readiness program, job-search training, and referrals for the TBRA program.
- TBRA Program: Funded by the City's HOME grant, this program is administered by the County and Abode Services, with assistance, case management, and referrals from Downtown Streets Team, Sunnyvale Community Services, West Valley Community Services, and HomeFirst. It provides two-year rental assistance vouchers for approximately 15-20 formerly homeless households at a time to help them with rent while completing job training and/or career counseling programs.
- Sunnyvale Community Services: Provides emergency financial assistance, security deposit assistance, referrals, food, and necessities for homeless people and at-risk families and individuals.
- HomeFirst Santa Clara County: Provides emergency shelter, transitional and permanent supportive housing, and supportive services in a number of locations throughout the county including the Boccardo Reception Center in San Jose which is a year-round, 24 hour/day homeless shelter.
- Bill Wilson Center: Transitional housing for homeless youth and youth aging out of foster care. Provides shelter, counseling services, and support to youth and families.
- Support Network for Battered Women: Provides emergency and on-going assistance to victims of domestic violence in Santa Clara County, including emergency shelter, family counseling and legal guidance.
- West Valley Community Services: provides "Haven to Home" outreach and case management services for homeless adults and families and operates a transitional housing facility in Cupertino.

Table 3-10: Emergency Shelter and Transitional Housing Facilities, Sunnyvale, 2022

| Facility   | Location      | Shelter Type         | Beds/ Units |  |  |
|--|---------------|----------------------|-------------|--|--|
| [HomeFirst] Sunnyvale Fair Oaks                          | Sunnyvale     | Emergency Shelter    | 18          |  |  |
| [HomeFirst] Sunnyvale Nightly Shelter                    | Sunnyvale     | Emergency Shelter    | 102         |  |  |
| FEMA COVID-19 – Lifemoves – Vagabond Inn Sunnyvale – NCV | Sunnyvale     | Emergency Shelter    | 49          |  |  |
| [Bill Wilson Center] Rockefeller                         | Sunnyvale     | Transitional Housing | 8           |  |  |
| TOTAL CAPACITY (Including Transition                     | onal Housing) |                      | 177         |  |  |
| TOTAL CAPACITY IN EMERGENCY SHELTERS                     |               |                      |             |  |  |
| SUNNYVALE UNMET NEE                                      | D*            |                      | 216         |  |  |

<sup>\*</sup> Unmet need refers to the total number of individuals experiencing homelessness in Sunnyvale, (385) as indicated in Table 3-8, minus the total number of emergency shelter beds available in Sunnyvale (169).

Source: Santa Clara County Office of Supportive Housing, 2021.

### **Farmworkers**

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal or permanent agricultural labor. Farmworkers are generally considered a special housing needs group due to their limited income and often-unstable nature of their employment. Across the state, housing for farmworkers has been recognized as an important and unique concern.

Estimating the size of the agricultural labor force is problematic as farmworkers are historically undercounted by the census and other data sources. For instance, the government agencies that track farm labor do not consistently define farm labor (e.g., field laborers versus workers in processing plants), length of employment (e.g., permanent or seasonal), or place of work (e.g., the location of the business or field).

Farmworkers are typically categorized into three groups: 1) permanent, 2) seasonal, and 3) migrant. Permanent farmworkers are typically employed year-round by the same employer. Seasonal farmworkers work on average less than 150 days per year and earn at least half of their earned income from farm work. Migrant farmworkers are seasonal farmworkers who have to travel to do the farm work so they are unable to return to their permanent residence within the same day.

Santa Clara County's agricultural legacy is rooted in their orchards, vineyards, dairies, and canneries; now nearly all redeveloped. In the past 30 years alone, Santa Clara County has lost 21,171 acres of its farmland and rangeland to development, and an additional 28,391 acres of farmland and rangeland in the County are at risk of conversion going forward. Despite this, Santa Clara Valley retains valuable agricultural lands and an important farming industry, with over 1,000 farms employing over 8,000 residents and contributing around \$830 million annually to the economy.<sup>3</sup>

According to the U.S. Department of Agriculture (USDA) Census of Farmworkers, the number of permanent farm workers in Santa Clara County has increased since 2002, totaling 2,418 in 2017, while the number of seasonal farm workers has decreased from 3,760 in 2002 to 1,757 in 2017 (see Figure 3-28 below). It is important to understand the changing landscape of the farmworker population. Today's farmworkers are more settled and typically live in one location. Per the USDA, today's farmworkers can commute up to 75 miles to the workplace. Based on this, the need for housing for agricultural workers is not just the responsibility of Bay Area jurisdictions with a robust

<sup>&</sup>lt;sup>3</sup> SV&Home Policy Brief: Farmworker Housing in Santa Clara County 2019. Santa Clara Valley Agricultural Plan.

agricultural economy. Most of the remaining farmland is concentrated in the southern portion of the county, around Gilroy, Morgan Hill, and south San Jose.

Typically, the agriculture industry faces challenges in securing labor in a tight market that offers limited housing opportunities that are affordable for their employees. Due to the severe shortage of affordable homes in the county and very low wages, farmworkers experience extreme housing insecurity. While many traditional affordable housing programs and policies will assist farmworkers, there are unique needs and circumstances for agricultural workers that need to be considered and explored since finding decent and affordable housing can be challenging, particularly in the current housing market.

Data is not available at the city level via the USDA Agricultural Census; however, according to the 2017 ACS, there were 181 employees in the Agriculture, Forestry, Fishing and Hunting, and Mining industry living in Sunnyvale. This would indicate that up to 7.5 percent of permanent farmworkers in Santa Clara County live in Sunnyvale. Farmworkers living in urban areas of the county often have similar needs for affordable rental housing as other lower-wage earners.

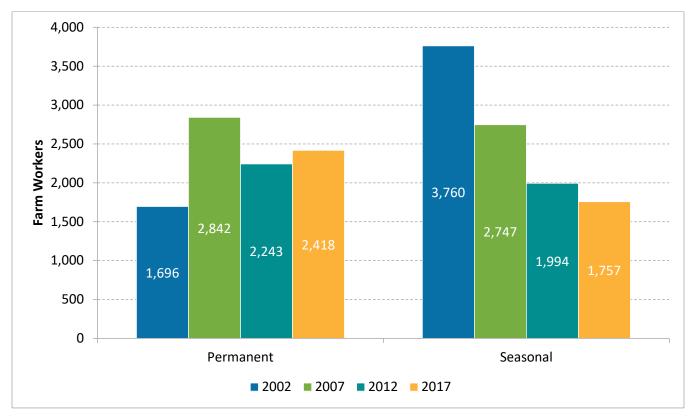


Figure 3-28: Farm Operations and Farm Labor, Santa Clara County, 2002-2017

Notes: Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm.

Source: ABAG Housing Element Data Package, U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor.

# 3.5 Housing Stock Characteristics

This section identifies the characteristics of Sunnyvale's physical housing stock. This includes an analysis of housing growth trends, housing conditions, housing prices and affordability.

# **Housing Unit Types**

Until recently, detached single family homes made up the largest proportion of the housing stock in Sunnyvale. In 2010, single family homes comprised just under 50 percent of the housing stock with over 21,000 detached single-family homes. However, between 2010 and 2020, the majority of new construction in Sunnyvale has been multifamily housing<sup>4</sup> in larger apartment buildings. There was also an increase in single-family attached development over this timeframe (see Figure 3-29 below). As of 2020, multifamily housing now makes up the majority of the housing stock in the city at 48 percent. Sunnyvale also has a substantial inventory of mobile homes, which account for 6.3 percent of the City's housing stock. In 2020, there were 13 mobile home parks in Sunnyvale with a total of 3,862 mobile homes. In fact, Sunnyvale is home to 19 percent of the mobile homes in the Santa Clara County and San Mateo County Two-County Subregion, despite the fact that only six percent of all housing units in the subregion are located in Sunnyvale<sup>5</sup>.

In recent years, most housing produced in the region and across the state consisted of single-family homes or larger multi-unit buildings. However, some households are increasingly interested in "missing middle housing<sup>6</sup>" product type which can including duplexes, triplexes, townhomes, cottage clusters, and accessory dwelling units (ADUs); this is different than a missing middle or workforce income category. These housing types may open more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

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<sup>&</sup>lt;sup>4</sup> The City of Sunnyvale Zoning Code defines "Multiple-family dwelling" as three or more separate dwelling units such as apartments, townhouses, condominiums or other community housing projects used for occupancy by families living independently of one another. However, for the purpose of this analysis multifamily housing development is categorized by projects between two and four units and projects with five-plus units, as shown in Figure 3-29.

<sup>&</sup>lt;sup>5</sup> City of Sunnyvale Housing Strategy, Prepared for the City of Sunnyvale in 2020. BAE, 2019

<sup>&</sup>lt;sup>6</sup> Throughout this Housing Element "missing middle" will refer to building typologies like duplexes, triplexes, townhomes, ADUs etc. Housing that is affordable to middle incomes will be referred to as "moderate-income" housing.

25,000 23,799 20,000 21,595 20,607 15,000 10,000 5,000 5,002 0 Single-Family Single-Family Multifamily Multifamily **Mobile Homes** Home: Attached Home: Detached Housing: Two to Housing: Five-plus Four Units Units ■ 2010 ■ 2020

Figure 3-29: Housing Type Trends, Sunnyvale, 2010 and 2020

Source: ABAG Housing Element Data Package, California Department of Finance, E-5 series.

# **Housing Age**

The age of a community's housing stock can provide a general indicator of overall housing conditions. In general, housing units over 30 years in age are likely to exhibit signs of rehabilitation needs, such as new roofing, foundation work, and new plumbing. In Sunnyvale, the largest proportion of the housing stock was built 1960 to 1979, with 23,867 units constructed during this period (see Figure 3-30 below). However, many of these homes have been remodeled, expanded, rebuilt, and/or renovated by their owners, as the City frequently issues building permits for such projects.

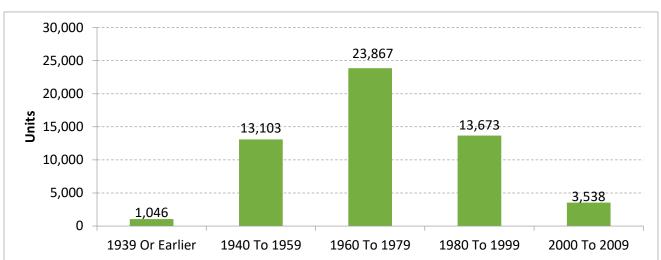


Figure 3-30: Housing Units by Year Built, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034

3-40

# **Vacancy Rate**

A vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. A vacancy rate of five percent for rental housing and two percent for ownership housing is generally considered healthy and suggests that there is a balance between the demand and supply of housing. A lower vacancy rate often leads to rising rents and sales prices and can contribute to household overcrowding.

Vacant units made up 5 percent of the overall housing stock in Sunnyvale in 2019 (Figure 3-31 below). The rental vacancy rate was 4.9 percent, while the ownership vacancy rate was 0.8 percent. Of the vacant units, the most common type of vacancy is *For Rent* (see Figure 3-32 below).<sup>7</sup>

Throughout the Bay Area, vacancies make up 2.6 percent of the total housing units, with homes listed for rent; units used for recreational or occasional use and units not otherwise classified (other vacant) making up the majority of vacancies. The Census Bureau classifies a unit as vacant if no one is occupying it when census interviewers are conducting the American Community Survey or Decennial Census. Vacant units classified as "for recreational or occasional use" are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like Airbnb are likely to fall in this category.

The Census Bureau classifies units as "other vacant" if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration. In a region with a thriving economy and housing market like the Bay Area, units being renovated/repaired and prepared for rental or sale are likely to represent a large portion of the "other vacant" category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of "other vacant" units in some jurisdictions.

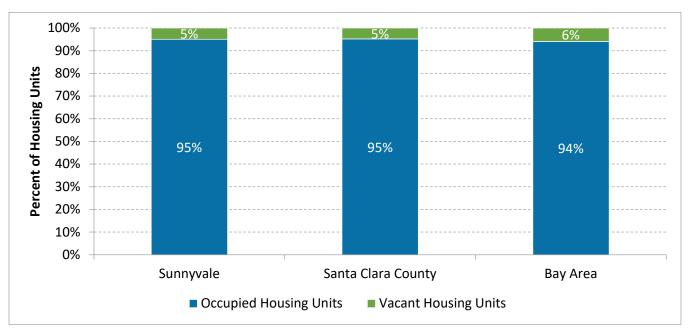


Figure 3-31: Vacancy Rates, Sunnyvale, Santa Clara County, Bay Area, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25002

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<sup>&</sup>lt;sup>7</sup>The vacancy rates by tenure is for a smaller sample size than the total vacancy rate first reported (4.9 percent). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant) - but exclude a significant number of vacancy categories, including the numerically significant other vacant.

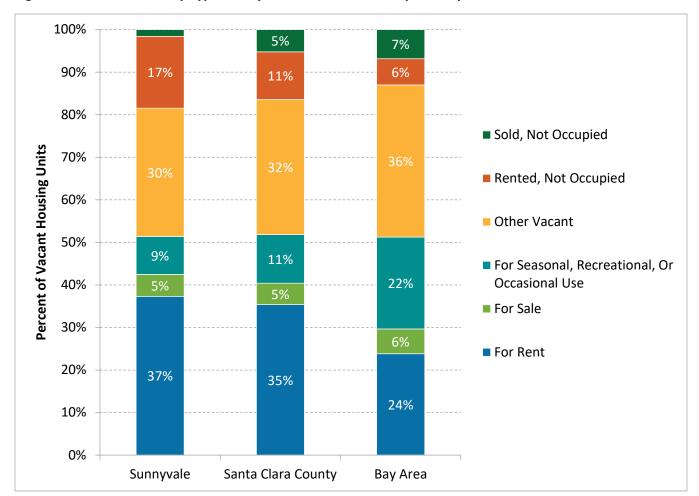


Figure 3-32: Vacant Units by Type, Sunnyvale, Santa Clara County and Bay Area, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004

# **Substandard Housing Conditions**

Housing costs in the region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau data included in Figure 3-33 below gives a sense of some of the substandard conditions that may be present in Sunnyvale. For example, 1.9 percent of renters in Sunnyvale reported lacking a complete kitchen and 0.7 percent of renters lack complete plumbing, compared to 0.6 percent of owners who lack a complete kitchen and 0.6 percent of owners who lack complete plumbing.

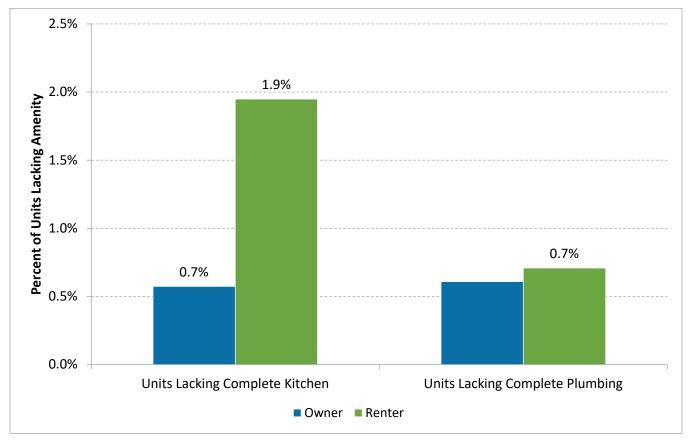


Figure 3-33: Substandard Housing Issues, Sunnyvale, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049

### **HOUSING CONDITIONS SURVEY**

The most recent formal city-wide survey of housing conditions was conducted in the summer of 2008; although this information is somewhat dated, it still provides a generally accurate picture of the relative condition of housing throughout Sunnyvale. As mentioned previously, a significant amount of renovation activity has occurred since that time. The windshield survey rated housing stock conditions by recording the number of properties in each neighborhood with code violations pertaining to maintenance standards.

Compared to many cities, the condition of housing in Sunnyvale is very good. The survey found that 457 out of 4,294 homes, or 13 percent of properties assessed, had two or more code violations and did not meet standards for property maintenance. The majority of the violations were landscape maintenance violations, followed by structural violations such as illegal carports, sheds, room additions or patio covers.

Based on observations made by the City's Neighborhood Preservation staff, housing conditions in Sunnyvale have generally improved since the 2008 conditions survey. Since Neighborhood Preservation is no longer required to do the housing conditions survey, staff uses the National Citizen Survey to document citizen concerns. According to the 2013 National Citizen Survey, 81 percent of respondents felt the overall appearance of Sunnyvale was "excellent" or "good," and only 3 percent thought run-down buildings, weed lots, or junk vehicles were a "major" problem. These results put Sunnyvale above the national benchmark.

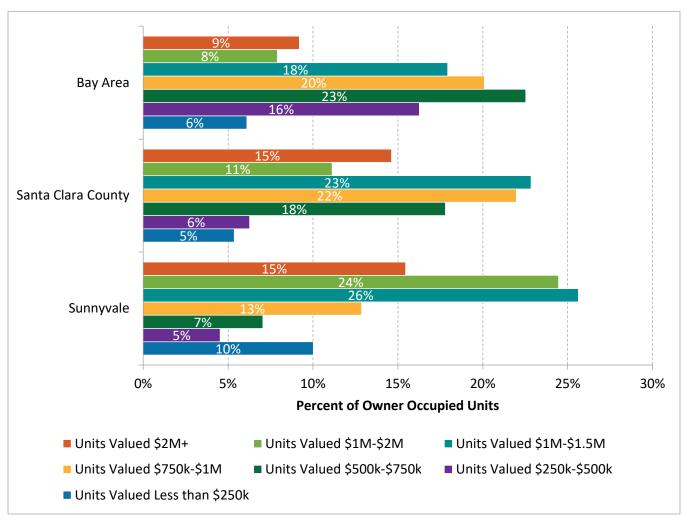
# 3.6 Housing Costs and Affordability

The cost of housing is directly related to the extent of housing problems in a community. If housing costs are relatively high in comparison to household income, there will be a correspondingly higher prevalence of overpayment and overcrowding. This section summarizes the cost and affordability of the housing stock to Sunnyvale residents.

### **Home Values and Market Trends**

Home prices reflect a complex mix of supply and demand factors, including an area's demographic profile, labor market, prevailing wages, and job outlook, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation. The typical home value in Sunnyvale was estimated at \$1,732,590 by December of 2020, according to data from Zillow. The largest proportion of homes were valued between \$1M-\$1.5M (see Figure 3-34 below). By comparison, the typical home value in 2020 was \$1,290,970 in Santa Clara County and \$1,077,230 in the Bay Area, with the largest share of units valued \$1M-\$1.5M (county) and \$500k-\$750k (region).

Figure 3-34: Home Values of Owner-Occupied Units, 2019



Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075

The region's home values have increased steadily since 2000, besides the decrease that occurred during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area nearly doubling during this time. Since 2001, the typical home value has increased 227 percent in Sunnyvale from \$530,330 to \$1,732,590. This change is greater than the change in Santa Clara County and the change for the region (see Figure 3-35 below).

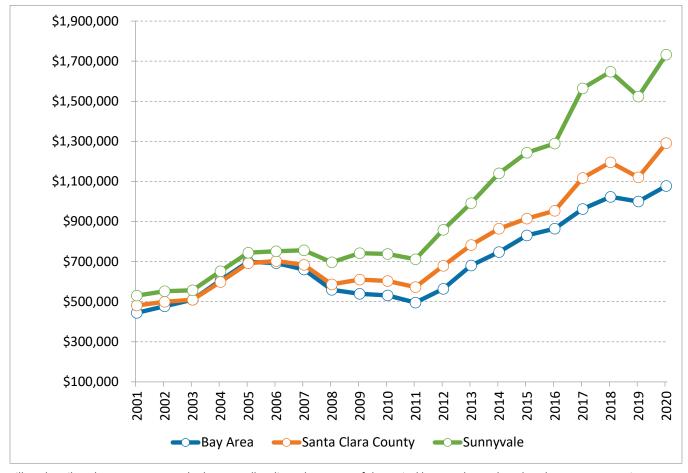


Figure 3-35: Zillow Home Value Index (ZHVI), 2021

Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35<sup>th</sup> to 65<sup>th</sup> percentile range. The ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow.

The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series

Source: ABAG Housing Element Data Package, Zillow, April 2021. Zillow Home Value Index (ZHVI).

Housing costs in Sunnyvale are generally comparable to housing costs in many other nearby jurisdictions. Figure 3-36 below shows median home sale prices among single-family homes and condominiums in Sunnyvale and six other Santa Clara County cities in December 2018. As shown, the median sale price for single-family homes in Sunnyvale was \$1,837,500, higher than the medians in San Jose, Santa Clara, and Campbell but lower than the medians in Mountain View, Cupertino, and Palo Alto.

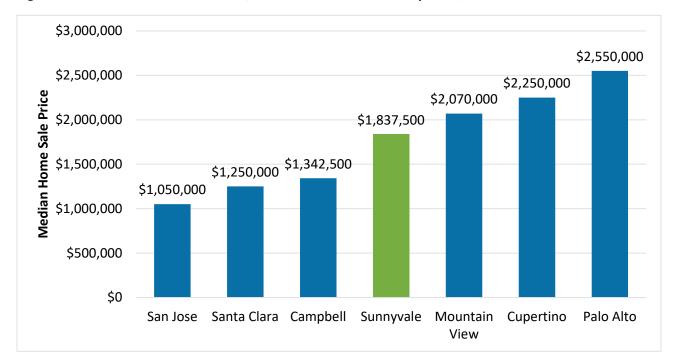


Figure 3-36: Median Home Sale Prices, Selected Santa Clara County Cities, December 2018

Source: City of Sunnyvale Housing Strategy, Prepared for the City of Sunnyvale in 2020. BAE, 2019; rereport.com, 2019.

## **Rent Values and Trends**

Similar to home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted, or displaced, particularly communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the region, and sometimes, out of the state.

Rents in Sunnyvale are higher than rents both countywide and in the region. According to data from the 2015-2019 ACS, in Sunnyvale, the largest proportion of rental units was in the \$2000-\$2500 monthly rent range, totaling 26.4 percent, followed by 22.9 percent of units renting for \$3000 or more (see Figure 3-37 below). Looking beyond the city, the largest share of units in the county is in the \$2000-\$2500 category compared to the \$1500-\$2000 category for the region as a whole.

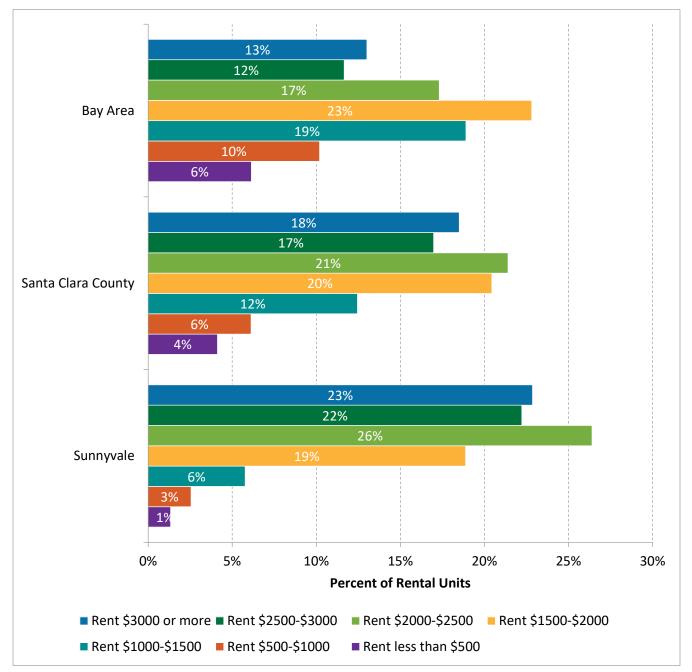
Rents in Sunnyvale have also been increasing at a higher rate than countywide and in the region. Between 2009 and 2019, the median rent increased by over 80 percent in Sunnyvale, from \$1,600 to \$2,400 per month (see Figure 3-38 below). In Santa Clara County, the median rent increased 39.4 percent over this same time period, from \$1,540 to \$2,150. The median rent in the region also increased significantly during this time from \$1,200 to \$1,850, a 54 percent increase. Although rent increases briefly stabilized in 2020 and 2021 due to the economic impacts of the Covid-19 pandemic, rents in Sunnyvale have continue to rise beyond median rents reported in the 2015-2019 ACS data. Table 3-11 shows the average rent by unit size in Sunnyvale as of October 2022. This is consistent with rising housing prices across the Bay Area and the state. Average rents are generally still affordable to moderate-income households in the region based on the Santa Clara County area median income, but unaffordable to lower-income households. New construction in highly desirable areas such as downtown continue to see higher rents than other parts of the city. New developments tend to include higher levels of amenities, which has also led to higher market rate unit pricing advertised as luxury apartments.

Table 3-11: Average Rent Values in Sunnyvale, October 2022

| Unit Type | Average Rent |
|-----------|--------------|
| Studio    | \$2,993      |
| 1 Bedroom | \$3,233      |
| 2 Bedroom | \$3,620      |
| 3 Bedroom | \$4,400      |
| 4 Bedroom | \$5,566      |

Source: Zumper.com

Figure 3-37: Contract Rents for Renter-Occupied Units, 2019



Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056

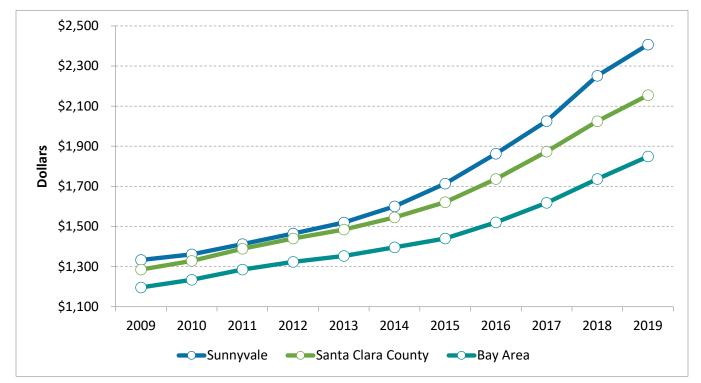


Figure 3-38: Median Contract Rent, Sunnyvale, Santa Clara County and Bay Area, 2019

Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year.

# **Housing Affordability**

The affordability of housing in Sunnyvale can be assessed by comparing market rents and sales prices with the amount that households of different income levels can afford to pay for housing. This information can reveal who can afford what size and type of housing.

Housing is classified as "affordable" if households do not pay more than 30 percent of income for rent (including a monthly allowance for water, gas, and electricity) or monthly homeownership costs (including mortgage payments, taxes, and insurance). Since above moderate-income households do not generally have problems finding affordable units, affordable units are frequently defined as those reasonably priced for households that are low to moderate income.

This section describes the ability of households at different income levels to pay for housing based on HCD 2021 income limits. Table 3-12 shows the 2021 HCD income limits for Santa Clara County. The AMI for a four-person household in the county was \$151,300 in 2021. Income limits for larger or smaller households were higher or lower, respectively, and are calculated using a formula developed by HUD.

Typically, a household can qualify to purchase a home that is two and one-half to three times their annual income, depending on the down payment, the level of other long-term obligations such as a car loan, and interest rates. In practice, the interaction of these factors allows some households to qualify for homes priced at more than three times their annual income, while other households may be limited to purchasing a home no more than two times their annual income. Homebuyer assistance programs that provide down payment assistance and/or below market-rate interest rates often allow homebuyers to qualify for houses which are up to four times their income.

Table 3-12: HUD/HCD Income Limits based on Persons per Household, Santa Clara County, 2021

| Incomo Catagorias                 |           | Persons per Household |           |           |           |  |  |  |  |
|-----------------------------------|-----------|-----------------------|-----------|-----------|-----------|--|--|--|--|
| Income Categories                 | 1         | 2                     | 3         | 4         | 5         |  |  |  |  |
| Extremely Low (30% AMI and lower) | \$34,800  | \$39,800              | \$44,750  | \$49,700  | \$53,700  |  |  |  |  |
| Very Low Income (31-50% AMI)      | \$58,000  | \$66,300              | \$74,600  | \$82,850  | \$89,500  |  |  |  |  |
| Low Income (51-80% AMI)           | \$82,450  | \$94,200              | \$106,000 | \$117,750 | \$127,200 |  |  |  |  |
| Median Income (100% AMI)          | \$105,900 | \$121,050             | \$136,150 | \$151,300 | \$163,400 |  |  |  |  |
| Moderate Income (81-120% AMI)     | \$127,100 | \$145,250             | \$163,400 | \$181,550 | \$196,050 |  |  |  |  |

Source: CA Department of Housing and Community Development (HCD), 2022.

Table 3-13 shows maximum affordable monthly rents and maximum affordable purchase prices for homes using 2021 HCD-defined household income limits for extremely low-, very low-, low-, and moderate-income households in Santa Clara County (including Sunnyvale). For example, a three-person household with an annual income of \$106,000 is classified as low income (80 percent of AMI) in 2021. A household with this income could afford to pay a monthly gross rent (including utilities) of up to \$2,650 or could afford to purchase a house price at or below \$583,662. Market-rate rents for apartments in Sunnyvale are generally higher than the rental rates that low-income households can afford and are significantly higher than what very low- or extremely low-income households can afford. Home sale prices are well above what is considered an affordable purchase price for moderate-income households.

Table 3-13: Ability to Pay for Housing Based on HCD Income Limits, 2021

| Number of Persons                    | 1             | 2              | 3             | 4              | 5         | 6           |
|--------------------------------------|---------------|----------------|---------------|----------------|-----------|-------------|
| Extremely                            | Low-Income H  | ouseholds at 3 | 30% of Media  | n Family Incor | ne        |             |
| Income Level                         | \$34,800      | \$39,800       | \$44,750      | \$49,700       | \$53,700  | \$57,700    |
| Max. Monthly Gross Rent <sup>1</sup> | \$870         | \$995          | \$1,119       | \$1,243        | \$1,343   | \$1,443     |
| Max. Purchase Price <sup>2</sup>     | \$149,184     | \$170,619      | \$191,839     | \$213,059      | \$230,207 | \$247,354   |
| Very Lo                              | w-Income Hous | seholds at 50% | 6 of Median F | amily Income   |           |             |
| Income Level                         | \$58,000      | \$66,300       | \$74,600      | \$82,850       | \$89,500  | \$96,150    |
| Max. Monthly Gross Rent <sup>1</sup> | \$1,450       | \$1,658        | \$1,865       | \$2,071        | \$2,238   | \$2,404     |
| Max. Purchase Price <sup>2</sup>     | \$248,640     | \$284,222      | \$319,803     | \$355,170      | \$383,678 | \$412,186   |
| Low-                                 | ncome Househ  | olds at 80% o  | f Median Fam  | nily Income    |           |             |
| Income Level                         | \$82,450      | \$94,200       | \$106,000     | \$117,750      | \$127,200 | \$136,600   |
| Max. Monthly Gross Rent <sup>1</sup> | \$2,061       | \$2,355        | \$2,650       | \$2,944        | \$3,180   | \$3,415     |
| Max. Purchase Price <sup>2</sup>     | \$353,455     | \$403,826      | \$454,412     | \$504,783      | \$545,294 | \$585,591   |
| Median                               | -Income House | holds at 100%  | 6 of Median F | amily Income   |           |             |
| Income Level                         | \$105,900     | \$121,050      | \$136,150     | \$151,300      | \$163,400 | \$175,500   |
| Max. Monthly Gross Rent <sup>1</sup> | \$2,648       | \$3,026        | \$3,404       | \$3,783        | \$4,085   | \$4,388     |
| Max. Purchase Price <sup>2</sup>     | \$453,983     | \$518,929      | \$583,662     | \$648,608      | \$700,480 | \$752,351   |
| Moderat                              | e-Income Hous | eholds at 120  | % of Median   | Family Incom   | е         |             |
| Income Level                         | \$127,100     | \$145,250      | \$163,400     | \$181,550      | \$196,050 | \$210,600   |
| Max. Monthly Gross Rent <sup>1</sup> | \$3,707       | \$4,236        | \$4,766       | \$5,295        | \$5,718   | \$6,143     |
| Max. Purchase Price <sup>2</sup>     | \$635,676     | \$726,451      | \$817,226     | \$908,001      | \$980,521 | \$1,053,292 |

Notes: Incomes based on HCD State Income Limits for 2021; FY 2021 AMI: \$151,300.

Source: Source: HCD, 2021; and Ascent, 2022

<sup>&</sup>lt;sup>1</sup> Assumes that 30 percent of income is available for either: monthly rent, including utilities; or mortgage payment, taxes, mortgage insurance, and homeowners insurance

Assumes 95 percent loan (i.e., 5 percent down payment) at 4.5 percent annual interest rate and 30-year term; assumes taxes, mortgage insurance, and homeowners' insurance account for 21 percent of total monthly payments

#### **OVERPAYMENT**

Overpayment, also known as housing cost burden, is a critical issue for many households of various income levels. Overpayment occurs when households spend more than 30 percent of gross monthly income on housing. Severe overpayment or cost burden occurs when housing costs represent more than 50 percent of gross monthly income. Lower-income residents are consistently the most impacted by high housing costs and experience the highest rates of cost burden. Paying too much for housing puts lower-income households at higher risk of displacement, eviction, or eventually homelessness depending on mobility options.

Figure 3-39 below shows a significant portion of households in Sunnyvale have high housing costs relative to their household incomes, with lower-income households having particularly high rates of housing cost burden. More than 75 percent of all ELI households in the city are overpaying for housing (77 percent). When looking at the cost burden by tenure in Sunnyvale, 18.5 percent of renters are cost burdened by housing costs compared to 15.5 percent of those that own (see Figure 3-40 below). Additionally, 15.5 percent of renters are severely cost burdened, spending 50 percent or more of their income on housing, while 8.7 percent of owners are severely cost-burdened. Among lower-income households, homeowners are more likely to overpay for housing than renters (82 percent compared to 70 percent, respectively). However, lower-income renters are more likely to be severely cost-burdened than lower-income homeowners (47 percent compared to 31 percent) and overall there are more cost-burdened low-income renters (7,095) compared to low-income owners (5,590).

In addition, given that people of color are more likely to experience poverty and financial instability because of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity. Analyzing cost burden by race and ethnicity shows that Hispanic or Latinx households in Sunnyvale are the most cost burdened with 45 percent of Hispanic or Latinx households spending more than 30 percent of their income on housing and 22 percent of Hispanic or Latinx households spending more than 50 percent of their income. Black or African American, Non-Hispanic households are the most heavily cost burdened with 52 percent spending more than 30 percent of their income on housing and 32 percent spending more than 50 percent of their income (see Figure 3-42 below).

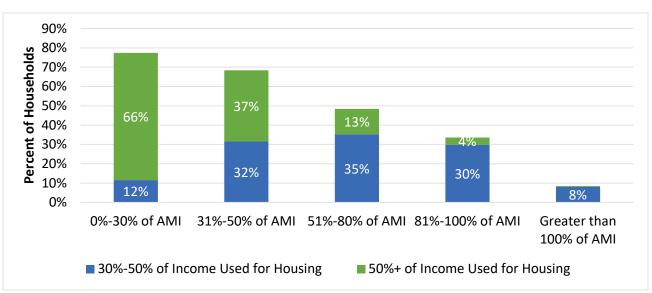
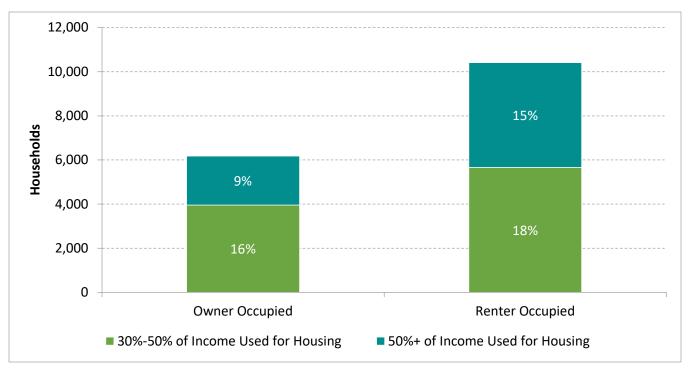


Figure 3-39: Cost Burden by Income Group, Sunnyvale, 2017

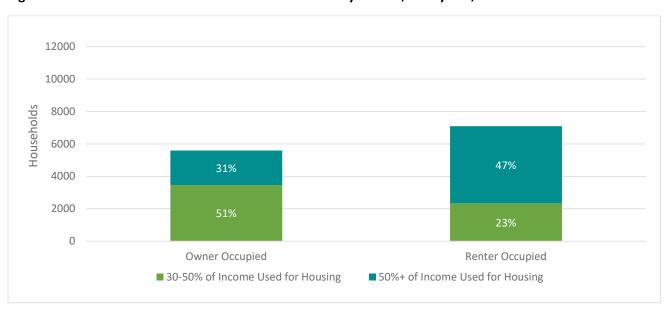
Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Figure 3-40: Cost Burden by Tenure, Sunnyvale



Source: ABAG Housing Element Data Package, U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091

Figure 3-41: Lower Income Cost Burdened Households by Tenure, Sunnyvale, 2017



Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2013-2017 release

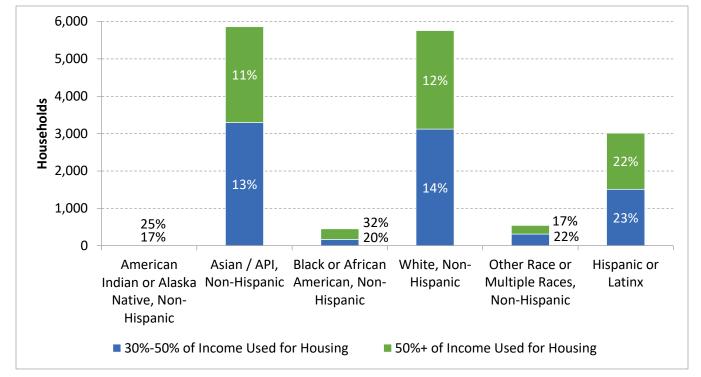


Figure 3-42: Cost Burden by Race and Ethnicity, Sunnyvale, 2017

The number of American Indian or Alaska Native households from 2013-2017 (60 households) is too small relative to the total population in Sunnyvale and is not visible due to scale.

Source: ABAG Housing Element Data Package, U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017.

# 3.7 Assisted Housing at Risk of Conversion

State Housing Element law requires an analysis of the potential for rent-restricted low-income housing units to convert to market-rate housing within 10 years from the start of the planning period, and to propose programs to preserve or replace any units at risk of conversion, also known as "at-risk units." This section presents an inventory of all rent-restricted housing in Sunnyvale and identifies those units at risk of conversion by 2033.

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

# **Assisted Housing Inventory**

Rent-restricted housing in Sunnyvale includes both publicly subsidized affordable housing, generally assisted with any combination of federal, state, local, and/or private subsidies, and deed-restricted rental units provided through the City's inclusionary Below Market Rate (BMR) rental program. Table 3-14 presents the inventory of affordable rental housing in Sunnyvale which receives some form of public assistance. As evidenced by the over 1,600 units identified, Sunnyvale has actively supported affordable rental housing utilizing a variety of local, State and Federal funds, and works extensively with non-profit housing developers in the ownership and management of its projects. None of these units are at risk of conversion by 2033. Borregas Court is the only development

listed in the table that has an affordability term scheduled to expire before 2033; however, Borregas Court is subject to an affordability agreement with the City that places additional affordability controls that remain on the land, essentially preserving the housing affordable in perpetuity. As part of Program H13, the City will continue to track the affordability agreement and maintain contact with the property owner to provide technical and/or financial assistance to ensure preservation of affordable units beyond the expiration of TCAC affordability restrictions in 2029.

Table 3-14: Inventory of Publicly Assisted Rental Housing, Sunnyvale, 2022

| Project Name                          | Address                           | Year Built<br>(Asst.) | End of<br>Afford. Term | Afford.<br>Units | Financing   | Status   |
|---------------------------------------|-----------------------------------|-----------------------|------------------------|------------------|---|--|
| Aster Park                            | 1059 Reed Ave                     | 2010                  | 2065                   | 94               | HOME, HUD FHA 223(f)  | Not at risk  |
| Block 15                              | 379 S Mathilda Ave                | 2023                  | 2090                   | 89               | TCAC, HMF, HOME   | Not at risk  |
| Borregas Court                        | 101 W Weddell Dr                  | 1999                  | 2029                   | 192              | TCAC  | Not at risk;<br>(Affordability<br>restrictions run<br>with land) |
| Carroll Inn (SRO)                     | 174 Carroll St                    | 1994                  | 2034                   | 121              | TCAC, HOME  | Not at risk  |
| Crescent Terrace                      | 130 Crescent Ave                  | 2016                  | 2056                   | 47               | CDBG, HOME, HUD S8  | Not at risk  |
| Edwina Benner Plaza                   | 460 Persian Dr                    | 2018                  | 2073                   | 65               | TCAC, HMF, HOME   | Not at risk  |
| Eight Trees                           | 183 Acalanes Dr                   | 2018                  | 2073                   | 23               | TCAC, CDBG, HOME, HMF   | Not at risk  |
| Fair Oaks Plaza                       | 660 S Fair Oaks Ave               | 2011                  | 2066                   | 123              | TCAC, State IIG, MHSA,<br>SVHT, HOME, HMF                     | Not at risk  |
| Garland Plaza                         | 662 Garland Ave                   | 2013                  | 2068                   | 19               | TCAC, HOME, HMF   | Not at risk  |
| Homestead Park                        | 1601 Tenaka Pl                    | 2013                  | 2068                   | 209              | TCAC, CDBG, HOME,<br>HMF, HUD S8, 236                         | Not at risk  |
| Klee Senior Group<br>Home (Offenbach) | 1230 Klee Ct;<br>436 Offenbach Pl | 2015                  | 2045                   | 5                | CDBG, SVHT  | Not at risk  |
| Klee Senior Group<br>Home (Wolfe)     | 1675 S Wolfe Rd                   | 2015                  | 2045                   | 4                | CDBG, SVHT  | Not at risk  |
| Lamar Group Home                      | 854 Gary Ave                      | 2012                  | 2042                   | 4                | HOME, CDBG  | Not at risk  |
| Life's Garden                         | 450 Old San Francisco Rd          | 2016                  | 2071                   | 195              | TCAC, HUD S8  | Not at risk  |
| Meadows Group<br>Homes                | 862 Hollenbeck Ave                | 2012                  | 2042                   | 2                | HOME, CDBG  | Not at risk  |
| Morse Court                           | 825 Morse Ave                     | 2015                  | 2055                   | 34               | CalHFA, HUD S8, HMF   | Not at risk  |
| Moulton Plaza                         | 1601 Tenaka Pl                    | 2006                  | 2056                   | 65               | TCAC, CalHFA, SVHT,<br>HMF, CDBG                              | Not at risk  |
| Murphy Station                        | 1008 E El Camino Real             | 2022                  | 2077                   | 22               | TCAC  | Not at risk  |
| Onizuka Crossing                      | 620 E Maude Ave                   | 2016                  | 2071                   | 57               | TCAC, State IIG, MHSA,<br>County, HUD S8 &<br>VASH, HOME, HMF | Not at risk  |
| Orchard Gardens                       | 245-305 Weddell Dr                | 1999                  | 2054                   | 61               | TCAC, CDBG, HOME,<br>HMF                                      | Not at risk; (Rehab<br>planned, new loan<br>requested)           |
| Pacific Plaza                         | 785 Reseda Dr                     | 1996                  | 2002                   | 38               | HOME, CDBG  | Expired, but<br>nonprofit owned<br>and operated as<br>affordable |

| Project Name                                | Address              | Year Built<br>(Asst.) | End of<br>Afford. Term | Afford.<br>Units | Financing                                | Status      |
|---|----------------------|-----------------------|------------------------|------------------|--|-------------|
| Parkside Studios                            | 495 N Wolfe Rd       | 2015                  | 2069                   | 58               | TCAC, MHSA, County,<br>HUD S8, HOME, HMF | Not at risk |
| Plaza de las Flores                         | 233 Carroll St       | 2006                  | 2036                   | 100              | HOME, CDBG, CalHFA,<br>MHP, SVHT         | Not at risk |
| Socorro (SRO)                               | 1353 Socorro Ave     | 2013                  | 2038                   | 5                | HOME, CDBG, SVHT                         | Not at risk |
| Stoney Pine                                 | 267 W California Ave | 2017                  | 2047                   | 22               | HUD 811, HMF, HOME,<br>CDBG, BMRI, SVHT  | Not at risk |
| Total Assisted Rental Units                 |                      |                       | 1,654                  |                  |  |             |
| Total Assisted Rental Units At Risk by 2033 |                      |                       |                        |                  | 0  |             |

Source: City of Sunnyvale, 2021.

Table 3-15 shows the total rental units currently rent-restricted under the BMR program. There are 334 total; 46 of these units are at risk and may expire and convert to market-rate by 2033. All of the units at risk of expiration are in the City's BMR rental program and are part of larger market rate projects. Once the affordability period expires, these units will likely be converted to market rate. Chapter 2, "Housing Plan," includes a program directing the City to facilitate long-term preservation of existing BMR units.

Table 3-15: Inventory of Below Market Rate (BMR) Rental Units

| Project Name                       | Address                    | Year<br>Built | Affordability<br>Period | Affordable<br>Units | Status                       |  |
|------------------------------------|----------------------------|---------------|-------------------------|---------------------|------------------------------|--|
| Cherry Orchard                     | 250 W El Camino Real       | 2001          | 2023                    | 30                  | At Risk                      |  |
| Villa del Sol                      | 355 E Evelyn Ave           | 2001          | 2024                    | 11                  | At Risk                      |  |
| Encinal Place                      | 604 S Fair Oaks Ave        | 2005          | 2025                    | 2                   | At Risk                      |  |
| Magnolia Lane                      | 117 S Mary Ave             | 2002          | 2032                    | 3                   | At Risk                      |  |
| 481 Mathilda                       | 481 N Mathilda Ave         | 2016          | 2046                    | 5                   | Not at risk in current cycle |  |
| 6 Ten East                         | 610 E Weddell Ave          | 2017          | 2047                    | 16                  | Not at risk in current cycle |  |
| Encasa                             | 520-550 E Weddell Drive    | 2017          | 2047                    | 27                  | Not at risk in current cycle |  |
| Iron Works North                   | 457 E Evelyn Ave           | 2017          | 2047                    | 9                   | Not at risk in current cycle |  |
| Iron Works South                   | 388 E Evelyn Ave           | 2017          | 2047                    | 5                   | Not at risk in current cycle |  |
| Tamarind Square                    | 1160 Morse Ave             | 2004          | 2060                    | 12                  | Not at risk in current cycle |  |
| Via                                | 621 Tasman Dr              | 2011          | 2066                    | 43                  | Not at risk in current cycle |  |
| BRE Lawrence<br>Station Apartments | 1271 Lawrence Station Road | 2012          | 2067                    | 46                  | Not at risk in current cycle |  |
| The Flats                          | 300 W Washington Ave       | 2018          | 2073                    | 25                  | Not at risk in current cycle |  |
| Savoy                              | 1120 Kifer Rd              | 2020          | 2075                    | 40                  | Not at risk in current cycle |  |
| Flats West                         | 333 W Iowa Ave             | 2021          | 2076                    | 9                   | Not at risk in current cycle |  |
| Maxwell Apartments                 | 490 W McKinley Ave         | 2022          | 2077                    | 6                   | Not at risk in current cycle |  |
| Redwood Place                      | 959 Stewart Dr             | 2022          | 2077                    | 45                  | Not at risk in current cycle |  |
| Total BMR Units                    |                            |               |                         | 334                 |                              |  |
| At-Risk BMR Units                  |                            |               |                         | 46                  |                              |  |

Source: City of Sunnyvale, 2021.

## **Preservation of At-Risk Rental Units**

This section evaluates the affordable rental units in Sunnyvale at risk of converting to market-rate rents by 2033. As presented in Tables 3-13 and 3-14, Sunnyvale has 46 BMR rental units which are projected to expire during this period, none of which are senior housing. Preservation and replacement options typically include provision of tenant rental assistance; acquisition or construction of replacement units; or transfer of ownership to a non-profit. Each of these options is described below.

#### RENTAL ASSISTANCE

One preservation option theoretically possible for preserving the BMR units would be to provide monthly subsidies to make up the difference between BMR rents and market-rate rents. Similar to Housing Choice Vouchers (also known as Section 8), the City, through a variety of funding sources, could potentially provide operating subsidies to project owners or tenant-based subsidies to lower-income households within projects with expired use restrictions. In addition to cost, the feasibility of this alternative depends upon the willingness of property owners to accept such a subsidy and continue renting to lower-income tenants. The level of subsidy required to preserve at-risk affordable housing through rent subsidies is estimated to equal the Fair Market Rent (FMR) for a unit minus the housing cost affordable by a lower-income household. FMRs are generally the maximum chargeable gross rent in an area for projects participating in the HUD Section 8 (Housing Choice Voucher) Program.

Table 3-16 estimates the rent subsidies required to preserve 46 affordable units. Based on the estimates and assumptions shown in the table, approximately \$264,000 annually would be required to preserve the 46 expiring BMR units.

Table 3-16: Rental Subsidies Required for At-Risk BMR Units

|   | Per Unit Affordable Rent <sup>1</sup>  |          | Unit Size |          |           |  |  |  |
|---|--|----------|-----------|----------|-----------|--|--|--|
|   | Per onit Anordable Kent                | 1BR      | 2BR       | 3BR      | Total     |  |  |  |
| Α | Low-Income Rent (80% AMI) <sup>4</sup> | \$2,208  | \$2,650   | \$3,062  |           |  |  |  |
| В | Per Unit Fair Market Rent <sup>2</sup> | \$2,558  | \$3,051   | \$3,984  |           |  |  |  |
| С | Monthly Per Unit Subsidy (B-A)         | \$350    | \$401     | \$922    |           |  |  |  |
| D | Annual Subsidy/Unit (C * 12)           | \$4,200  | \$4,812   | \$11,064 |           |  |  |  |
|   | Total "At Risk" Units <sup>3</sup>     | 23       | 14        | 9        | 46        |  |  |  |
|   | Total Annual Subsidy                   | \$96,600 | \$67,368  | \$99,576 | \$263,544 |  |  |  |

<sup>&</sup>lt;sup>1</sup> Affordable rent calculation is based on 1.5 persons per bedroom.

AMI = Area Median Income

Source: U.S. HUD, Fair Market Rents 2021; Ascent 2021.

Another way rent subsidies could be structured is as a rent buy-down. This would involve the City providing a one-time assistance loan to the property owner to cover the present value of the decrease in rents associated with the extended affordability term compared with market rents achievable on the units. This approach offers a benefit to the owner in that they receive cash upfront from the loan, providing funds for rehabilitation improvements. This is probably a more likely scenario, based on past preservation/rehabilitation projects assisted by the City, and given that the property is owned by a non-profit agency.

<sup>&</sup>lt;sup>2</sup> 2020 HUD Fair Market Rent.

<sup>&</sup>lt;sup>3</sup> Assumes 50% of total "At Risk" units are 1-bedroom, 30% are 2-bedroom, and 20% are 3-bedroom.

<sup>&</sup>lt;sup>4</sup> Assumes rent at 80% AMI, City has authority to set rent anywhere between 60-80% based on market conditions.

### **ACQUISITION OR TRANSFER OF OWNERSHIP**

Acquisition or transferring ownership of an at-risk project to a non-profit housing provider is generally one of the least costly ways to ensure that at-risk units remain affordable for the long term. By transferring ownership to a non-profit, low-income restrictions can be secured indefinitely, and the project becomes eligible for a greater range of governmental assistance. This preservation option, however, is not feasible for Sunnyvale's at-risk BMR projects since all of the at-risk units are located within larger market-rate developments, and it is not likely the for-profit companies would be willing to sell these properties.

#### **CONSTRUCTION OF REPLACEMENT UNITS**

The construction of replacement units is another option to replace at-risk units should they be converted to market-rate units. The cost of developing housing depends upon a variety of factors, including density, size of the units, location, land costs, and type of construction. Based on recent sales data obtained in 2021, recent residential projects have been developed in the range of \$650,000 to \$935,000 per unit. At such prices, it is unlikely the City would be able to provide sufficient assistance for the replacement of the number of units projected to expire. It is more likely the City would assist in development of new units in a project of 50-120 units, where tax credits can be used to leverage any available City funds.

# **Comparison of Preservation Options**

The above analysis estimates the cost of preserving the 46 expiring BMR units under various options. The cost of subsidizing rents in the BMR units for an additional 20 years would be an estimated \$13.9 million under the very unlikely assumption that rents would stay flat for 20 years. This is option is not realistic given the greater likelihood that rents will increase steadily over time, and the probability that the property owners are not likely interested in extending the term of affordability. For these reasons, Sunnyvale's preservation efforts to date have focused on publicly-assisted units at risk of conversion, rather than on expiring BMR units. Several factors have influenced the City's preservation strategy: most of the City's current stock of assisted units are now owned by non-profit agencies, which tend to be more willing partners in preservation efforts; these subsidized units are affordable to very low and extremely low income households, which is a type of unit not provided by market-rate or mixed-income housing developers and therefore in shorter supply; and most of these units were built decades ago and are in need of financing for rehabilitation, which becomes an effective leveraging tool for negotiating extended terms of affordability.

There is essentially no cost-effective mechanism by which the City can preserve only a few BMR rental units within otherwise market-rate rental properties. The City instead provides outreach to tenants of expiring BMR rental units to make sure they are aware of other affordable housing programs, such as First-Time Homebuyer loans and/or BMR homes for sale, and BMR units in other developments with longer terms of affordability.

HCD maintains a list of organizations called qualified entities that have been pre-approved by HCD to participate in acquisition of at-risk properties. The entities registered for Santa Clara County are listed in Table 3-17. There are an additional 80 organizations on the list that are qualified for all counties.

Table 3-17: Qualified Entities, Santa Clara County

| Company                                | City          |
|--|---------------|
| Cambrian Center, Inc.                  | San Jose      |
| Charities Housing Development Corp.    | San Jose      |
| Palo Alto Senior Housing Project, Inc. | Palo Alto     |
| Mid-Peninsula Housing Coalition        | Foster City   |
| Affordable Housing Foundation          | San Francisco |
| Palo Alto Housing Corp                 | Palo Alto     |
| South County Housing, Inc              | Gilroy        |
| Satellite Housing Inc.                 | Berkeley      |
| ROEM Development Corporation           | Santa Clara   |
| Silicon Valley at Home                 | San Jose      |

Source: CA Department of Housing and Community Development (HCD), 2021.

### **Conservation of Rental Units and Mobile Homes**

The conversion of rental housing to condominiums is an issue of ongoing concern in Sunnyvale, although developer interest in this possibility varies, largely in parallel with the cycles of the for-sale housing market. Although converting apartments to condominiums provides additional opportunities for low-cost home ownership, it does not increase the overall supply of housing, and may interfere with City goals to provide a range of housing types and tenures. Reducing the supply of rental housing limits opportunities for lower-income households who cannot afford the costs of home ownership and also limits the options for those who prefer to rent.

To meet these concerns, Sunnyvale adopted a Condominium Conversion Ordinance (Zoning Code Chapter 19.70) that prohibits conversion unless the vacancy rate for rental housing exceeds 3 percent for one year. Additional provisions protect the elderly and require that a percentage of the units be set aside for low- and moderate-income households. Because mobile homes are an important part of the affordable housing stock, the City has adopted a policy to maintain at least 400 acres of mobile home park zoning. The City has also enacted a Mobile Home Park Conversion Ordinance, Zoning Code Chapter 19.72. While this ordinance neither encourages nor discourages conversions, it does provide mitigation measures to provide residents with some assistance in the event of a conversion.

### CHAPTER 3 | HOUSING NEEDS ASSESSMENT

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# **CHAPTER 4** Assessment of Fair Housing

# 4.1 Introduction

Throughout California, community amenities and access to opportunities are not always equitably accessible or attainable due to different social, economic, or cultural barriers in society. Because of this imbalance, it is important to ensure that sites for housing, particularly lower income units, are available throughout a jurisdiction and where residents have fair and equitable access to amenities and opportunities. This chapter provides an assessment of fair housing to ensure the City plans for housing, particularly lower-income housing, with specific consideration of access to jobs, good education, health services, and transportation.

## **Assembly Bill 686**

Assembly Bill (AB) 686, signed in 2018, requires cities and counties to take deliberate actions to address disparities in housing needs, access to opportunity, and settlement patterns for protected populations. Housing elements are required to address the following components:

- 1. **Inclusive and Equitable Outreach**: Local jurisdictions must make a diligent effort to equitably include all community stakeholders in the housing element participation process.
- 2. **Fair Housing Assessment**: All housing elements must include an assessment of integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty and affluence, disparities in access to opportunity, and disproportionate housing needs, including displacement risk.
- 3. **Analysis of Sites Inventory**: Local jurisdictions must evaluate and address how particular sites available for housing development will meet the needs of households at all income levels. The housing element must analyze and conclude whether the identified sites improve or exacerbate fair housing issues in the community.
- 4. **Identification of Contributing Factors**: Based on findings from the previous steps, housing elements must identify, evaluate, and prioritize the contributing factors related to fair housing issues.
- 5. **Policies and Actions to AFFH**: Local jurisdictions must adopt fair housing policies and actions that are significant, meaningful, and sufficient to overcome identified patterns of segregation and affirmatively further fair housing (AFFH). The housing element should include metrics and milestones for evaluating progress and fair housing results.

# 4.2 Assessment of Fair Housing

This section serves as an assessment of fair housing practices in the City of Sunnyvale and has been prepared pursuant to Government Code Section 65583 (c)(10). It examines existing conditions and demographic patterns including concentrated areas of poverty within the City, concentrated areas of low- and median- income housing, and areas of low and high opportunity. Information on Sunnyvale is also compared to regional trends, describing settlement patterns across the region. The analysis is primarily based on data from the U.S. Census American Community Survey (ACS) 2015-2019, the California Department of Housing and Community Development (HCD) AFFH Data and Mapping Tool, the U.S. Department of Housing and Urban Development (HUD) AFFH Tool, the Draft

Santa Clara County Assessment of Fair Housing (2020), and the AFFH Segregation Report: Sunnyvale (2022) prepared by UC Merced/STIR Labs in collaboration with ABAG.

A substantial amount of the analysis is based on data provided at the census tract level. The U.S. Census Bureau defines census tracts as relatively permanent statistical subdivisions of a county. The tracts are informed by the Census Bureau's Participant Statistical Areas Program conducted prior to each decennial census and generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. The spatial size of census tracts varies widely depending on the density of settlement. Approximately 28 census tracts encompass Sunnyvale; however, not all census tracts are entirely within the City limits and some expand outside of City limits. Particularly, one census tract in the far eastern portion of the City, east of the Lawrence Station, primarily includes the City of Santa Clara; however a small portion of the census tract is within the City of Sunnyvale, in the Lawrence Station Area Plan. In addition, and more significantly, the census tract in the far northern portion of the City, north of State Route 237, shown in Figure 4-1, is a very large census tract that spans outside of the City limits into San Jose. This census tract includes the Moffett Park Specific Plan area, the Baylands, and the Alviso community in San Jose. U.S. Census ACS 2015-2019 data estimates a total population of 2,355 in this census tract, of which only 24 are estimated to be within the portion of the census tract located in Sunnyvale. Although this area is planned for future residential and non-residential development under the Moffett Park Specific Plan (see discussion in Chapter 5, "Sites inventory"); at the time of the 2015-2019 estimate and the time of this assessment (2022), no residential units exist in this area, so the estimated population of 24 is likely error. As such, the demographic data shown in this area of the City is influenced by conditions outside of the City and does not reflect existing conditions in the City's portion of the census tract.

## **Fair Housing Enforcement and Outreach**

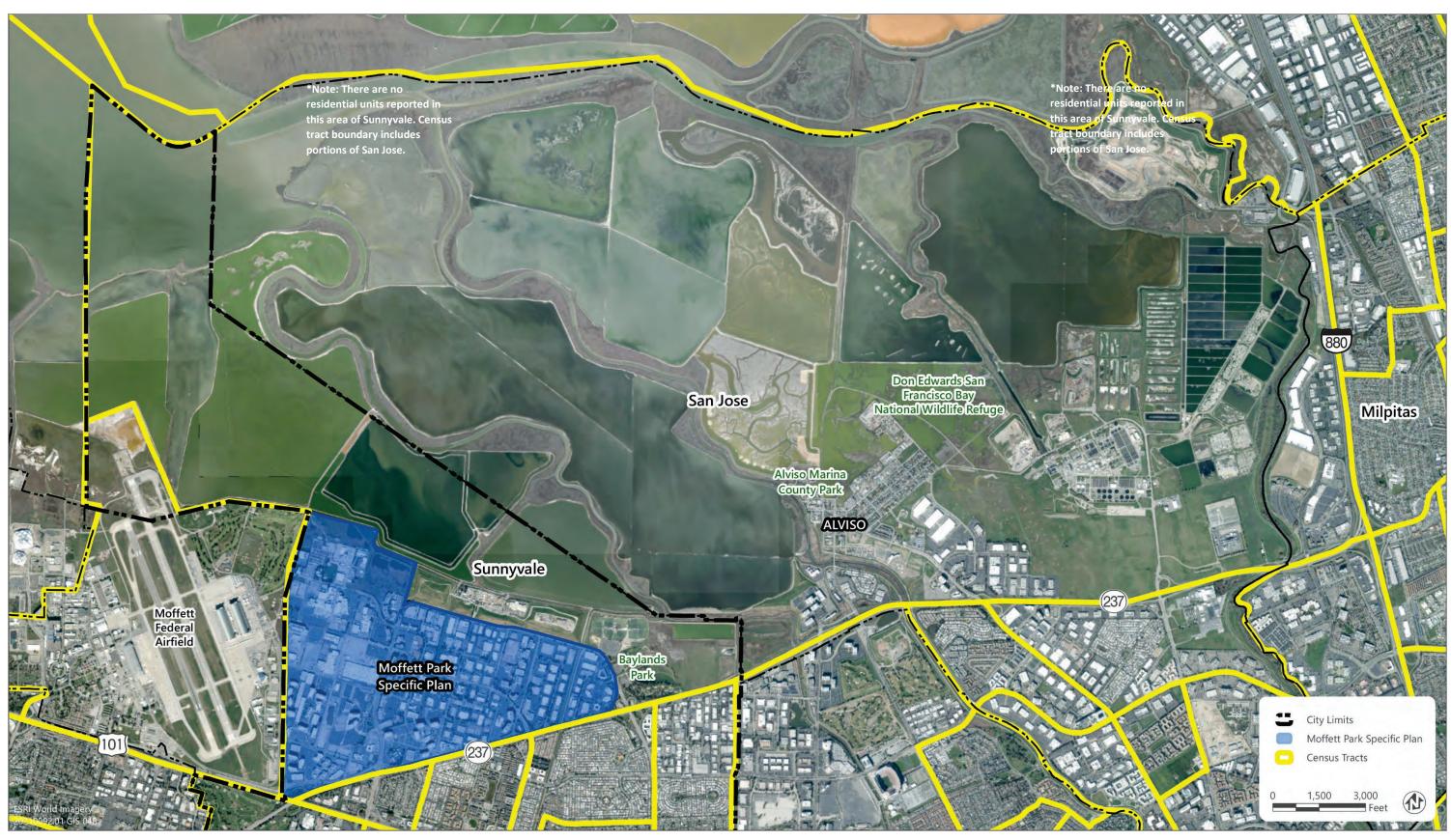
Fair housing enforcement and outreach capacity relates to the ability of a locality and fair housing entities to disseminate information related to fair housing and provide outreach and education to assure community members are aware of fair housing laws and rights. In addition, enforcement and outreach capacity includes the ability to address compliance with fair housing laws, such as investigating complaints, obtaining remedies, and engaging in fair housing.

#### FAIR HOUSING COMPLAINTS

Fair housing complaints can be an indicator of households experiencing housing discrimination. Pursuant to the California Fair Employment and Housing Act [Government Code Section 12921 (a)], the opportunity to seek, obtain, and hold housing cannot be determined by an individual's "race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, genetic information, or any other basis prohibited by Section 51 of the Civil Code."

The City of Sunnyvale complies with federal and state fair housing laws, which are enforced by HUD and the California Department of Fair Employment and Housing. The City refers discrimination complaints to the California Department of Fair Employment and Housing dual-files fair housing cases with HUD's Region IX Office of Fair Housing and Equal Opportunity (FHEO), as part of the Fair Housing Assistance Program. HUD's FHEO reported that 13 housing discrimination cases were filed by residents of Santa Clara County in 2020 and 34 were filed in 2019. FHEO reported data also shows that there has been an 81 percent decline in the number of cases reported annually between the period of 2006 and 2020. City level data is not available from FHEO.

Figure 4-1: Census Tract North of State Route 237, including Moffett Park Specific Plan



Source: Data downloaded from the U.S. Census Bureau in 2021.

However, City-level data is available from Project Sentinel. The City of Sunnyvale provides funding to Project Sentinel for fair housing services for local residents and home-seekers who feel they may have experienced housing discrimination. Project Sentinel services are free to all and include investigating housing discrimination complaints, referring complaints to attorneys, if needed, and partnering with the Law Foundation of Silicon Valley. Table 4-1 shows data from Project Sentinel for the City of Sunnyvale for the years 2015-2021. Project Sentinel handled 79 cases between January 1, 2015, and December 16, 2021. This data does not include the number of phone counseling and consulting contacts the agency provides, nor the number of people reached by outreach activities. The following is a summary of the cases handled during this time period:

- Cases were filed most frequently by people of the following protected categories: persons with a disability
   (52 percent), national origin (24 percent), and familial status (10 percent).
- Six cases included a female head of household.
- Most cases were filed by individuals who identified as White (61 percent), followed by Hispanic/Latino Only (47 percent), and Asian (18 percent).
- 58 percent of cases filed were from individuals earning less than 30 percent of the area median income (AMI); 20 percent of cases filed were from individuals earning 31-50 percent of AMI; and 8 percent of cases filed were from individuals earning over 50 percent AMI.
- Reasonable accommodation was the most frequent type of complaint (44 percent) and 18 out of 41 cases
  resulted in a disposition in which reasonable accommodation was granted. Other frequent types of
  complaints include different terms/conditions (18 percent) and eviction/repairs & maintenance (13 percent).
- From 2019 to 2021, Project Sentinel worked with Sunnyvale Community Services to assist 16 Hispanic households and 1 African American household displaced from their rental units by a fire. These cases included allegations of national origin discrimination resulting from severe substandard housing conditions. Each household received assistance in locating new housing and each were given \$7,500, totaling \$127,500 for the case settlement.

Table 4-1: Summary of Cases by Complaint Type, January 1, 2015 – December 16, 2021

| Protected<br>Category | Different<br>Terms/<br>Conditions | Hostile<br>Environment | Intimidation/<br>Harassment | Accessibility<br>Modification,<br>Repairs & Maint. | Reasonable<br>Accommodation | Refuse to<br>Rent/Sell | Eviction/<br>Repairs &<br>Maint. | Total |
|-----------------------|-----------------------------------|------------------------|-----------------------------|--|-----------------------------|------------------------|----------------------------------|-------|
| Disability            | 3                                 | 1                      | 1                           | 1  | 34                          | 1                      |                                  | 41    |
| Familial Status       | 1                                 | 1                      | 2                           |  | 1                           | 1                      | 2                                | 8     |
| Gender                |                                   | 1                      |                             |  |                             |                        |                                  | 1     |
| Immigration<br>Status | 7                                 |                        |                             |  |                             | 1                      |                                  | 8     |
| Marital Status        |                                   |                        |                             |  |                             | 1                      |                                  | 1     |
| National Origin       |                                   | 1                      | 1                           | 2  |                             | 1                      | 7                                | 12    |
| Race                  | 2                                 |                        |                             |  |                             |                        | 1                                | 3     |
| Religion              |                                   | 1                      |                             |  |                             |                        |                                  | 1     |
| Sex                   | 1                                 | 1                      |                             |  |                             |                        |                                  | 2     |
| Source of Income      |                                   |                        |                             |  |                             | 2                      |                                  | 2     |
| Total                 | 14                                | 6                      | 4                           | 3  | 35                          | 7                      | 10                               | 79    |
| Carrage Dualage Car   | +:1 2024                          |                        |                             |  |                             |                        |                                  |       |

Source: Project Sentinel, 2021.

#### FAIR HOUSING-RELATED OUTREACH

As discussed in Chapter 1, "Introduction," the City conducted extensive community outreach throughout the Housing Element update process to obtain input from all members of the community. Meetings were held virtually, in response to public health safety measures during the coronavirus pandemic, and live interpretation services were made available to reduce language barriers. Community engagement notifications and flyers, three housing element community workshops, and online survey were all provided in English, Spanish, and Chinese. In addition, the project website enabled language translation and included accessibility features for those who are visually impaired. Recordings of the virtual meetings (including live interpretations) were uploaded to the project website. During the housing element update process, community members expressed housing affordability concerns, discussed patterns of segregation of resources between the northern and southern portions of the City (specifically the lack of a high school in northern Sunnyvale), and special housing needs for persons with disabilities, seniors, and others on fixed incomes. Additional details on the community engagement opportunities, including the online survey results, are available in Appendix A.

In addition, the City participates in the Santa Clara Planning Collaborative and supported the planning collaborative's "Let's Talk Housing Santa Clara County" campaign. As part of the campaign, the City worked with the Planning Collaborative to conduct outreach specifically targeted to AFFH, including a community workshop, hosted by the Planning Collaborative in Spring 2022 to discuss fair housing strategies for the housing element update process. Feedback received at the workshop was used to inform each jurisdiction's housing element. The City has also prioritized fair housing-related outreach outside of the Housing Element process. Prior to the outbreak of the coronavirus pandemic in 2020, Sunnyvale hosted workshops on fair housing annually in April. The City partnered with Project Sentinel to conduct workshops during the day for property management professionals and in the evening for the general public. The goal of the daytime meeting was to provide a solid foundation in fair housing for new management employees as well as provide updates and new case law relevant to Fair Housing. Evening meetings were tailored to the general public to ensure that they knew their rights and whom to contact if they felt they were being discriminated against. The City plans to create a Santa Clara County collaborative group to coordinate various fair housing events throughout the County.

The City, in partnership with the County of Santa Clara's Office of Supportive Housing and the Lawyers' Committee for Civil Rights Under Law, facilitated extensive outreach in 2019/2020 to prepare a Sunnyvale specific draft Assessment of Fair Housing (AFH). A broad array of outreach was conducted during a four-month community engagement process through print and social media engagement, community meetings, focus groups, surveys, and the establishment of a Santa Clara County Regional AFH Advisory Committee, in which the City participated. In preparing the AFH, the Lawyers' Committee for Civil Rights Under Law, in partnership with each jurisdiction in Santa Clara County, held over 30 stakeholder meetings with hundreds of participants, including tenants, landlords, homeowners, public housing residents, fair housing organizations, civil rights and advocacy organizations, legal services providers, social services providers, and housing developers to hear directly about fair housing issues affecting residents of Santa Clara County. Robust community outreach was necessary to ensure the draft AFH truly reflects conditions in the community and that the goals and strategies are targeted and feasible.

CITY OF SUNNYVALE
2023-2031 Housing Element | Adopted DECEMBER 12, 2023

## **Patterns of Residential Integration and Segregation**

#### **RACE AND ETHNICITY**

Sunnyvale has a diverse population, similar to the diversity of Santa Clara County and the Bay Area. The City has a higher percent of the population that is Asian/Pacific Islander than the County and the Bay Area. As shown in Figure 4-2, the percent of White residents in the City has declined resulting in a lower percent of the population than the Bay Area as a whole, whereas the percent of Asian/Pacific Islander residents has increased surpassing the percentage of the Bay Area Region. The percent of Black/African American and Hispanic/Latinx residents in Sunnyvale has remained relatively stable since 2000 and was less than the regional percentage in 2019. There is no single racial or ethnic majority in Sunnyvale—similar to Santa Clara County and the Bay Area. Most census tracts in Sunnyvale have a non-White population of 61 to 81 percent of the total population. Figure 4-3 shows that only one census tract within southwest Sunnyvale, in the De Anza neighborhood planning area, near West Fremont Avenue and Hollenbeck Avenue, has a non-White population of less than 40 percent of the total population. All other census tracts in Sunnyvale have a non-White population of greater than 40 percent of the total population.

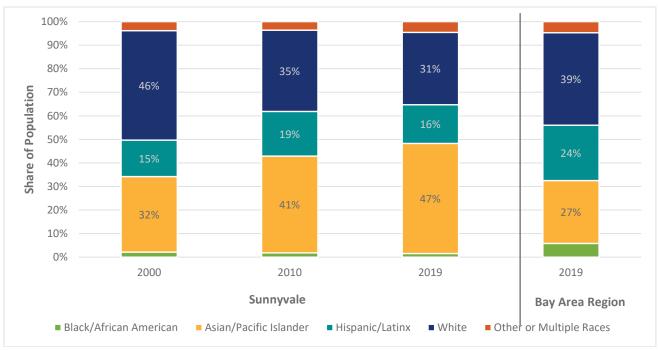


Figure 4-2: Population by Racial Group, Sunnyvale and the Region, 2000-2019

Source: IPUMS National Historical Geographic Information System (NHGIS). Data for 2019 is from U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Although Sunnyvale has a diverse population, there are many factors that have contributed to the generation and maintenance of segregation, or uneven settlement patterns, throughout California and the United States. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many overtly discriminatory policies made by federal, state, and local governments<sup>1</sup>. Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

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<sup>&</sup>lt;sup>1</sup> Rothstein, Richard. 2017. The Color of Law: A Forgotten History of How Our Government Segregated America.

City Limits San Jose Neighborhood Planning Area \*Note: There are no residential units reported in Percent of Total Non-White Population this area of Sunnyvale. Census > 81% tract boundary includes 61 - 81% portions of San Jose. 41 - 60% **Moffett Park** (237)21 - 40% Specific Plan 101 LAKEWOOD 101 **WEST MURPHY** (237) E Duane Av Mountain View **EAST MURPHY** E Arques Ave 82 Kifer Rd WASHINGTON Reed Ave DE ANZA **PONDEROSA** Santa Clara W Remington Dr (82) W Fremont Ave Sunnyvale Saratoga Rd **ORTEGA** (85) Los Altos **SERRA RAYNOR** E Homestead Rd 280 Cupertino 

Figure 4-3: Percent of Total Non-White Population, Sunnyvale, 2018

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on U.S. Census Bureau data.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety<sup>2</sup>. This generational lack of access for many communities, particularly people of color and lower income households, has often resulted in poor life outcomes, including lower educational attainment, higher morbidity rates, and higher mortality rates.<sup>3</sup>

The following is based on the AFFH Segregation Report prepared by UC Merced/STIR Labs for Sunnyvale and provides an analysis of regional (inter-city) and neighborhood (intra-city) segregation using a variety of indices, including the isolation index, dissimilarity index, and Theil's-H index. These indices are described in more detail below:

- Isolation index: Indicates the potential for contact between different groups. The measure ranges from 0 to 1, with higher values indicating that a particular group is more isolated from other groups.
- **Dissimilarity index**: Measure of how evenly any two groups are distributed relative to their representation in the City/region overall. This index also ranges from 0 to 1. Higher values indicate that groups are more unevenly distributed.
- Theil's H Index: Measure of segregation between all groups and determines how diverse a particular area is in comparison to the City/region. The index ranges from 0 to 1. A lower index value indicates the same level of diversity as the whole City/region, while a higher value indicates each racial group lives in their own separate area.

The analysis is based on racial and ethnic groups identified by the U.S. Census. However, it is important to note that a racial group may consist of several sub-groups. For example, Asian/Pacific Islander includes a number of ethnic or origin groups including Chinese, Japanese, Indian, Filipino, Vietnamese, Pakistani, and others. The analysis included in this section is intended to be high-level but does not necessarily capture all nuances that impact fair housing.

#### **Regional Segregation**

At the regional level, segregation is measured between cities (inter-city) instead of between neighborhoods. Figure 4-4 presents a racial dot map showing the spatial distribution of racial groups in Sunnyvale as well as in nearby Bay Area cities. Similar to Cupertino, Santa Clara, and Campbell, Sunnyvale has a high proportion of Asian/Pacific Islander residents; whereas Mountain View and Palo Alto have a higher proportion of White residents, and San Jose encompasses areas of predominantly White and Hispanic/Latinx populations.

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<sup>&</sup>lt;sup>2</sup> Trounstine, Jessica. 2015. Segregation and Inequality in Public Goods. American Journal of Political Science 60(3): 709-725.

<sup>&</sup>lt;sup>3</sup> Chetty, Raj and Nathanial Hendren. 2018. *The Impacts of Neighborhoods on Intergenerational Mobility I: Childhood Exposure Effects.* The Quarterly Journal of Economics 133(3):1107-1162

Ananat, Elizabeth Oltmans. 2011. The wrong side(s) of the tracks: The causal effects of racial segregation on urban poverty and inequality. American Economic Journal: Applied Economics 3: 34-66.

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Sharkey, Patrick. 2013. Stuck in place: Urban neighborhoods and the end of progress toward racial equality. Chicago: University of Chicago Press.

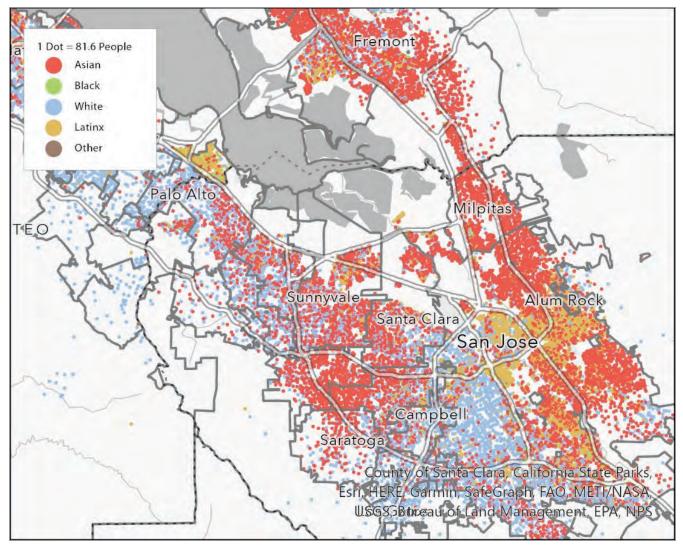


Figure 4-4: Racial Dot Map of Sunnyvale and Surrounding Areas (2020)

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Note: The plot shows the racial distribution at the census block level for City of Sunnyvale and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

Figure 4-5 compares the proportion of different racial groups in Sunnyvale to those groups' representation in other jurisdictions in the region, which can indicate the extent of segregation between Sunnyvale and the region. Consistent with the trends shown on the racial dot map, Sunnyvale has a lower representation of White residents and a higher representation of Asian/Pacific Islander residents than the Bay Area region. Sunnyvale's Black/African American, Latinx, and other or multiple race populations are proportionately similar to the region.

Black/African Asian/Pacific Other or White Latinx **Multiple Races** American Islander Percent of Jurisdiction Population 75% 0 0 0 0 0 Sunnyvale Sunnyvale 46.8% 30.7% 11th/104) 82nd/104) Sunnyvale 25% 16.5% 6 Sunnyvale 56th/104) Sunnyvale 4.5% 1.5% 8th/104) th/104) Jurisdiction

Figure 4-5: Racial Demographics of Sunnyvale Compared to All Bay Area Jurisdictions (2019)

Source U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002.

The map in Figure 4-6 also illustrates regional racial segregation between Sunnyvale and other jurisdictions by showing the percentage of people of color in Sunnyvale and surrounding jurisdictions compared to the Bay Area as a whole. Sunnyvale is shown in gray, indicating that the share of people of color is more than five percentage points greater than the regional percentage of people of color. The figure also indicates that Cupertino, San Jose, and Santa Clara have a higher share of people of color than the regional percentage, while Mountain View, Palo Alto, and Los Gatos have a lower share of people of color than the regional percentage.

Segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Table 4-2 presents dissimilarity and isolation index values for racial segregation for the entire nine-county Bay Area in 2019. In Table 4-2, the dissimilarity index and isolation index are calculated by comparing the racial demographics of local jurisdictions to the region's racial makeup. The isolation index indicates that the average White resident in the Bay Area lives in a city that is 46 percent White, whereas the average Black/African American resident lives in a city that is just 12 percent Black/African American. The dissimilarity index indicates that Black/African American residents versus White residents are the most segregated, where 46 percent of Black/African American or White residents would need to move to a different jurisdiction to evenly distribute Black and White residents across the Bay Area.

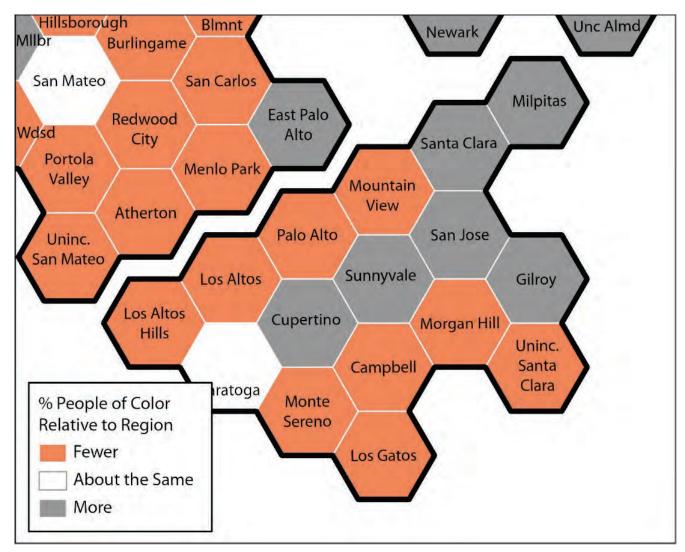


Figure 4-6: Comparing the Share of People of Color in Sunnyvale and Vicinity to the Bay Area (2020)

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Note: People of color refer to persons not identifying as non-Hispanic White. The nine-county Bay Area is the reference region for this map.

Table 4-2: Regional Racial Segregation Measures, Bay Area Region (2019)

| Index                              | Group                            | Value |
|------------------------------------|----------------------------------|-------|
|                                    | White                            | 0.463 |
| Isolation Index Regional Level     | Black/African American           | 0.124 |
|                                    | Latinx                           | 0.284 |
|                                    | Asian/Pacific Islander           | 0.358 |
| Dissimilarity Index Regional Level | Black/African American vs. White | 0.460 |
|                                    | Latinx vs. White                 | 0.299 |
|                                    | Asian/Pacific Islander vs. White | 0.368 |
|                                    | People of Color vs. White        | 0.290 |

Source: IPUMS National Historical Geographic Information System (NHGIS). Data for 2019 is from U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002.

#### **Neighborhood Segregation**

The racial dot map shown in Figure 4-7 offers a visual representation of the spatial distribution of racial groups within Sunnyvale. Although the blue and red dots indicate that Asian and White residents are generally distributed throughout the City, the higher proportion of gold dots in the northern part of the City indicate an uneven distribution of Hispanic/Latinx residents.

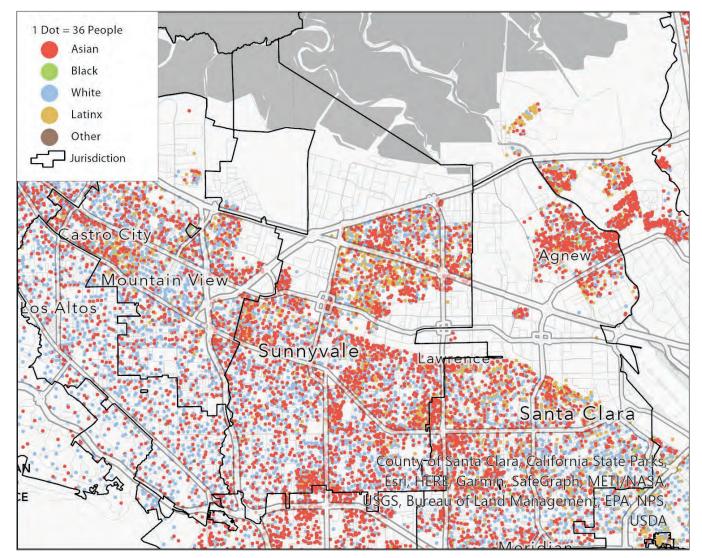


Figure 4-7: Distribution of Racial Groups in Sunnyvale, 2020

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Note: The plot shows the racial distribution at the census block level for City of Sunnyvale and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

#### Predominant Population by Race/Ethnicity

Figure 4-8 shows the predominant population by racial or ethnic majority for each census tract in the City. As shown in the map, while there are census tracts with Asian, White, and Hispanic majorities, none of the census tracts within the City have a predominant majority with a gap greater than 50 percent. Fourteen census tracts or approximately half of the census tracts in Sunnyvale are predominantly Asian census tracts. Ten of these tracts have a sizeable predominance of Asian population, and four have a slim predominance of Asian population. These include portions of the Lakewood, East Murphy, Ponderosa, Ortega, and Serra neighborhood planning areas.

City Limits San Jose Neighborhood Planning Area \*Note: There are no White Majority residential units reported in Predominant (gap > 50%) this area of Sunnyvale. Census tract boundary includes Sizeable (gap 10% - 50%) portions of San Jose. Slim (gap < 10%) Hispanic Majority **Moffett Park** (237)Specific Plan Sizeable (gap 10% - 50%) Slim (gap < 10%) Asian Majority LIGHT RAIL **LAKEWOOD** Predominant (gap > 50%) Sizeable (gap 10% - 50%) Slim (gap < 10%) 101 **WEST MURPHY** 237 E Duane Ave **Mountain View EAST MURPHY** Central Exp E Arques Ave 82 WASHINGTON Reed Ave **DE ANZA PONDEROSA** Santa Clara W Remington Dr 82 W Fremont Ave Sunnyvale Saratoga Rd ORTEGA 85 Los Altos SERRA **RAYNOR** E Homestead Rd 280 **Cupertino** 0.5 

Figure 4-8: Predominant Population by Race, Sunnyvale, 2019

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on U.S. Census Bureau data.

Ten census tracts in Sunnyvale are predominantly White census tracts: one census tract in the north has sizable predominance in White population (Lakewood neighborhood planning area); eight census tracts in the southwest area of the City (Washington, De Anza, Serra neighborhood planning areas) have a sizeable or slim predominance in White population; and one census tract in the southeast (Raynor neighborhood planning area) has a slim predominance in White population.

Five census tracts in Sunnyvale are predominantly Hispanic census tracts. The census tract north of State Route 237, encompassing Moffett Park, has a sizeable predominance in Hispanic population; however, as noted above, this census tract expands beyond the City boundary into the residential community of Alviso in San Jose. The census tract only includes a small population within the City of Sunnyvale (approximately 24 residents) and is largely influenced by the residential community of Alviso in San Jose, which has over 2,000 residents, most of which are Hispanic<sup>4</sup>. One census tract in the East Murphy neighborhood planning area and two census tracts in the West Murphy neighborhood planning area are predominantly Hispanic, including one tract with a sizeable predominance in Hispanic population. Lastly, a very small portion of the census tract on the eastern part of the City, in the Lawrence Station Area Plan, also has a sizeable predominance in Hispanic population, but most of the census tract is located in the City of Santa Clara.

No census tracts have a predominant African American or Native American population.

#### **Diversity Index**

The diversity index, shown in Figure 4-9 for 2010 and 2018, is a generalized measure of the diversity of the population within an area, with 100 representing perfect diversity and 0 representing no diversity. The City generally ranks high on the diversity index, with northern census tracts demonstrating slightly higher diversity compared to southern census tracts. Figure 4-9 shows very little change between 2010 and 2018. Some tracts became less diverse while others became more diverse. Specifically, the Ortega neighborhood became less diverse during the timeframe. Diversity in other areas of the City remained relatively the same.

#### **Isolation Index**

Asian residents are the most isolated racial group within Sunnyvale, where according to the isolation index shown in Table 4-3, the average Asian resident lives in a neighborhood that is 49.3 percent Asian. Other racial groups are less isolated, meaning they may be more likely to encounter other racial groups in their neighborhoods. Table 4-3 shows the isolation index values for all racial groups in Sunnyvale for the years 2000, 2010, and 2019, and compares them to the Bay Area average for 2019. Among all racial groups in Sunnyvale, the isolation index for the White population has changed the most over time, becoming less segregated from other racial groups between 2000 and 2019. Conversely, the Asian/Pacific Islander population has become more isolated or segregated from other groups since 2000. In comparison to the Bay Area average isolation index, White, Black/African American, and Latinx residents within Sunnyvale are less isolated than the regional average, while Asian/Pacific Islander residents in Sunnyvale are isolated at rates more than twice the regional average (see Figure 4-10).

Table 4-3: Racial Isolation Index Values by Race/Ethnicity, Sunnyvale, 2019

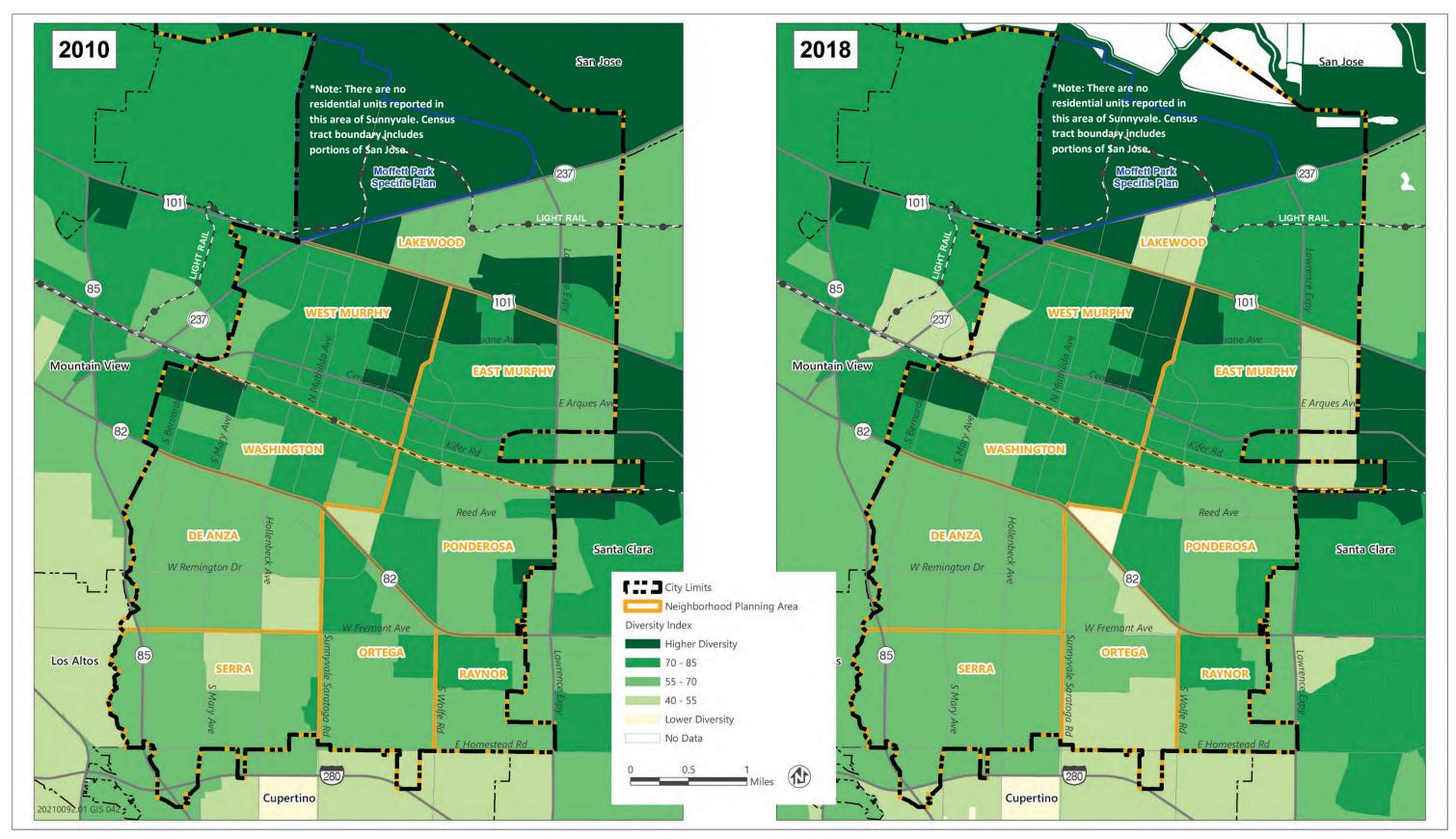
| Dage                   | Sunnyvale |       |       | Pay Area Ayerage 2010 |  |
|------------------------|-----------|-------|-------|-----------------------|--|
| Race                   | 2000      | 2010  | 2019  | Bay Area Average 2019 |  |
| White                  | 0.500     | 0.382 | 0.339 | 0.538                 |  |
| Black/African American | 0.027     | 0.025 | 0.027 | 0.060                 |  |
| Asian/Pacific Islander | 0.348     | 0.437 | 0.493 | 0.234                 |  |
| Latinx                 | 0.218     | 0.265 | 0.227 | 0.243                 |  |

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002.

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<sup>&</sup>lt;sup>4</sup> U.S. Census Bureau, Decennial Census, 2010.

Figure 4-9: Diversity Index, Block Group, Sunnyvale, 2010 and 2018



Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021.

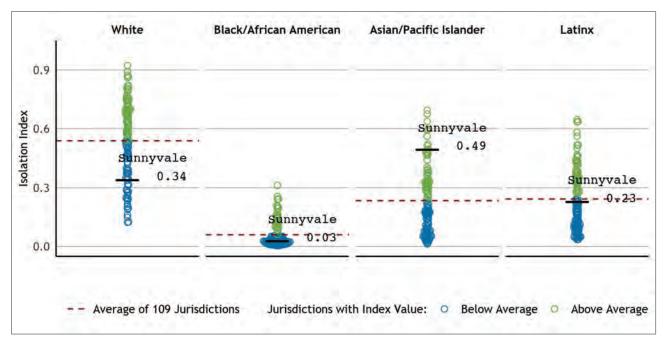


Figure 4-10: Racial Isolation Index Values for Sunnyvale Compared to All Bay Area Jurisdictions, 2019

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, American Community Survey 5- Year Data (2015-2019), Table B03002.

#### Dissimilarity Index

Table 4-4 provides the dissimilarity index values indicating the level of segregation in Sunnyvale between White residents and residents who are Black, Latinx, or Asian/Pacific Islander. The table also provides the dissimilarity index between White residents and all residents of color in the jurisdiction, and all dissimilarity index values are shown across three time periods (2000, 2010, and 2019). Figure 4-11 shows how racial dissimilarity index values in Sunnyvale compare to values in all other Bay Area jurisdictions.

Sunnyvale has an index rating of 0.198 and 0.197 in comparing Asian/Pacific Islander residents and people of color, respectively, with the base non-Hispanic White population. This indicates that roughly 20 percent of Asian/Pacific Islanders or people of color in Sunnyvale would need to move across neighborhoods to achieve perfect integration with Sunnyvale's non-Hispanic White residents. As shown in Figure 4-11, the integration of Asian/Pacific Islander and White residents in Sunnyvale is roughly the same as the average of other Bay Area jurisdictions. The integration of all people of color with White residents is reflective of the high proportion that Asian/Pacific Islander residents make of the overall Sunnyvale population. The 2019 dissimilarity index comparing all people of color with non-Hispanic White residents (0.197) has declined since 2010 (0.217), suggesting that Sunnyvale is becoming more integrated, although still slightly higher than the Bay Area average index (0.191). Figure 4-11 further shows that Sunnyvale's dissimilarity indices for Black/African American versus White and Latinx versus White indicate higher segregation patterns than in the average of all Bay Area jurisdictions.

In Sunnyvale, the most significant difference in settlement patterns or concentrations of race (i.e., highest segregation) is between Black/African American and White residents. Sunnyvale's Black /White dissimilarity index of 0.453 means that 45.3 percent of Black or White residents would need to move to a different neighborhood to create an even distribution of Black residents and White residents. This trend has continued to increase since 2000. However, considering the small proportion of Black/African American residents in the total Sunnyvale population (1.5 percent), the dissimilarity index values are unreliable. However, the proportion of Black/African American

residents in Sunnyvale in comparison to the proportion of Black/African American residents in the region is low, indicating high segregation of Black/African American groups between Sunnyvale and the region.

Asian/Pacific Islander Black/African American Latinx People of Color vs white vs white vs white vs white 1.0 0.8 Dissimilarity Index 0.6 Sunnyvale 0.45 Sunnyvale 000 0.4 0.33 Sunnyvale Sunnyvale 0.20 0.2 0.0 Average of 109 Jurisdictions Jurisdictions with Index Value: O Below Average Above Average

Figure 4-11: Racial Dissimilarity Index Values for Sunnyvale Compared to All Bay Area Jurisdictions, 2019

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, American Community Survey 5- Year Data (2015-2019), Table B03002.

In addition, Latinx residents in Sunnyvale are a much larger share of the population of Sunnyvale and have slightly higher dissimilarity for Latinx/ White compared to the region. Sunnyvale's Latinx/white dissimilarity index of 0.331 means that 33.1 percent of Latinx (or White) residents would need to move to a different neighborhood to create perfect integration between Latinx residents and white residents.

Table 4-4: Racial Dissimilarity Index Values for Segregation within Sunnyvale, 2000-2019

| Page                             | Sunnyvale |       |       | Bay Area Average |
|----------------------------------|-----------|-------|-------|------------------|
| Race                             | 2000      | 2010  | 2019  | 2019             |
| Black/African American vs. White | 0.266     | 0.278 | 0.453 | 0.359            |
| Asian/Pacific Islander vs. White | 0.204     | 0.202 | 0.198 | 0.214            |
| Latinx vs. White                 | 0.345     | 0.369 | 0.331 | 0.240            |
| People of Color vs. White        | 0.216     | 0.217 | 0.197 | 0.191            |

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, American Community Survey 5- Year Data (2015-2019), Table B03002.

#### Theil's H Index

The Theil's H Index can be used to measure segregation between all groups within a jurisdiction. This index measures how diverse each neighborhood is compared to the diversity of the whole city. After a slight increase in values from 2000 to 2010, the Theil's H Index value for racial segregation in Sunnyvale remained relatively stable with a minor decline between 2010 and 2019, suggesting that there is about the same level of neighborhood racial segregation within the jurisdiction. In 2019, the Theil's H Index for racial segregation in Sunnyvale was near the average value for all Bay Area jurisdictions, indicating there is about the same neighborhood level racial segregation

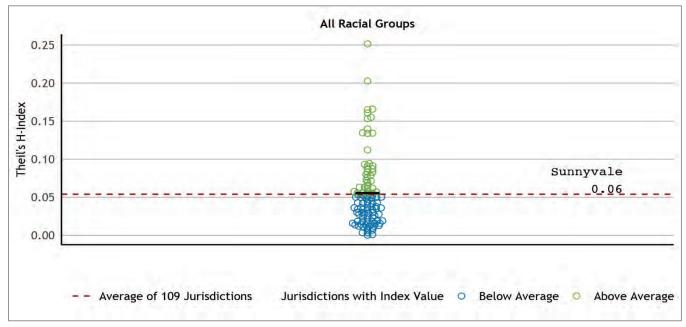
in Sunnyvale as in the average Bay Area city. The Theil's H Index values for neighborhood racial segregation in Sunnyvale for the years 2000, 2010, and 2019 can be found in Table 4-5. Figure 4-12 shows how Theil's H index values for racial segregation in Sunnyvale compare to values in all other Bay Area jurisdictions in 2019.

Table 4-5: Theil's H Index Values for Racial Segregation within Sunnyvale

| Paga                   | Sunnyvale |       |       | Boy Aves Averess 2010 |  |
|------------------------|-----------|-------|-------|-----------------------|--|
| Race                   | 2000      | 2010  | 2019  | Bay Area Average 2019 |  |
| Theil's H Multi-racial | 0.052     | 0.057 | 0.056 | 0.054                 |  |

Source: IPUMS National Historical Geographic Information System (NHGIS). Data for 2019 is from U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 4-12: Theil's H Index Values for Racial Segregation in Sunnyvale Compared to All Bay Area Jurisdictions (2019)



Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, American Community Survey 5- Year Data (2015-2019), Table B03002.

#### INCOME

### **Regional Income Segregation between Sunnyvale and Other Jurisdictions**

The "Household Characteristics" section of Chapter 3, "Housing Needs Assessment," notes that Sunnyvale tends to have slightly higher incomes than regional averages. In addition, Figure 3-15 shows that Sunnyvale has more high-income households and fewer extremely low-income households compared to the county and region.

Although the percent of very low-income and low-income households increased and the percent of above moderate-income households decreased in Sunnyvale from 2010 to 2015, Sunnyvale still had a lower percent of very low- and low-income households and a higher percent of moderate- and above moderate-income households than the Bay Area as a whole in 2015, as shown in Table 4-6. This trend of higher incomes in Sunnyvale compared to the region appears less prominent on Figure 4-13, which presents the spatial distribution of income groups in the southern portion of the Bay Area. However, the figure does indicate a higher number of very low- and low-income households in San Jose. In comparison to the entire Bay Area region, Figure 4-14 shows that Sunnyvale closely reflects the Bay Area median for very low-income and moderate-income households but has a lower

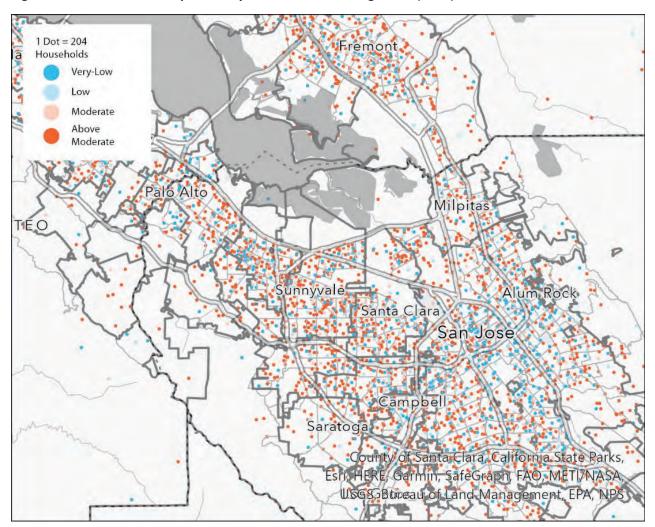
percentage of low-income households, ranking 75<sup>th</sup> out of 104 Bay Area jurisdictions, and a higher percent of above moderate-income households, ranking 39<sup>th</sup>.

Table 4-6: Population by Income Group, Sunnyvale and the Region

| Incomo Graun                      | Sunn  | Bay Area |       |
|-----------------------------------|-------|----------|-------|
| Income Group                      | 2010  | 2015     | 2015  |
| Very Low-Income (<50% AMI)        | 20.2% | 23.1%    | 28.7% |
| Low-Income (50%-80% AMI)          | 8.3%  | 10.2%    | 14.3% |
| Moderate-Income (80%-120% AMI)    | 16.6% | 17.8%    | 17.6% |
| Above Moderate-Income (>120% AMI) | 54.9% | 48.9%    | 39.4% |

Source: Data for 2015 is from Housing U.S. Department of and Urban Development, American Community Survey 5-Year 2011- 2015 Lowand Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 4-13: Income Dot Map of Sunnyvale and Surrounding Areas (2015)



Note: The plot shows the income group distribution at the census block group level for City of Sunnyvale and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate- Income Summary Data.

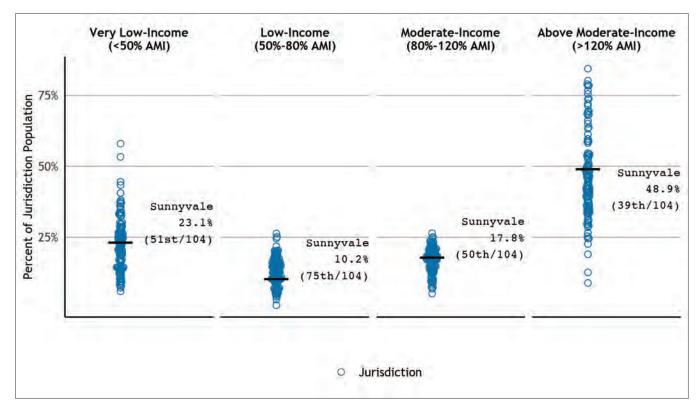


Figure 4-14: Income Demographics of Sunnyvale Compared to All Bay Area Jurisdictions (2015)

Dissimilarity and isolation indices are also used to measure income segregation between Sunnyvale and the region. As shown in Table 4-7, very low-income and above moderate-income Bay Area households have higher isolation index scores than low-income and moderate-income households. This indicates that very low-income and above moderate-income Bay Area households are more likely to live in jurisdictions with more households of the same income class than low-income or moderate-income Bay Area households. The dissimilarity index value indicates 19.3 percent of lower-income households would need to live in a different jurisdiction to create perfect income group integration in the Bay Area as a whole.

Table 4-7: Regional Income Segregation Measures, Bay Area, 2015

| Index                              | Group                             | Value |
|------------------------------------|-----------------------------------|-------|
| Isolation Index Regional Level     | Very Low-Income (<50% AMI)        | 0.315 |
|                                    | Low-Income (50%-80% AMI)          | 0.154 |
|                                    | Moderate-Income (80%-120% AMI)    | 0.180 |
|                                    | Above Moderate-Income (>120% AMI) | 0.434 |
| Dissimilarity Index Regional Level | Below 80% AMI vs. Above 80% AMI   | 0.193 |

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate- Income Summary Data.

#### **Neighborhood Level Income Segregation within Sunnyvale**

Figure 4-15 shows the 2015-2019 median household income by block group in Sunnyvale. The wealthiest areas of the City are located in the southern portion, in the Serra, Ortega, De Anza, Washington, and Ponderosa neighborhood planning areas. These areas all have White or Asian majorities. Only a handful of block groups in the northern portion of the City have median incomes greater than the 2021 Santa Clara County AMI of \$151,300. Some of these block groups are located in predominantly Hispanic census tracts in the West Murphy and East Murphy neighborhood planning areas. A small proportion of block groups in the City have median incomes of less than \$100,000. None of these are within predominantly White areas, three are within predominantly Hispanic areas, and the remaining four are within predominantly Asian areas.

Income isolation within Sunnyvale is similar to income isolation in the entire Bay Area region (see Figure 4-16). Above moderate-income households are the most isolated income group in Sunnyvale and are slightly more isolated than the average Bay Area above moderate-income household. As shown in Table 4-8, Sunnyvale's above moderate-income households became less segregated from other income groups between 2010 and 2015. However, all other income groups became more segregated during the same time period.

Table 4-8: Income Group Isolation Index Values for Segregation within Sunnyvale, 2010-2015

| Income Consum                     | Sunn  | yvale | Bay Area Average |  |
|-----------------------------------|-------|-------|------------------|--|
| Income Group                      | 2010  | 2015  | 2015             |  |
| Very Low-Income (<50% AMI)        | 0.233 | 0.267 | 0.269            |  |
| Low-Income (50%-80% AMI)          | 0.103 | 0.127 | 0.145            |  |
| Moderate-Income (80%-120% AMI)    | 0.183 | 0.204 | 0.183            |  |
| Above Moderate-Income (>120% AMI) | 0.576 | 0.536 | 0.507            |  |

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011- 2015 Lowand Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

City Limits San Jose Neighborhood Planning Area \*Note: There are no Median Income residential units reported in Greater than \$200,000 this area of Sunnyvale. Census \$150,000 - \$199,999 tract boundary includes portions of San Jose. \$100,000 - \$149,000 \$87,100 - \$100,000 **Moffett Park** (237) \$50,000 - \$87,100 (HCD 2020 State Median Income) Specific Plan No Data LIGHT RAIL 101 WEST MURPHY Faii Mountain View **EAST MURPHY** 82 DE ANZA Santa Clara 85 Los Altos **Cupertino** 1 20210092.01 GIS 043

Figure 4-15: Median Household Income by Block Group, Sunnyvale, 2015-2019

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on 2015-2019 American Community Survey data.

Very Above Low-Income Moderate-Income Moderate-Income Low-Income (50%-80% AMI) (80%-120% AMI) (<50% AMI) (>120% AMI) 0.9 Isolation Index Sunnyvale-0.54 Sunnyvale Sunnyvale 0-27-Sunnyvale 8 -0-1-3 0.0 Average of 109 Jurisdictions Jurisdictions with Index Value: O Below Average O Above Average

Figure 4-16: Income Group Isolation Index Values for Sunnyvale Compared to All Bay Area Jurisdictions (2015)

Table 4-9 below provides the dissimilarity index values indicating the level of segregation in Sunnyvale between residents who are lower-income (earning less than 80 percent of AMI) and those who are not lower-income (earning above 80 percent of AMI). Segregation in Sunnyvale between lower-income households and households who are not lower-income increased between 2010 and 2015. Additionally, Table 4-9 shows dissimilarity index values for the level of segregation in Sunnyvale between residents who are very low-income (earning less than 50 percent of AMI) and those who are above moderate income (earning above 120 percent of AMI). This index value indicates the extent to which a jurisdiction's lowest and highest income households live in separate neighborhoods. In 2015, the income segregation in Sunnyvale between lower-income households and other households was slightly higher than the average value for all Bay Area jurisdictions (see Table 4-9 and Figure 4-17). This means that the lower-income households are slightly more segregated from other households within Sunnyvale compared to other jurisdictions in the region and reflects the above average segregation of above moderate-income households in Sunnyvale, compared to the Bay Area region (see Figure 4-16).

Table 4-9: Income Group Dissimilarity Index Values for Segregation within Sunnyvale

| lana and Carrier                 | Sunn  | yvale | Bay Area Average |  |
|----------------------------------|-------|-------|------------------|--|
| Income Group                     | 2010  | 2015  | 2015             |  |
| Below 80% AMI vs. Above 80% AMI  | 0.215 | 0.237 | 0.198            |  |
| Below 50% AMI vs. Above 120% AMI | 0.248 | 0.300 | 0.253            |  |

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011- 2015 Lowand Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Below 50% AMI Below 50% AMI vs. Above 50% vs. Above 120% AMI AMI 1.0 0.8 Dissimilarity Index 0.6 Sunnyvale 0.4 Sunnyvale 0.30 0.22 0.2 0.0 Average of 109 Jurisdictions Jurisdictions with Index Value: O Below Average O Above Average

Figure 4-17: Income Group Dissimilarity Index Values for Sunnyvale Compared to All Bay Area Jurisdictions (2015)

Table 4-10 includes the Theil's H Index values for neighborhood income group segregation in Sunnyvale for 2010 and 2015. In 2015, the Theil's H Index value for income segregation in Sunnyvale was more than it had been in 2010 and was higher than the average value for all Bay Area jurisdictions, indicating there is now more neighborhood level income segregation in Sunnyvale than in the average Bay Area jurisdiction. This is also reflected in Figure 4-18, which compares the Theil's H index value for income group segregation in Sunnyvale to all other Bay Area jurisdictions.

Table 4-10: Theil's H Index Values for Income Segregation within Sunnyvale

| Sunnyvale              | Bay Area Average |       |       |
|------------------------|------------------|-------|-------|
| Income Group           | 2015             |       |       |
| Theil's H Multi-income | 0.041            | 0.055 | 0.043 |

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011- 2015 Lowand Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

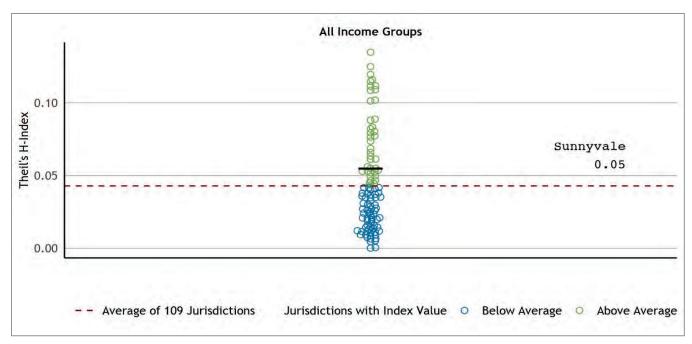


Figure 4-18: Income Group Theil's H Index Values for Sunnyvale Compared to All Bay Area Jurisdictions (2015)

#### **FAMILIAL STATUS**

The Fair Housing Act (FHA) bans discrimination based on certain protected classes, including "familial status," which refers to the presence of at least one child under 18 years old. Under the FHA, familial status discrimination occurs when a landlord, property manager, real estate agent, or property owner treats someone differently because they have a family with one or more individuals who are under 18 years of age. A "family" also includes people who are pregnant and people who are in the process of securing legal custody of a person under 18 years of age, including a family that is in the process of adopting a child, or foster parents. All families with children are protected by the FHA against familial status discrimination, including single-parent households and same-sex couples with children.

Rules that unreasonably restrict children or limit the ability of children to use their housing or the common facilities at the property may violate the FHA. Moreover, enforcing certain rules only against families with children may also violate the FHA. The following are the types of conduct that may violate the FHA:

- Refusing to rent, sell, or negotiate with a family because the family has one or more children under 18 years of age.
- Advertising a preference for households without children or otherwise discouraging such families.
- Telling an individual or family no unit is available even though a unit is in fact available.
- Forcing families into housing units that are larger than necessary.
- Designating certain floors or buildings for families with children, or encouraging families with children to reside in particular areas.
- Charging additional rent, security deposit, or fees because a household has children under 18 years of age.

This assessment examines the spatial distribution of households by familial status to determine the potential of familial status discrimination in the City. Figure 4-19 shows the percentage of children in married couple households, while Figure 4-20 shows the percentage of children in single female-headed households.

CITY OF SUNNYVALE
2023-2031 Housing Element | Adopted DECEMBER 12, 2023

San Jose City Limits \*Note: There are no Neighborhood Planning Area residential units reported in Percent of Children in Married - Couple Households this area of Sunnyvale. Census > 80% tract boundary includes 60% - 80% portions of San Jose. 40% - 60% Moffett Park Specific Plan (237)101 LIGHT RAIL LAKEWOOD 101 WEST MURPHY (237) Mountain View **EAST MURPHY** 82 WASHINGTON DE ANZA **PONDEROSA** Santa Clara 82 ORTEGA 85 Los Altos 280 **Cupertino** 20210092.01 GIS 037

Figure 4-19: Percent of Children in Married Couple Households, Sunnyvale, 2015-2019

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on 2015-2019 American Community Survey data.

San Jose City Neighborhood Planning Area Percent of Children in Female Households, No Spouse/Partner Present Households 20% -(237)Specific Plan 101 **LAKEWOOD** Lawrence Expy 101 **WEST MURPHY** 237 E Duane Ave **Mountain View** Central Exp **EAST MURPHY** E Arques Ave 82 WASHINGTON Reed Ave **DE ANZA PONDEROSA** Santa Clara W Remington Dr (82) W Fremont Ave Sunnyvale Saratoga Ra **ORTEGA** (85) Los Altos **SERRA RAYNOR** E Homestead Rd Cupertino 

Figure 4-20: Percent of Children in Female Headed Households, No Spouse Present, Sunnyvale, 2015-2019

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on 2015-2019 American Community Survey data.

#### **Married Couple Families with Children**

In 2019, married-couple family households represented 57 percent of households in Sunnyvale, the largest proportion of all households in Sunnyvale, which was the same as the percentage of married-couple households countywide (57 percent) and slightly higher than the Bay Area (51 percent) (see Figure 3-10). As shown in Figure 4-19, generally over 60 percent of children live in married couple households except for one census tract in the West Murphy area, just north of the Central Expressway, where only 40 to 60 percent of children live in married couple households.

### Female Headed Households, No Spouse Present

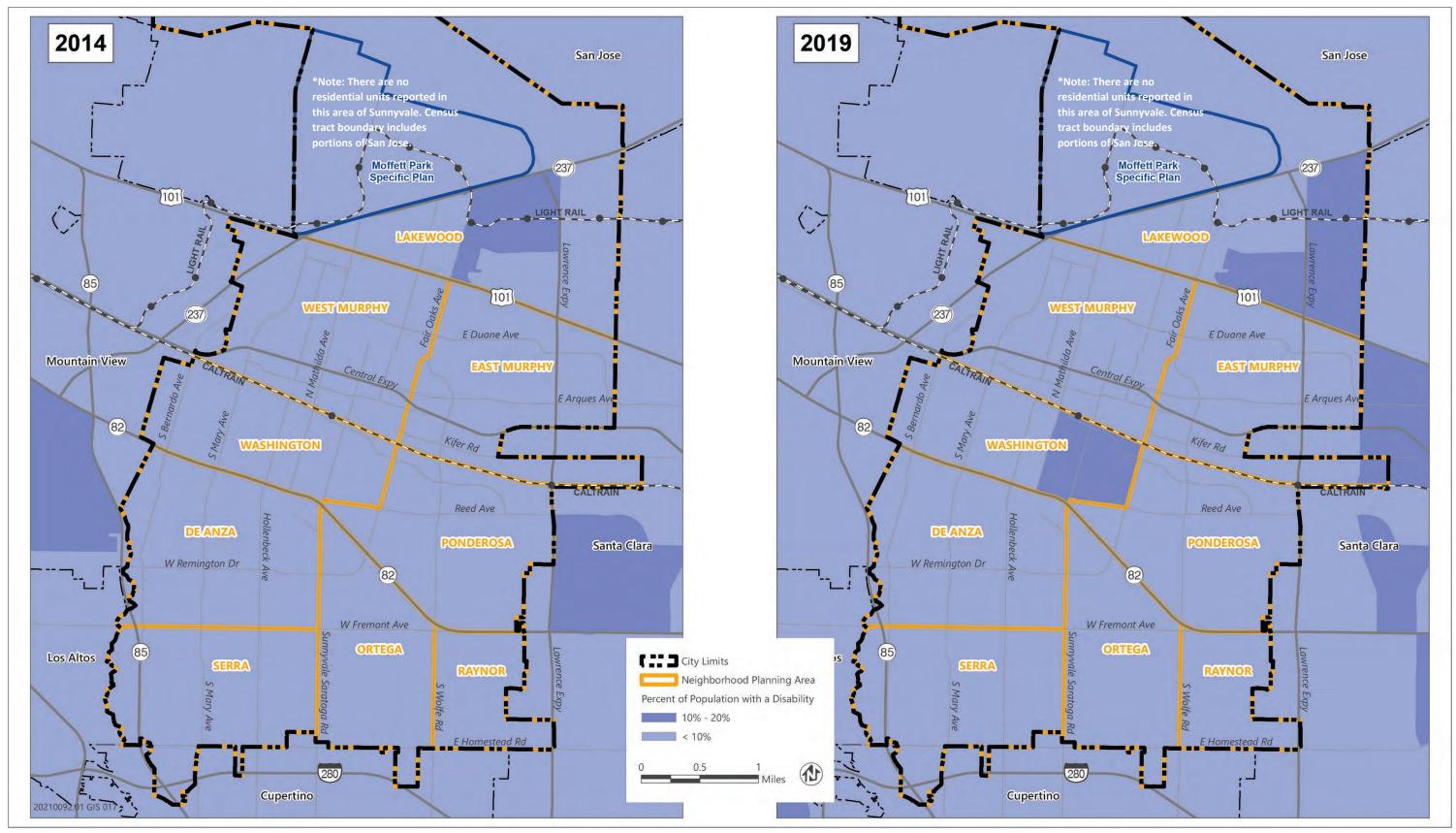
Single female heads-of-households have distinct housing needs, typically because they only have one potential wage earner and often have more difficulty finding adequate affordable housing than families with more than one source of income. As shown in Figure 3-10, single female-headed households with dependents make up about 6 percent of all households in Sunnyvale, which is less than the percentage of female-headed households countywide and in the Bay Area (10 percent). As shown in Figure 4-20, less than 20 percent of children throughout Sunnyvale live in single female-headed households. There are no census tracts within the City where more than 20 percent of children live in single female-headed households.

#### POPULATION WITH DISABILITIES

The U.S. Census Bureau defines disability as one of the following: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. Persons with disabilities tend to have lower fixed-incomes, higher health care costs, and special housing needs. As described in Chapter 3, 6.6 percent of people in Sunnyvale had a disability of some kind in 2019. This is slightly lower than the percentage in Santa Clara County and the Bay Area.

Figure 4-21 shows the population of persons with a disability by census tract in the City in 2014 and 2019. In 2014, only one census tract in Sunnyvale had a population of persons with disabilities over 10 percent. This census tract was in the Lakewood neighborhood planning area near the intersection of State Route 237 and Lawrence Expressway and includes several mobile home parks, generally more affordable for individuals on fixed incomes. The proportion of persons with disabilities in this census tract decreased below 10 percent in 2019, but the proportion increased in two neighboring census tracts to the south and east. Mobile home parks changed from senior to mixed-age, and thereby, likely influenced the change in areas with higher proportions of persons with disability. The census tract encompassing Lakewood Village, a single family neighborhood, and the census tract east of the Lawrence Expressway including the Adobe Wells mobile home park and adjacent single family neighborhood (also referred to as park of Lakewood Village, sometimes called Fairwood), include a high proportion of lower-income households (less than 80 percent of the AMI of \$151,300). Additionally, the census tract between El Camino Real and Central Expressway, including Downtown Sunnyvale, has a population with disabilities of more than 10 percent. This census tract includes more households with moderate-incomes, is near transit, services, and employment centers, and has seen substantial new apartment growth in recent years.

Figure 4-21: Population with a Disability, Sunnyvale, 2014 and 2019



Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on 2010-2014 and 2015-2019 American Community Survey data.

As shown in Table 4-11, White individuals in Sunnyvale are far more likely to have disabilities than are Asian individuals. It is likely that disparities in age (which is highly correlated with disability status) between White and Asian residents of Sunnyvale explains much of the disparity. The median age of Asian residents of Sunnyvale is 34.5 while the median age for white residents of Sunnyvale is 43.7.

Table 4-11: Disability Status by Race and Ethnicity, City of Sunnyvale

| Race or Ethnicity                      | Total Population | Number with a Disability | Percent with a Disability |
|--|------------------|--------------------------|---------------------------|
| Total Non-Institutionalized Population | 152,200          | 9,977                    | 6.6%                      |
| White Alone, Not Hispanic or Latino    | 46,601           | 4,638                    | 10.0%                     |
| Black or African American<br>Alone*    | 2,413            | 126                      | 5.2%                      |
| Asian Alone*                           | 71,217           | 3,208                    | 4.5%                      |
| Hispanic or Latino (of any race)       | 25,043           | 1,507                    | 6.0%                      |

<sup>\*</sup>As a result of how ACS Table S1810 disaggregates race and ethnicity data for persons disabilities, Black and Asian population are reflective of all persons who identify as Black or Asian alone, including those who also identify as Hispanic or Latino. In Sunnyvale, 5,983 individuals identify as both Asian and Hispanic or Latino. That is a very small proportion of the overall Asian population. It is possible that, if we could calculate disability status for the Asian Alone, Not Hispanic or Latino population, then that might vary slightly (most likely in the direction of a higher proportion of persons with disabilities) from what is reflected above.

Source: U.S. Census American Community Survey 5-year Data (2015-2019)

# Racially or Ethnically Concentrated Areas of Income

#### RACIALLY OR ETHNICALLY CONCENTRATED AREAS OF POVERTY

Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) are neighborhoods in which there are both racial concentrations and high poverty rates. HUD's definition of a R/ECAP is:

- A census tract that has a non-White population of 50 percent or more (majority-minority) or, for non-urban areas, 20 percent, AND a poverty rate of 40 percent or more; OR
- A census tract that has a non-White population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the county, whichever is lower.

Households within R/ECAP tracts frequently represent the most disadvantaged households within a community and often face a multitude of housing challenges. R/ECAPs are meant to identify where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity. Similar to most jurisdictions in northern Santa Clara County and the southern portion of the Bay Area, Sunnyvale does not contain any R/ECAPs. The nearest R/ECAPs are located in San Jose (see Figure 4-22). However, the only census tract with a poverty rate over 10 percent in 2019 was predominantly Hispanic, just north of the Central Expressway between North Mathilda Avenue and Fair Oaks Avenue. In addition, the predominantly Hispanic census tract directly north of that census tract, south of U.S. Highway 101, also includes households with incomes below the statewide median income of \$87,100. So, while there are no census tracts that meet the HUD definition of a R/ECAP, the areas of the City described above are both lower-income and have higher concentrations of Hispanic residents.

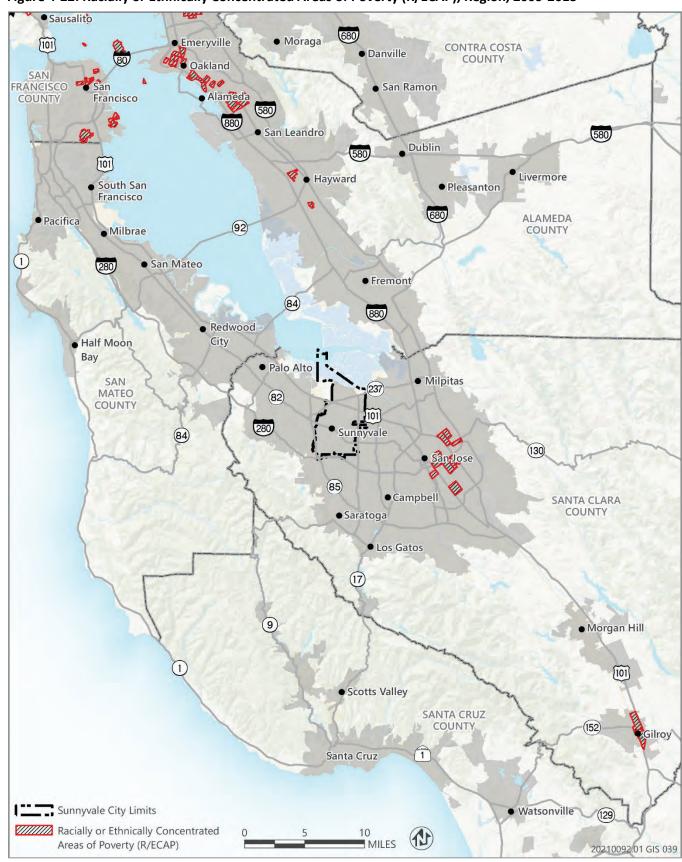


Figure 4-22: Racially or Ethnically Concentrated Areas of Poverty (R/ECAP), Region, 2009-2013

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on U.S. Department of Housing and Urban Development, 2009-2013.

#### RACIALLY OR ETHNICALLY CONCENTRATED AREAS OF AFFLUENCE

Although HCD and HUD have not established standard definitions for Racially or Ethnically Concentrated Areas of Affluence (RCAAs), they are generally understood to be neighborhoods in which there are both high concentrations of non-Hispanic White households and high household income rates. An analysis of median incomes and non-Hispanic White populations determined that none of the census tracts within Sunnyvale exceed 1.25 times the AMI for the ABAG region or 1.25 times the ABAG regional average population of non-Hispanic Whites. As such, it is determined that there are no RCAAs within Sunnyvale. However, the analysis identified RCAAs nearby in Mountain View, Los Altos, and San Jose.

Although there are no identified RCAAs in Sunnyvale, there are several areas of affluence. In 2019, 1.25 times the ABAG AMI was equal to \$141,996 and 16 of Sunnyvale's 29 census tracts were over 1.25 times the ABAG AMI. Eight of the census tracts of affluence had White majorities (although less than 1.25 times the White population percentage for the entire ABAG region) and the other eight census tracts have Asian majorities. The areas of affluence with White majorities included the Washington, De Anza, Serra, and Raynor neighborhood planning areas in the southern portion of the City.

## Access to Opportunity

Across the nation, affordable housing has been disproportionately developed in minority neighborhoods with high poverty rates, thereby reinforcing the concentration of poverty and racial segregation in low opportunity and low resource areas.

#### **OPPORTUNITY AREAS**

HCD, in coordination with the California Tax Credit Allocation Committee (TCAC), has developed methodologies to assess and measure geographic access to opportunity in areas throughout California. HCD and TCAC prepared opportunity maps to identify areas with the highest and lowest resources. The opportunity maps created by HCD/TCAC identify areas whose characteristics have been shown by research to support positive economic, educational, and health outcomes for low-income families—particularly long-term outcomes for children.

The primary function of TCAC is to oversee the Low Income Housing Tax Credit (LIHTC) Program, which provides funding to developers of affordable rental housing. The opportunity maps play a critical role in shaping the future distribution of affordable housing by targeting funding to increase access to high-opportunity areas for families with children.

Figure 4-23 shows the composite score of the TCAC Opportunity Areas in the Bay Area region. Sunnyvale has some of the areas with the highest resources in the region, but also has several moderate and low resource areas. Access to areas of high resource in Sunnyvale are comparable to those of other south Bay Area jurisdictions. Figure 4-24 shows that the census tracts in the southern area of Sunnyvale (including the Washington, De Anza, Serra, Ortega, Raynor, and part of the Ponderosa neighborhood planning areas) are classified as some of the highest resource areas with the most opportunity. Portions in the central and western portion of Sunnyvale, including parts of the Washington (i.e., Downtown), Ponderosa, and West Murphy neighborhood planning areas, are classified as high resource areas. Other areas in the northeast including the East Murphy and parts of the West Murphy and Lakewood neighborhood planning areas are classified as moderate resource. This includes several mobile home parks in the East Murphy neighborhood planning area.

#### CHAPTER 4 | ASSESSMENT OF FAIR HOUSING

Lastly, the census tract north of State Route 237 is considered low resource. As described above, this census tract expands beyond the City boundary into the residential community of Alviso in San Jose and there are no residential units within Sunnyvale's portion of the census tract. Demographic information, including TCAC Opportunity measures, are largely influenced by the Alviso community, which has over 2,000 residents. Within Sunnyvale, this area includes the Moffett Park Specific Plan which is identified as a focused area of investment. Moffett Park is one of the City's largest employment centers and is primarily owned by large tech firms and office developers, like Google, Lockheed Martin, and Jay Paul Company.

The City is currently working with landowners and developers of the area to prepare an update to the Moffett Park Specific Plan to guide transformation of the area into an ecological innovation district that provides housing, jobs, and transportation – all to support the City's sustainability and equity goals. So, while the area is currently classified as low resource, a substantial amount of future investment is planned for this area to improve infrastructure, climate resilience, transportation access, and housing opportunities. The Moffett Park Specific Plan will create complete neighborhoods with access to public amenities and a "15-Minute City" design that provides a mix of uses in a walkable environment. The Specific Plan is envisioned to provide neighborhood serving uses, including groceries, pharmacies, restaurants, childcare, and medical offices, as well as a community center and public library. The Specific Plan will also address flooding and sea level rise through improved infrastructure. The City identifies this as a focused area of investment and anticipates that the redevelopment of this area and resulting population growth will likely result in changes to the current census tract boundaries and anticipates that the area will be classified in the future as a high resource area.

Sausalito 680 Moraga [101] Emeryville CONTRA COSTA COUNTY Danville 80 Oakland FRANCISCO COUNTY San Ramon Alameda Francisco 580 880 San Leandro 580 Dublin 580 [101] Hayward Livermore South San Pleasanton Francisco 680 **ALAMEDA Pacifica** (92) COUNTY Milbrae San Mateo Fremont 84 880 Redwood Half Moon City Palo Alto Milpitas SAN (237)MATEO 82 COUNTY 101 280 Sunnyvale (130) San Jose Campbell Saratoga Los Gatos (17) Morgan Hill 1 [101] Scotts Valley Sunnyvale City Limits SANTA GRUZ GOUNTY (152) TCAC Opportunity Areas - Composite Score Gilroy **Highest Resource** Santa Cruz 1 High Resource Moderate Resource Low Resource Watsonville (129) High Segregation & Poverty 10 (1) MILES Missing/Insufficient Data 20210092.01 GIS 019

Figure 4-23: TCAC Opportunity Areas, Composite Score, Region, 2022

Source: Data downloaded from the California State Treasurer in 2022.

City Limits San Jose Note: There are no esidential units reported in Neighborhood Planning Area TCAC Opportunity Areas - Composite Score rea of Sunnyvale. Census Highest Resource High Resource Moffett Park Specific Plan Moderate Resource Low Resource (237)//// Low Resource/Focused Area of Investment LIGHT RAIL 101 LAKEWOOD 101 WEST MURPHY (237) **Mountain View EAST MURPHY** 82 DE ANZA **PONDEROS** Santa Clara 85 Los Altos E Homestead Rd 280 **Cupertino** 20210092.01 GIS 018

Figure 4-24: TCAC Opportunity Areas, Composite Score, Sunnyvale, 2022

Source: Data downloaded from the California State Treasurer in 2022.

Figure 4-25 shows the racial demographics within low resource/focused areas of investment, moderate resource, and high/highest resource areas. As of 2022, there are no residential units in Sunnyvale's portion of the census tract north of Highway 237. However, according to 2015-2019 ACS data, the total estimated population within Sunnyvale's low resource areas (i.e., the census tract north of State Route 237, including the Moffett Park area) is 24 individuals. Of those 24 individuals, 15 are Hispanic or Latinx, making up 62 percent of the population in low resource areas, far higher than the Hispanic or Latinx proportion of the City's total population (16 percent). Since there are no residential units in Sunnyvale's portion of this census tract, it is unclear what the ACS data is referring to and may be attributed to a sampling error. Both moderate resource areas and high/highest resource areas in Sunnyvale more closely reflect the racial demographics of the total population (see Figure 3-3).

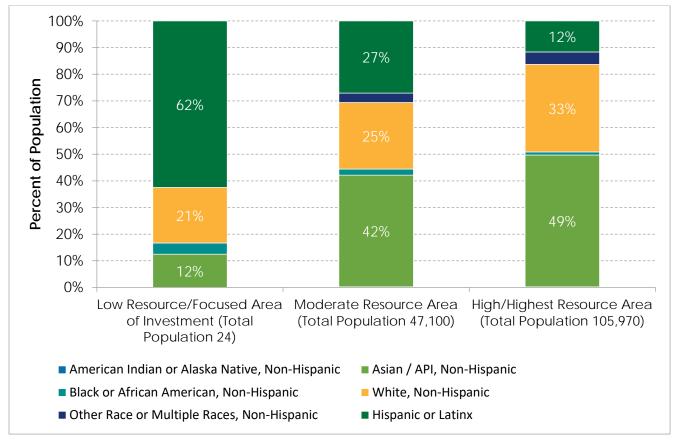


Figure 4-25: Racial Demographics of Population by Opportunity Area, Sunnyvale, 2019

Source: California Tax Credit Allocation Committee (TCAC)/California Housing and Community Development (HCD), Opportunity Maps (2020); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002.

### **Educational Opportunity**

Educational scores are determined based on elementary math and reading proficiency rates, high school graduation rates, and student poverty rates. Similar to the composite score, the best opportunities for positive educational outcomes are in the southern part of Sunnyvale, south of the Caltrain rail line (see Figure 4-26). North of the Caltrain rail line, the most western portions of the West Murphy neighborhood planning area and the census tract north of State Route 237 (i.e., Moffett Park) have scores higher than 0.50 indicating good access to positive educational outcomes. Conversely, the eastern portion of the West Murphy neighborhood planning area, the entire East Murphy neighborhood planning area, and the Lakewood planning area south of State Route 237 have scores of less than 0.5 indicating low access to positive educational outcomes. These areas also include most of the City's census tracts with median household incomes below \$100,000, indicating that opportunities for positive educational outcomes for existing lower-income households is more limited in these areas of the City.

City Limits San Jose Neighborhood Planning Area \*Note: There are no Education Domain Score (by region) residential units reported in this area of Sunnyvale. Census > 0.75 (More Positive Education Outcomes) tract boundary includes 0.50 - 0.75 portions of San Jose. 0.25 - 0.50 (237)< 0.25 (Less Positive Education Outcomes) Specific Plan 101 LIGHT RAIL LAKEWOOD 101 **WEST MURPHY** (237) E Duane Ave **Mountain View EAST MURPHY** E Arques Ave 82 WASHINGTON CALTRAIN Reed Ave **DE ANZA PONDEROSA** Santa Clara W Remington Dr (82) W Fremont Ave **ORTEGA** 85 Los Altos SERRA RAYNOR 280 Cupertino 20210092.01 GIS 020

Figure 4-26: Education Score - TCAC Opportunity Areas, Sunnyvale, 2021

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021.

### **Economic Opportunity**

The HCD/TCAC opportunity maps provide census tract-level scores for the economic domain by analyzing poverty levels, adult education, employment rates, proximity to low-wage or low- to moderate-skill jobs, and median home values. Sunnyvale has many areas with economic domain scores of greater than 0.75 indicating the most positive economic outcomes (see Figure 4-27). Only two census tracts have economic domain scores of less than 0.5, indicating lower access to opportunities for positive economic outcomes. Both areas are in the northern portion of the City, in the Lakewood neighborhood planning area. The census tract directly south of State Route 237, between Fair Oaks Avenue and the Lawrence Expressway, near Tasman Drive includes two large mobile home parks and has an economic score of 0.47. The second census tract includes the Moffett Park area north of State Route 237 and has an economic score of 0.42. As described previously, this census tract also expands beyond the City limits, has no residential units at the time of this analysis (2022), and is influenced by conditions in the residential community of Alviso in San Jose. Although the Moffett Park area provides a substantial amount of the City's employment opportunities, these jobs tend to be high paying and require high skill workers with college level or post graduate level educational requirements, making them unattainable for most low- to moderate-skill workers. This indicates a spatial labor market and job mismatch. In addition, both of these census tracts have lower median home values, due to the high number of mobile homes and influence of the Alviso community in San Jose.

### **Proximity to Jobs**

HUD's Job Proximity Index quantifies the accessibility of a given residential neighborhood to all jobs within a core-based statistical area. Index ratings (see Figure 4-28) show the closest proximity to jobs in the northern part of Sunnyvale, north of the Central Expressway, where there are more employment opportunities. The index scores generally decline for census tracts further to the south. The southernmost census tracts also have a moderate proximity to jobs because of the proximity to jobs to the south in Cupertino. In comparison to the region, Sunnyvale generally has high overall job opportunity index scores, similar to other nearby areas along U.S. Highway 101 in northern Santa Clara County. Although there are many job-rich areas nearby and in the larger Bay Area region, Sunnyvale still stands out as a place with higher access to jobs than many other places in the Bay Area region (see Figure 4-29).

### **Transportation Access**

The Transportation Cost Index, developed by HUD, estimates the percentage of income that residents use to pay for transportation, measured at the census tract level on a 0 to 100 scale. The higher an index score, the lower the cost of transportation. Index scores can be influenced by factors such as access to public transportation, housing density, and proximity of employment centers and other services. Similar to most south Bay Area jurisdictions, all of Sunnyvale has a very high index rating of over 90, meaning it has lower transportation costs than at least 90 percent of the nation (see Figure 4-30). In comparison, the average score for California is 66, meaning Sunnyvale has lower costs than the statewide and national average. Costs are lower because of Sunnyvale's proximity to services and employment centers, public transportation, and higher housing densities.

Sunnyvale also has two Caltrain stations, one in Downtown, and the other in the Lawrence Station Area Plan, that provide regional rail service. Additionally, there are several light rail stations on the Valley Transit Authority (VTA) Orange Line in the City and several more just to the east of Sunnyvale. Many of the stops in Sunnyvale are located near employment centers, including the Moffett Park area. The Reamwood, Vienna, and Fair Oaks VTA light rail stations are located near residences and provide transit access to some of the City's mobile home parks. The Sunnyvale Transit Center offers VTA bus connections throughout the City and is located across the street from the Downtown Caltrain station. The light rail services are also complemented by many additional VTA bus routes that traverse the City and provide additional local and regional connections.

San Jose City Limits Neighborhood Planning Area \*Note: There are no residential units reported in Economic Domain Score (by region) this area of Sunnyvale. Censu > 0.75 (More Positive Economic Outcome) tract boundary includes 0.50 - 0.75 portions of San Jose. 0.25 - 0.50 **Moffett Park** (237)< .25 (Less Positive Economic Outcomes) Specific Plan 101 LIGHT RAIL LAKEWOOD 101 WEST MURPHY (237) E Duane Ave Mountain View **EAST MURPHY** Arques Ave 82 WASHINGTON DE ANZA **PONDEROSA** Santa Clara W Remington Dr W Fremont Ave ORTEGA 85 Los Altos SERRA RAYNOR 280 **Cupertino** 

Figure 4-27: Economic Score - TCAC Opportunity Areas, Sunnyvale 2021

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021.

San Jose City Limits \*Note: There are no Neighborhood Planning Area residential units reported in Job Proximity Index (2014-2017) this area of Sunnyvale. Census > 80 (Closest Proximity) tract boundary includes portions of San Jose. 60 - 80 40 - 60 Moffett Park Specific Plan (237) 101 101 WEST MURPHY (237) Mountain View **EAST MURPHY** (82) WASHINGTON Reed Ave **DE ANZA PONDEROSA** Santa Clara W Remington Dr (82) W Fremont Ave Sunnyvale Saratoga Ra ORTEGA (85) Los Altos **SERRA** RAYNOR E Homestead Rd 280 **Cupertino** 

Figure 4-28: Jobs Proximity Index, Sunnyvale, 2014-2017

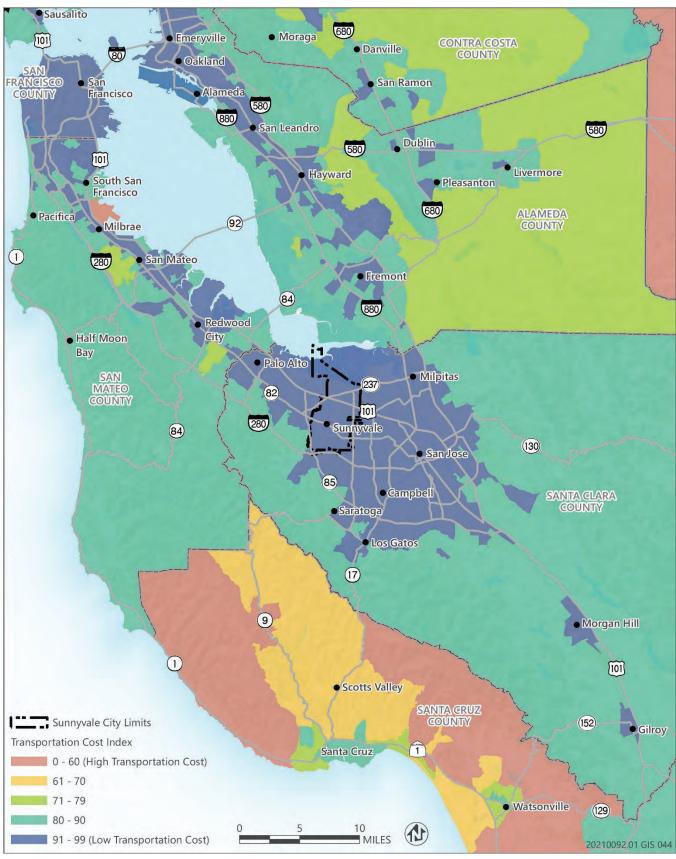
Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on U.S. Department of Housing and Urban Development, 2014-2017.

Sausalito 680 Moraga Emeryville 101 **CONTRA COSTA**  Danville 80 COUNTY Oakland SAN FRANCISCO San Ramon Alameda Francisco COUNTY 580 (880) San Leandro 580 Dublin 580 [101] Livermore Hayward South San Pleasanton Francisco 680 ALAMEDA Pacifica (92) Milbrae COUNTY (1) San Mateo Fremont 84 880 Redwood City • Half Moon Bay Palo Alto Milpitas SAN (237) MATEO (82) COUNTY 101 Sunnyvale 280 84 (130) San Jose (85) Campbell SANTA CLARA COUNTY Saratoga Los Gatos (17)Morgan Hill [101] Scotts Valley SANTIA CRUZ COUNTY Sunnyvale City Limits (152) Gilroy Job Proximity Index (2014-2017) Santa Cruz > 80 (Closest Proximity) 60 - 80 40 - 60 Watsonville (129) 20 - 40 10 < 20 (Furthest Proximity) 20210092.01 GIS 023

Figure 4-29: Jobs Proximity Index, Region, 2014-2017

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on U.S. Department of Housing and Urban Development, 2014-2017.

Figure 4-30: Transportation Cost Index, Region, 2020



Source: Data downloaded from the U.S. Department of Housing and Urban Development in 2021.

Providing access to affordable and reliable transportation allows people with disabilities and lower-income households more opportunities in education, employment, healthcare, and housing. Figure 4-21 shows the population surrounding the Reamwood, Vienna, and Fair Oaks Stations area areas that have a higher percent of population with a disability.

#### **Environmental Conditions**

Across the country, lower-income households and racially segregated communities are disproportionately impacted by a combination of locational factors such as proximity to landfills, freeways, industrial areas, and other toxins and pollutants. A 2016 report entitled "Poverty Concentration and the Low Income Housing Tax Credit: Effects of Siting and Tenant Composition" studied whether nationally the LIHTC affects the concentration of poverty. The study examined who lives in LIHTC developments in different neighborhoods, and how neighborhoods and metropolitan areas change after LIHTC developments are built. The study concluded that the distribution of affordable housing has been disproportionately developed in minority neighborhoods with poor environmental conditions and high poverty rates, thereby reinforcing poverty concentration and racial segregation in low opportunity and low resource areas. The links between health and housing strongly indicate that improved housing and neighborhood environments could lead to reductions in health disparities.

The TCAC/HCD opportunity map scores for the environmental domain are based on the exposure, pollution burden, and environmental effect indicators used in the California Office of Environmental Health Hazard Assessment CalEnviroScreen 4.0 tool. Generally, much of Sunnyvale scored at 0.25 or less, indicating less positive environmental outcomes, similar to most jurisdictions in northern Santa Clara County. Several portions of northern Sunnyvale are affected by impaired (i.e., contaminated) waters and hazardous waste at higher rates than most California jurisdictions. Some areas in the southern Sunnyvale, including portions of the Washington, De Anza, Serra, Ortega, and Ponderosa neighborhood planning areas have slightly higher environmental scores between 0.25 and 0.5 (see Figure 4-31). These areas have better population health characteristics, including lower rates of asthma and cardiovascular disease and correlate with the areas developed for single family homes and areas of high income.

Sunnyvale faces flooding risks in a large portion of the City. Areas of flood risk are shown in Figure 4-32. The entire southern portion of the City, including the City's wealthiest single family neighborhoods, is within the 500-year flood zone. In addition, portions of the Moffett Park area, proposed for future redevelopment, and some of the City's mobile home parks in the Lakewood neighborhood planning area are within the 100-year flood zone.

The Moffett Park Specific Plan area is identified as a focused area of investment. Adoption of the Moffett Park Specific Plan, expected in early 2023, will result in infrastructure improvements to address stormwater runoff, flooding, and sea level rise. Additionally, the plan will establish more efficient land use patterns and is expected to include investments to transportation systems intended to reduce vehicle trips and greenhouse gas emissions. These infrastructure improvements are anticipated to improve environmental scores in the Moffett Park area.

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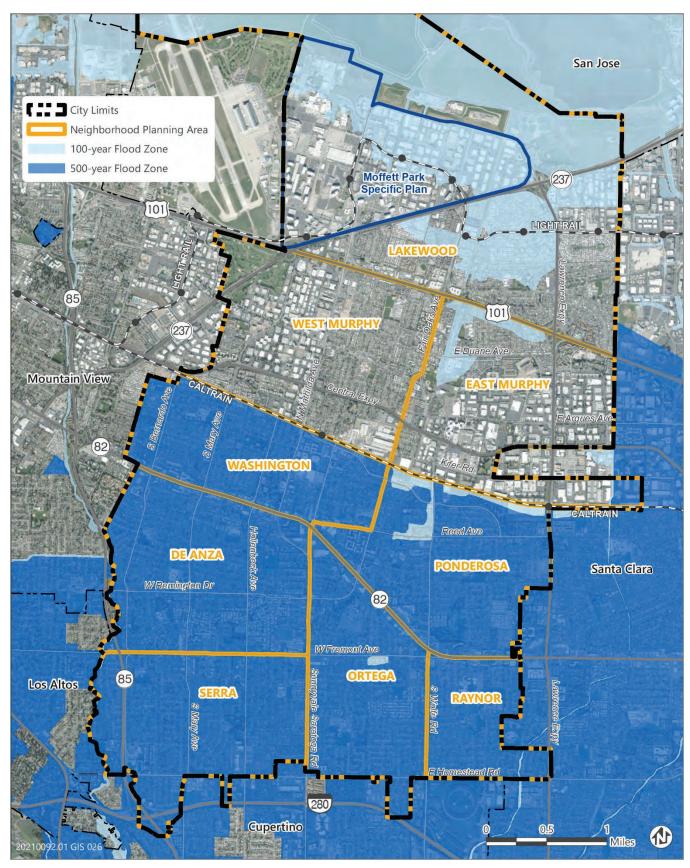
<sup>&</sup>lt;sup>5</sup> Ellen, I.G.; Horn, K.M.; O'Regan, K.M. 2016. Poverty concentration and the Low Income Housing Tax Credit: Effects of siting and tenant composition. *Journal of Housing Economics* 34 (2016) 49-59. Elsevier Inc. https://doi.org/10.1016/j.jhe.2016.08.001

City Limits San Jose Neighborhood Planning Area **Environmental Domain Score** > 0.75 (More Positive Environmental Outcomes) 0.50 - 0.75 0.25 - 0.50 (237)< .25 (Less Positive Environmental Outcomes) Specific Plan LIGHT RAIL **LAKEWOOD** 101 **WEST MURPHY** (237) E Duane Ave **Mountain View EAST MURPHY** Central Exp E Arques Ave 82 WASHINGTON CALTRAIN Reed Ave DE ANZA **PONDEROSA** Santa Clara W Remington Dr (82) W Fremont Ave **ORTEGA** (85) Los Altos SERRA **RAYNOR** E Homestead Rd Cupertino 

Figure 4-31: Environmental Score — TCAC Opportunity Areas, Sunnyvale, 2021

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021.

Figure 4-32: Special Flood Hazard Areas, Sunnyvale, 2020



Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on the Federal Emergency Management Agency, 2020.

## **Disproportionate Housing Needs**

An analysis of disproportionate housing needs identifies how access to the housing market differs for members of protected classes and whether such differences are related to or are the effects of discriminatory actions. For the disproportionate housing need analysis, a "housing problem" is defined as units having incomplete kitchen or plumbing facilities, more than one person per room, and households with cost burdens greater than 30 percent (where costs include utilities, insurance, HOA fees, and property taxes). "Severe" housing problems include all of the above except that the cost burden is greater than 50 percent.

Generally, minority households are more likely to experience higher rent burdens, poor housing conditions, and an increased risk of displacement and/or homelessness. White, non-Hispanic households across the region and in each jurisdiction are the least likely to experience housing problems, while Black and Hispanic/Latino households experience housing problems at the highest rates.

### **COST BURDEN AND OVERPAYMENT**

As previously described, overpayment or "housing cost burden" is defined as households paying more than 30 percent of their gross income on housing related expenses, including rent or mortgage payments and utilities.

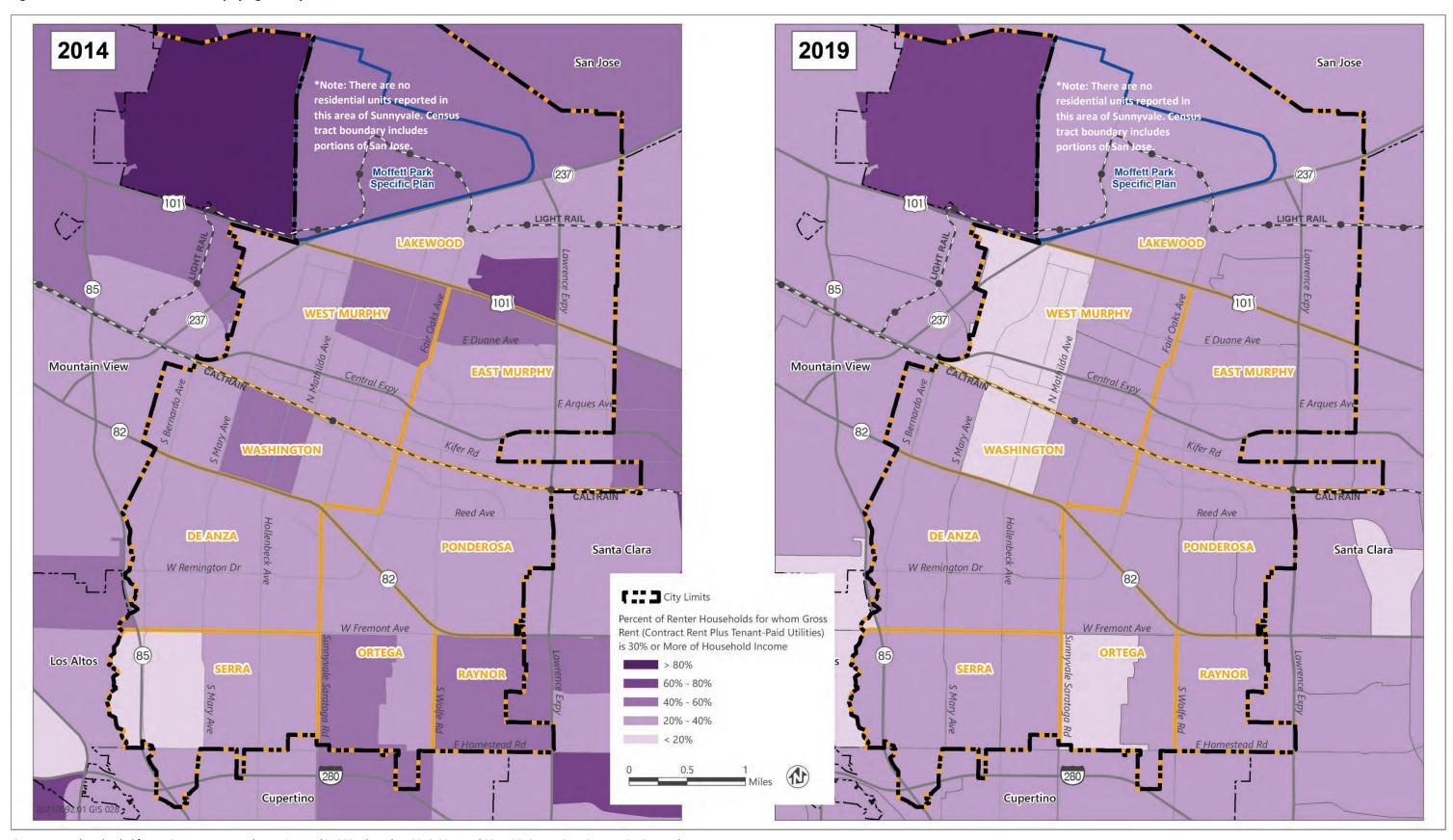
Figure 4-33 shows the trends of overpayment for Sunnyvale renters between 2014 and 2019. In 2014, more than 40 percent of renters in several census tracts were overpaying. However, housing cost burden and overpayment for renters has generally declined in more recent years with all census tracts experiencing less than 40 percent of renters overpaying for housing in 2019. This change occurred throughout the City, including neighborhoods in south Sunnyvale (Washington, Ortega, and Raynor) as well as neighborhoods in the north (Lakewood, West Murphy, and East Murphy).

Similarly, Figure 4-34 shows overpayment trends for Sunnyvale homeowners between 2014 and 2019. There are more census tracts with homeowners overpaying for housing than with renters overpaying for housing and overpayment amongst homeowners has reduced in some areas and increased in others but has remained relatively stable since 2014. Three census tracts had more than 40 percent of homeowners overpaying for housing in 2019, including one census tract in the East Murphy neighborhood planning area, one census tract in the Ponderosa neighborhood planning area, and the census tract north of State Route 237 which is influenced by areas outside of the City. The census tract in the East Murphy neighborhood planning area, just north of E Duane Avenue is the only tract that experienced overpayment consistently between 2014 and 2019.

### **OVERCROWDING**

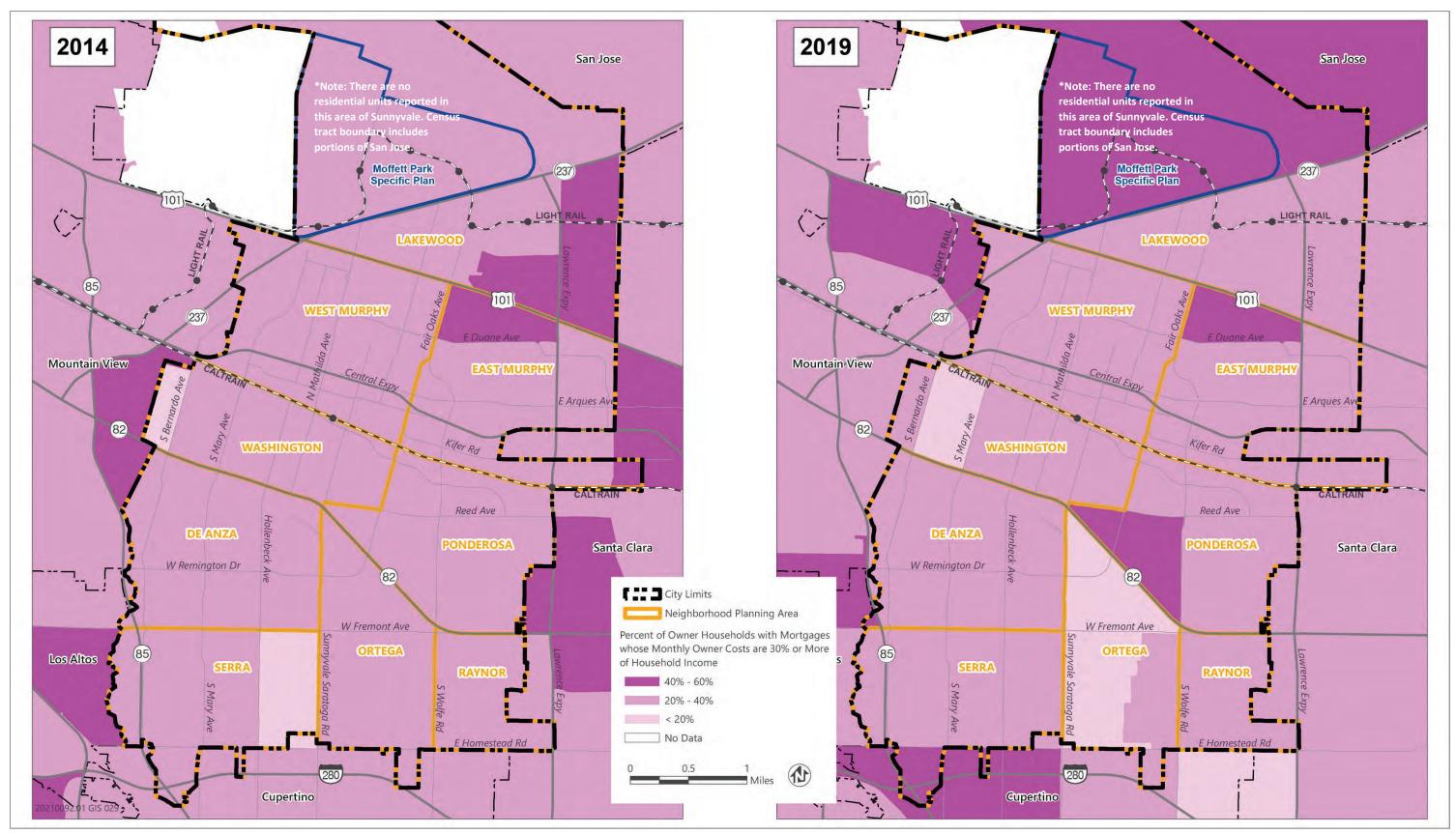
Overcrowding of residential units, in which there is more than one person per room, can be a potential indicator that households are experiencing economic hardship and are struggling to afford housing. However, it can also reflect cultural differences, as some cultures are more likely to live in larger, multigenerational households. Overall, overcrowding occurs in Sunnyvale at a slightly higher rate, with 8.2 percent of households overcrowded, compared to the Bay Area as a whole, where 6.9 percent of households are overcrowded. Figure 4-35 shows the percentage of overcrowded households in the City by census tract. All but one census tract in south Sunnyvale (south of El Camino Real) have rates of overcrowding less than or equal to the statewide average of 8.2 percent. However, more than half of the census tracts located north of El Camino Real experience rates of overcrowding higher than the statewide average, including two tracts that have between 15 and 20 percent of overcrowded households. One of these two tracts is predominantly Hispanic, located just south of U.S. Highway 101, between N Mathilda Ave and Fair Oaks Ave (see Figure 4-8).

Figure 4-33: Percent of Renters Overpaying, Sunnyvale, 2014 and 2019



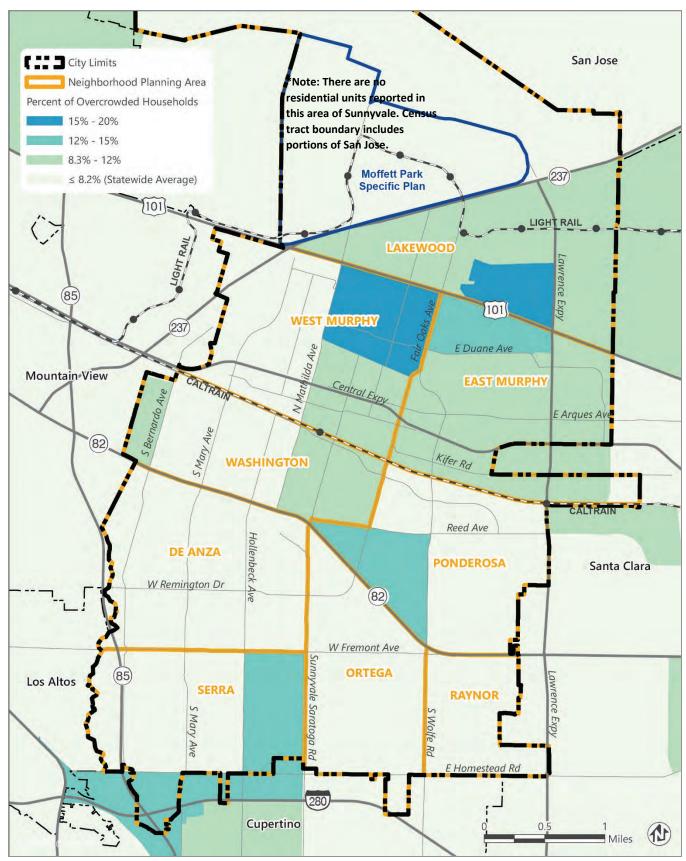
Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on 2010-2014 and 2015-2019 American Community Survey data.

Figure 4-34: Percent of Homeowners Overpaying, Sunnyvale, 2014 and 2019



Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on 2010-2014 and 2015-2019 American Community Survey data.

Figure 4-35: Overcrowded Households, Sunnyvale, 2020



Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on California Health and Human Services, 2020.

As shown in Table 4-12, Hispanic households have the highest rates of overcrowding, 21.1 percent, despite constituting less than 12 percent of overall households in Sunnyvale. Asian households similarly experience a high rate of overcrowding with one in ten households identified as living in overcrowded conditions. These rates of overcrowding among Asian and Hispanic populations stands in stark contrast to the percentage of White households experiencing overcrowding (2.3 percent), given that White households make up the second largest population after Asians. Age likely plays some role in explaining racial and ethnic disparities in overcrowding between White, Hispanic, and Asian residents. Relatively younger adults, around the age of the median-age Asian and Hispanic households of Sunnyvale, are more likely to have minor children in their households, which, in turn, increases the likelihood of overcrowding. These households are also more likely to live in multi-generational households which also contributes to overcrowded housing conditions.

Table 4-12: Occupants Per Room for Households by Race and Ethnicity, City of Sunnyvale

| Race or Ethnicity                         | Total Households | Percent of Households in<br>Units with 1.00 or Fewer<br>Occupants Per Room | Percent of Households in<br>Units 1.01 or More<br>Occupants Per Room |
|---|------------------|--|--|
| Total Non-Institutionalized<br>Population | 56,103           | 91.8%  | 8.2%   |
| White Alone, Not Hispanic or Latino       | 21,256           | 97.7%  | 2.3%   |
| Black or African American Alone           | 919              | 98.8%  | 1.2%   |
| Asian Alone                               | 25,710           | 89.8%  | 10.2%  |
| Hispanic or Latino (of any race)          | 6,563            | 78.9%  | 21.1%  |

Source: U.S. Census American Community Survey 5-year Data (2015-2019)

As with most disproportionate housing needs, renter households are more likely to experience overcrowded conditions. As shown in Table 4-13, renter households have starkly higher rates of severe overcrowding than owner-occupied households; they are 28 times more likely to be subjected to severe overcrowding than owner-occupied units. Although data regarding severe overcrowding by race and ethnicity is not available; in Sunnyvale, and the region, White and Asian households are relatively more likely to be homeowners while Black and Hispanic households are relatively more likely to be renters. Because the absolute number of Hispanic households living in overcrowded conditions is greater in comparison to other households, including Asian ones, and they tend to be renters, Hispanic households are most likely to live in severely overcrowded conditions than other racial or ethnic groups in Sunnyvale.

Table 4-13: Occupants Per Room for Households by Tenure, City of Sunnyvale

| Tenure          | Total Households | Percent of Households in<br>Units with 1.50 or Fewer<br>Occupants Per Room | Percent of Households in<br>Units 1.51 or More<br>Occupants Per Room |  |  |
|-----------------|------------------|--|--|--|--|
| Owner-Occupied  | 25,461           | 99.8%  | 0.2%   |  |  |
| Renter-Occupied | 30,642           | 94.3%  | 5.7%   |  |  |

Source: U.S. Census American Community Survey 5-year Data (2015-2019)

### SUBSTANDARD HOUSING

High housing costs can often result in households, particularly renters, living in substandard conditions to afford housing. As is common throughout the region and the state, substandard housing conditions in Sunnyvale are more prevalent in renter households than in homeowner households. As reported in Chapter 3, "Housing Needs Assessment," 1.9 percent of renters in Sunnyvale reported lacking a kitchen and 0.7 percent of renters lack plumbing, compared to 0.6 percent of owners who lack a kitchen and 0.6 percent of owners who lack plumbing.

Table 4-14 shows that, although very few households in the Sunnyvale and northern San Jose area reside in units that lack complete plumbing and/or kitchen facilities, to the extent that any group is more likely to live in housing lacking such facilities, Hispanic households lack such facilities at the highest rates. In addition, persons with disabilities may live in single-room occupancy buildings or congregate settings like board and care homes that may lack kitchens in individual units. Table 4-15 shows that persons with disabilities in the Sunnyvale and northern San Jose area are much more likely than people who do not have disabilities to live in housing that lacks complete plumbing facilities and, to an even greater extent, complete kitchen facilities.

Table 4-14: Substandard Housing Conditions by Race and Ethnicity, Public Use Microdata Area – Santa Clara County (Northwest)—Sunnyvale & San Jose (North)

| Race or Ethnicity                | Total Population        | Percent of Households in<br>Units That Have Complete<br>Plumbing Facilities |  |  |  |  |
|----------------------------------|-------------------------|---|--|--|--|--|
| White Alone*                     | 61,209                  | 1.4%  | 98.6%  |  |  |  |
| Black or African American Alone  | 2,738                   | 0.0%  | 100.0%   |  |  |  |
| Asian Alone                      | 74,070                  | 0.1%  | 99.5%  |  |  |  |
| Hispanic or Latino (of any race) | 26,716                  | 4.3%  | 95.7%  |  |  |  |
|                                  |                         |   |  |  |  |  |
| Race or Ethnicity                | Total Population        | Percent of Households in<br>Units That Lack Complete<br>Kitchen Facilities  | Percent of Households in<br>Units That Have Complete<br>Kitchen Facilities |  |  |  |
| Race or Ethnicity White Alone*   | Total Population 61,209 | Units That Lack Complete  | Units That Have Complete   |  |  |  |
|                                  |                         | Units That Lack Complete<br>Kitchen Facilities                              | Units That Have Complete<br>Kitchen Facilities                             |  |  |  |
| White Alone*                     | 61,209                  | Units That Lack Complete<br>Kitchen Facilities<br>0.6%                      | Units That Have Complete<br>Kitchen Facilities<br>99.4%                    |  |  |  |

<sup>\*</sup>White Alone population in this table is not disaggregated to exclude people who identify as both Hispanic or Latino and White.

Source: U.S. Census American Community Survey 5-year Data (2015-2019)

Table 4-15: Substandard Housing Conditions by Disability, Public Use Microdata Area – Santa Clara County (Northwest)—Sunnyvale & San Jose (North)

| Disability Status    | Total Population | Percent of Households in<br>Units That Lack Complete<br>Plumbing Facilities | Percent of Households in<br>Units That Have Complete<br>Plumbing Facilities |  |  |  |
|----------------------|------------------|---|---|--|--|--|
| With a Disability    | 10,006           | 1.7%  | 98.3%   |  |  |  |
| Without a Disability | 148,774          | 1.0%  | 99.0%   |  |  |  |
| Disability Status    | Total Population | Percent of Households in<br>Units That Lack Complete<br>Kitchen Facilities  | Percent of Households in<br>Units That Have Complete<br>Kitchen Facilities  |  |  |  |
| With a Disability    | 10,006           | 3.2%  | 96.8%   |  |  |  |
| Without a Disability | 148,774          | 0.9%  | 99.1%   |  |  |  |

Source: U.S. Census American Community Survey 5-year Data (2015-2019)

In 2008, the City conducted a city-wide survey of housing conditions to assess the relative condition of housing throughout Sunnyvale. As part of the survey members of City staff drove around the community and recorded their observations. The survey rated housing stock conditions by recording the number of properties in each neighborhood with code violations pertaining to maintenance standards including vegetation, storage, vehicles, structures, fences, and paving. Staff cited a total of 2,688 violations, with approximately 13 percent of properties with two or more code violations. Staff found poorer conditions in northern Sunnyvale, particularly in the Lakewood and East Murphy areas as well as West Murphy. The most cited violations were vegetation (30 percent), structures (24 percent), and garbage/trash cans (23 percent). By community area, DeAnza had the highest number of violations (483 violations) followed by Lakewood (434 violations) and West Murphy (340 violations). The Housing Element includes a program to re-establish a regularly occurring survey of housing and neighborhood conditions to identify and address building maintenance and quality of life issues in Sunnyvale. The Housing Element also includes a program to expand the Home Improvement Program to provide targeted assistance to low-income seniors for accessibility modifications, home repairs, and minor handyman services. This will include additional outreach to residents throughout the city to reach homeowners in the Lakewood, East Murphy, West Murphy, and DeAnza neighborhoods.

### **HOMELESSNESS**

The number of people experiencing homelessness has increased throughout the Bay Area region in recent years and was further exacerbated by the economic impacts of the coronavirus pandemic. As described in Chapter 3, the last homeless census and survey was conducted by the County in February 2022. The census found that Sunnyvale experienced a substantial growth in homeless population between 2017 and 2019 (147 percent), but the number of people experiencing homelessness decreased from 2019 to 2022 (38 percent). The 2022 PIT Count estimated a total of 385 persons experiencing homelessness in Sunnyvale. Countywide, the homeless population grew a total of 3 percent from 9,706 persons in 2019 to 10,028 persons in 2020. For Santa Clara County, unhoused populations are greatest in San Jose, Gilroy, Mountain View, and the City of Santa Clara. Between 2019 and 2022, Campbell and Milpitas experienced the greatest growth in persons experiencing homelessness.

Although the rate of homelessness for White residents was proportionate to the total White population countywide, other races and/or ethnic groups experienced homelessness at disproportionate rates. Black residents made up almost 19 percent of the countywide homeless population, although Black residents only account for 2.5 percent of the total county population, and American Indian or Alaska Native residents made up 8 percent of the countywide homeless population, but only account for 0.5 percent of the total county population. Conversely, Asian

residents were underrepresented within the homeless population. Asian residents made up under 5 percent of the homeless population but account for almost 37 percent of the total county population (see Figure 3-26). Based on local knowledge from City staff, larger homeless encampments in Sunnyvale have developed relatively recently (i.e., within the last 5-10 years). Generally, people experiencing homelessness tend to be located in northern Sunnyvale (north of El Camino Real), specifically near Lakewood, Fair Oaks, the Sunnyvale Public Library, and City Hall where they can more easily access services and public transportation. The main service providers for people experiencing homelessness in the city are in northern Sunnyvale, while south Sunnyvale is mostly single-family neighborhoods with fewer services available.

### GENTRIFICATION AND RISK OF DISPLACEMENT

Gentrification is the process by which higher-income households move to lower-income neighborhoods, changing the essential character of that neighborhood. Gentrification is often associated with displacement, which occurs when housing costs or neighborhood conditions force people out and drive rents so high that lower-income people are excluded from moving in.

Renter occupancy and high rent burdens are the most common reasons for displacement to occur since renters may not be able to afford to stay in their homes as rents increase. Although, both home values and rents have increased dramatically across the Bay Area in recent years, rents in Sunnyvale have increased at a higher rate than countywide and in the region. As discussed in Chapter 3, median rents in Sunnyvale increased by over 80 percent from 2009 to 2019, during the same timeframe rents increased by 39 percent countywide, and 54 percent in the region. Many renters have been priced out, evicted, or displaced, particularly communities of color. Residents finding themselves in one of these situations may have had to move out of the region, and now commute long distances to their jobs and schools. Low-income households are disproportionately at risk of displacement as rents increase and access to affordable housing decreases. When renters are displaced, there is a corresponding increase in the number of people experiencing homelessness.

The location affordability index, developed by HUD, measures standardized household housing and transportation cost estimates. As shown in Figure 4-36, the location affordability index found that most of the City had median gross rents between \$1,500 and \$3,000 a month (based on 2012-2016 ACS data). Southwestern Sunnyvale, including the De Anza and Serra neighborhood planning areas, had some of the highest median gross rents, between \$2,500 and \$3,000. Lower median gross rents, between \$1,500 - \$2,000 tend to be near Downtown and the central portion of El Camino Real, in the Washington, De Anza, and Ortega neighborhood planning areas; as well as near U.S. Highway 101, in the West Murphy and East Murphy neighborhood planning areas; and in the Moffett Park area of the Lakewood neighborhood planning area.

### **Displacement Risk**

Figure 4-37 shows the communities in Sunnyvale that are sensitive to displacement. Sensitive communities include areas where a high proportion of residents may be vulnerable to displacement due to rising housing costs and market-based displacement pressures present in and/or near the community. In total, 27 percent of census tracts in the state of California are identified as areas that are sensitive to displacement.

City Limits San Jose Neighborhood Planning Area \*Note: There are no Median Gross Rent residential units reported in > \$3,000 this area of Sunnyvale. Censu tract boundary includes \$2,500 - \$3,000 portions of San Jose. \$2,000 - \$2,500 \$1,500 - \$2,000 (237) Specific Plan \$1,000 - \$1,500 LIGHT RAIL **LAKEWOOD** 101 **WEST MURPHY** 237 E Duane Ave Mountain View CALTRAIN **EAST MURPHY** E Arques Ave 82 WASHINGTON CALTRAIN Reed Ave DE ANZA **PONDEROSA** Santa Clara W Remington Dr (82) W Fremont Ave Sunnyvale Saratoga Rd

Figure 4-36: Location Affordability Index, Sunnyvale, 2016

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on 2012-2016 American Community Survey data.

Cupertino

**ORTEGA** 

**RAYNOR** 

E Homestead Rd

SERRA

(85)

Los Altos

San Jose City Limits \*Note: There are no Neighborhood Planning Area residential units reported in Communities Sensitive to Displacement this area of Sunnyvale. Census Vulnerable tract boundary includes portions of San Yose. **Moffett Park** (237) Specific Plan LIGHT RAIL LAKEWOOD 101 **WEST MURPHY** 237 E Duane Ave Mountain View CALTRAIN Central Expy **EAST MURPHY** E Arques Ave 82 Kifer Rd WASHINGTON CALTRAIN Reed Ave Hollenbeck Ave **DE ANZA PONDEROSA** Santa Clara W Remington Dr (82) W Fremont Ave Sunnyvale Saratoga Rd **ORTEGA** (85) Los Altos **SERRA RAYNOR** S Mary Ave E Homestead Rd Cupertino 0.5 

Figure 4-37: Neighborhoods at Risk of Displacement, Sunnyvale, 2017

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on UC Berkley Urban Displacement Project, 2017.

Communities were designated sensitive if they met the following criteria:

- 1. They currently have populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost. Vulnerability is defined as:
  - Share of very low-income residents is above 20 percent in 2017; and,
  - The tract meets two of the following criteria:
  - Share of renters is above 40 percent in 2017
  - Share of people of color is above 50 percent in 2017
  - Share of very low-income households that are severely rent burdened households is above the county median in 2017
- 2. They, or areas in close proximity, have been experiencing displacement pressures. Displacement pressure is defined as:
  - A percent change in rent above the county median for rent increases between 2012 and 2017; or,
  - A difference between census tract median rent and median rent for surrounding tracts above median for all tracts in the county (rent gap) in 2017

Based on this analysis, the areas within Sunnyvale that are sensitive to displacement include the Raynor neighborhood planning area in the southeast; most of the area between the El Camino Real corridor and the Caltrain rail line, including Downtown; and portions of the West Murphy, East Murphy, and Lakewood neighborhood planning areas in the northern portion of the City. These areas include the predominantly Hispanic census tracts just south of U.S. Highway 101.

### **Other Relevant Factors**

### RATES OF HOMEOWNERSHIP

Homeownership is the largest asset of most households in the U.S. and, for many low-income households, provides an opportunity for future generations to attain homeownership by increasing the family's wealth. One of the most prevalent consequences of residential segregation is the intergenerational inaccessibility of homeownership. Homeownership is on the decline in Sunnyvale and is lower than in the county and the region. In 2019, only 45 percent of Sunnyvale residents owned their home, compared to 56 percent of Santa Clara County and Bay Area residents.

Figure 4-38 shows the distribution of renter households in Sunnyvale. The percentage of renters is higher in the northern portion of the City than south of the El Camino Real corridor, corresponding with a higher prevalence of multifamily housing in the north and single-family housing in the south. Census tracts with the lowest proportions of renter households and the highest homeowner rates, are in the southeastern portion of the City in the Serra and De Anza neighborhood planning areas. These areas also correlate with the predominantly White areas of the city (see Figure 4-8). Census tracts with the highest proportions of renter households and the lowest homeowner rates, are just north of El Camino Real in the Ponderosa neighborhood planning area and the most eastern portion of the Washington neighborhood planning area. In addition, homeownership rates are generally lower in the West Murphy and East Murphy neighborhood planning areas.

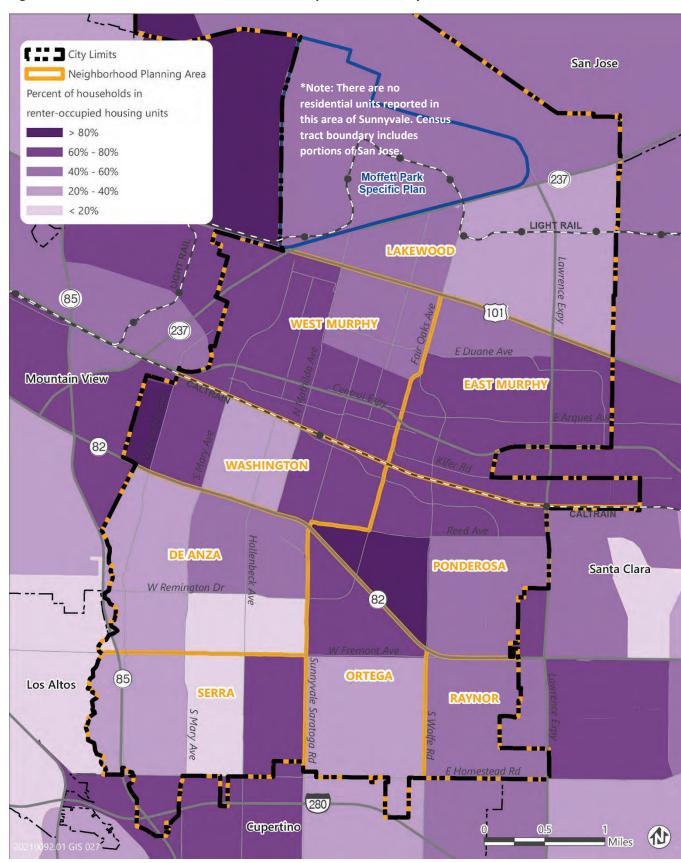


Figure 4-38: Percent of Households in Renter-Occupied Units, Sunnyvale, 2016

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on 2012-2016 American Community Survey data.

Disparities in homeownership rates by race/ethnicity reflect historical federal, state, and local policies that limited access to homeownership for communities of color and the resulting generational wealth gap. In Sunnyvale, homeownership rates are lower amongst Black (22 percent), Hispanic or Latinx (29 percent), and American Indian or Alaska Native (32 percent) residents compared to Asian (43 percent) and White (52 percent) residents (see Figure 3-12).

### **MORTGAGE LOAN ACCESS**

Despite efforts to reform long-standing practices of discrimination in the housing credit system, patterns of inequality still exist. The Great Recession and housing crisis brought to light the unusually high concentration of non-White residents with subprime mortgages and property foreclosures across the country. Subprime mortgages are a type of housing loan most often given to individuals that have weak credit history. Subprime mortgages carry higher interest rates, and are thereby more expensive, because there is a pre-determined higher risk of default. The breakdown of subprime loans within the City is unavailable. However, from 2014-2017, the number of subprime loans, or high-cost loans, in Santa Clara County was low across all racial/ethnic groups due to the extremely costly housing market (see Table 4-16). However, even at these low levels, the differences in racial/ethnic groups is apparent. In Santa Clara County, the Hispanic/Latino subprime rate, 4.79 percent, is nearly four times the rate of Asian subprime loans, 1.23 percent.

Table 4-16: Percentage of Originated Loans That Were High-Cost by Race or Ethnicity in Santa Clara County, 2014-2017

| Race or Ethnicity   | Number of Loans Originated | Percentage High-Cost |
|---------------------|----------------------------|----------------------|
| White, Not Hispanic | 62,431                     | 1.80%                |
| Black, Not Hispanic | 1,689                      | 3.37%                |
| Asian, Not Hispanic | 73,926                     | 1.23%                |
| Hispanic/Latino     | 14,275                     | 4.79%                |

Source: Santa Clara County Assessment of Fair Housing Draft, 2020 (Home Mortgage Disclosure Act Data).

In 2018 and 2019, of the 5,180 mortgage applications filed in Sunnyvale, 14 percent were denied. As shown in Figure 4-39, Asian/Pacific Islander applicants had the lowest denial rates (12 percent) and were the only race to have a lower denial rate than the Citywide rate. The denial rates within Sunnyvale for Hispanic or Latinx applicants (28 percent); Black or African American, non-Hispanic (25 percent) were significantly higher than for White applicants (17 percent), and all were above the Citywide denial rate. American Indian or Alaska Native, non-Hispanic applicants had the highest denial rate (38 percent), however only 8 applications total were submitted.

### HOUSING CHOICE VOUCHERS

Housing choice vouchers can show patterns of concentration and integration to inform needed actions. Compared to the region, Sunnyvale has a relatively low percentage of housing choice vouchers. HUD's 2020 fair housing data exchange showed that of the 56,120 housing units in the City, only 648 units, or 1.15 percent, were included in the housing choice voucher program. Within, Sunnyvale, the census tract with the highest percentage of renters using housing choice vouchers was 5.8 percent. This census tract is in the Ponderosa neighborhood planning area, just north of El Camino Real and west of South Wolfe Road, and includes a number of older multifamily rental developments. In 12 other census tracts, less than 5 percent of renters use housing choice vouchers, and the remaining 16 census tracts have no data (see Figure 4-40).

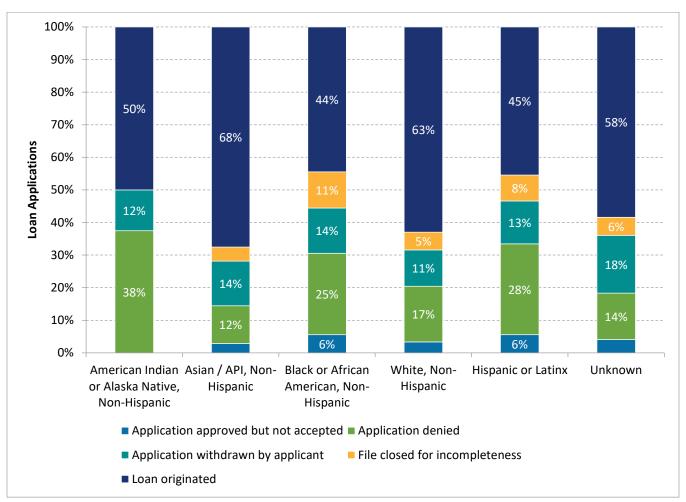
Participation in the housing choice voucher program in Sunnyvale is well distributed by race/ethnic group. As shown in Table 4-17, HUD's 2020 fair housing data exchange shows that, in Sunnyvale, a higher proportion of program participants were White than in the northern Santa Clara County region. Approximately the same proportion of participants were Black or Asian/Pacific Islander as in the region. However, a substantially smaller proportion of participants in the City were Hispanic than in the region.

Table 4-17: Housing Choice Voucher Program Participants by Race/Ethnicity, 2020

| Location                                 | White, No | n-Hispanic | Black, No | n-Hispanic | Hispanic, | All Races | Asian or Pacific<br>Islander, Non-<br>Hispanic |       |  |
|--|-----------|------------|-----------|------------|-----------|-----------|--|-------|--|
|  | #         | %          | #         | %          | #         | %         | #  | %     |  |
| Sunnyvale                                | 176       | 30.6%      | 69        | 12%        | 111       | 19.3%     | 213  | 37%   |  |
| San Jose-Sunnyvale-Santa<br>Clara Region | 2,892     | 17.4%      | 2,099     | 12.7%      | 5,307     | 32%       | 6,168  | 37.2% |  |

Source: HUD AFFH Database, 2020.

Figure 4-39: Determination of Mortgage Loan Applications by Race/Ethnicity



Source: Federal Financial Institutions Examination Council's (FFIEC) Home Mortgage Disclosure Act Ioan/application register (LAR) files, 2018 and 2019.

San Jose City Limits \*Note: There are no Neighborhood Planning Area residential units reported in HCV as a Percent of Renter Occupied Housing Units this area of Sunnyvale. Census 5% - 15% tract boundary includes < 5% portions of San Jose No Data **Moffett Park** (237)Specific Plan LIGHT RAIL **LAKEWOOD** 101 **WEST MURPHY** (237) E Duane Ave Mountain-View CALTRAIN Central Expy **EAST MURPHY** E Arques Ave (82) Kifer Rd WASHINGTON CALTRAIN Reed Ave Hollenbeck Ave **DE ANZA PONDEROSA** Santa Clara W Remington Dr (82) W Fremont Ave Sunnyvale Saratoga Ra **ORTEGA** (85) Lawrence Expy Los Altos **SERRA RAYNOR** S Mary E Homestead Rd Cupertino 

Figure 4-40: Use of Housing Choice Vouchers by Census Tract, Sunnyvale, 2021

Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, based on HUD Housing Choice Voucher Program data, 2021.

### LAND USE AND ZONING PRACTICES

Sunnyvale is a far different place than the agricultural land (fruit orchards, and flower, dairy, and other farms) it was just 80 years ago. During World War II, Santa Clara County shifted from agricultural production to high-tech industry. In 1930, Congress decided to place the West Coast airfield base in Sunnyvale. This naval airfield was later renamed Moffett Naval Air Station and then Moffett Federal Airfield and is commonly called Moffett Field.<sup>6</sup> As the tech and defense industry grew, a shortage of workers in the farm industry was created. Immigrants from Mexico came to Sunnyvale to fill this void of workers.<sup>7</sup>

Following the war, orchards and farms were cleared to build homes, factories, and offices. Two New Deal housing initiatives, the Homeowners Loan Corporation (HOLC, founded in 1933) and the Federal Housing Administration (FHA, founded in 1934), were created by the federal government to encourage homeownership and protect homeowners at risk of foreclosure during the Great Depression. In practice, these government initiatives and systems of the real estate market only provided resources and protections for the White community. Through an overt practice of denying mortgages based upon race and ethnicity, the FHA played a significant role in the legalization and institutionalization of racism and segregation throughout the country, including in Sunnyvale. Suburbanization throughout the state embedded fair housing issues into the fabric of land use and zoning practices today as many forms of housing discrimination from the implementation of blockbusting and redlining to discrimination against people of color, disabled groups, and members of the LGBTQ community. The pressures of real estate prices, urban renewal efforts, and aging housing stock, combined with a postwar expansion of new deedrestricted residential communities, created a significant housing gap between low-income and high-income residents. Joseph Eichler, a housing developer whose first housing subdivision was in Sunnyvale in the late 1940s, eventually built over 1,110 single-family homes in Sunnyvale. Eichler established a non-discrimination policy and offered homes for sale to anyone of any religion or race; many other developers working in Sunnyvale did not share his perspective and recorded restrictive covenants to assist buyers in acquiring federally backed loans that primarily benefited White buyers.

Sunnyvale adopted its first General Plan in 1957 anticipating a primarily single-family housing stock. In 1962 an updated General Plan was adopted acknowledging the need for a greater range of house types and affordability. A comprehensive zoning ordinance was adopted in 1963 to implement the 1962 General Plan and more precisely establish the amount and distribution of land allocated for different uses. Prior to 1960, the majority of the City's land was used for industry (including farming and farming supportive industries such as canneries) and business, while the City's future residential neighborhoods were largely in the southern part of the city (much of this land was annexed in the 1960s). By 2002, the few remaining orchards were removed and replaced with homes, shops, with numerous high-tech companies having established offices and headquarters in Sunnyvale.

In 1980, the City of Sunnyvale adopted an inclusionary housing ordinance requiring new housing development to make 10 percent of units affordable at below market rates (BMR) for developments of 10 or more units. Developments with fewer than 20 units had the option of paying an in-lieu fee. Originally, the requirement did not apply to lower-density, single-family zoning districts, which were primarily being built in central south Sunnyvale (south of Central Expressway). Although, it did apply to single-family developments built in R-2 zoning districts. Generally, only small pockets of single-family neighborhoods were developed post-1980. Because most multifamily housing has been built in the northern part of Sunnyvale where the City has encouraged the redevelopment of industrial areas to housing, today the bulk of BMR units tend to be in northern Sunnyvale. South Sunnyvale had

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<sup>&</sup>lt;sup>6</sup> https://www.nps.gov/places/u-s-naval-air-station-sunnyvale-california-historic-district.htm

<sup>&</sup>lt;sup>7</sup> https://sunnyvale.com/story/more-history-of-sunnyvale/395891

already been zoned and almost fully developed with primarily lower density single-family housing, leaving few large parcels suitable to the development of multi-family housing. With fewer multi-family developments, fewer BMR inclusionary units were developed in south Sunnyvale.

In 2003 the BMR requirement for rental units was increased to 15 percent and the for-sale unit requirement for BMRs units was increased to 12.5 percent; an in-lieu fee was enabled for fractional units; the time period for affordability was increased from 20 years to 30 years (for-sale) and 55 years (rental); and, provisions were included to allow a developer to apply for alternative compliance with the BMR requirement. To date, three developments have been approved for alternative compliance (an in-lieu fee was approved for all three requests, totaling about 12 low and low-medium density BMR for-sale units). In 2022 the for-sale unit BMR requirement was increased to 15 percent.

The BMR inclusionary requirement is critical for ensuring that lower-income housing continues to be developed in Sunnyvale, especially in higher resource areas in south Sunnyvale. The Housing Element includes a program to create more opportunities for multifamily housing in areas of high resource, such as the southern Village Centers and other sites in south Sunnyvale. These rezoning efforts will encourage denser, mixed-income housing which will help to disperse affordable housing throughout the city and reduce historical patterns of segregation.

#### **Public Investments**

Since 2013, central and northern Sunnyvale (north of El Camino Real) has been a focal point for the City's major capital improvement projects. As many areas of north Sunnyvale have transitioned from industrial to residential, the City has focused investment in these newly residential areas to ensure sufficient access to resources in all areas of the City. In total, nearly \$100 million (or approximately 80 percent of capital improvement project funds) have been approved for projects in northern Sunnyvale. Much of the funding for capital improvement projects is generated through development impact fees such as Park Dedication In-lieu, Transportation Impact, and Sense of Place fees. These projects have helped transform many of the formerly commercial and industrial areas to residential neighborhoods with access to high quality amenities. As northern Sunnyvale continues to add new housing during the 2023-2031 planning period, the City will continue to focus on improvements to ensure access to opportunity throughout Sunnyvale.

#### Parks and Recreation Improvements

The City takes pride in the availability of parks and public open spaces in its jurisdiction. Since 2013, more than \$60 million has been used towards parks and recreation improvement projects throughout the City. Figure 4-41 shows parks and recreation capital improvement projects in the city categorized by TCAC Opportunity categorization. About 58 percent of this funding went towards the City's moderate resource areas in northern Sunnyvale. These projects include the creation of three new parks in moderate-resource areas, the 6.5-acre Muwékma Park, 4.3-acre Seven Seas Park, and the 0.8-acre Wiser Park, which was a collaboration between the City and the developer as part of the 450-unit project called the Vale. Major renovations were also made to the existing Fair Oaks Park, which is also located in a moderate resource area. Projects in south Sunnyvale (i.e., south of the El Camino Real corridor), were primarily focused on improvements to existing facilities such as the Sunnyvale Community Center, Orchard Heritage Park, and Las Palmas Park.

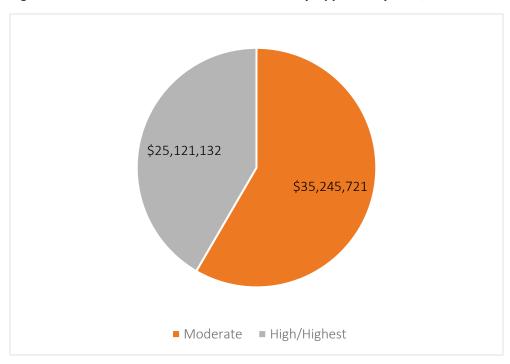


Figure 4-41: Parks and Recreation Investments by Opportunity Area, 2013-2023

Source: City of Sunnyvale, 2023.

### **Transportation Improvements**

Figure 4-42 shows transportation and capital improvement projects in the city categorized by TCAC Opportunity categorization. Approximately \$58 million has been approved for transportation and traffic improvement projects since 2013. These projects include bicycle and pedestrian improvements as well as traffic signal upgrades. More than half of all funding for transportation improvements were also in low or moderate-resource areas, by TCAC Opportunity measures. These projects consisted of larger infrastructure projects, such as the Fair Oaks Bridge rehabilitation project, and smaller projects such as bike lanes, pedestrian improvements, and signal improvements that are designed to improve traffic safety for all community members.

For the 2023-2031 planning period, northern Sunnyvale, particularly the Moffett Park Specific Plan area and Lawrence Station Plan area, will see increased investment in pedestrian, bike, and other traffic improvements. As these formerly industrial areas transition to residential use, revenue generated from Sense of Place and Transportation Impact fees will be critical in improving amenities in these areas. Not included in these totals are several major traffic improvement projects that will help more safely connect northern and southern parts of Sunnyvale, including two grade separation projects along the Caltrain line at Mary Avenue and Sunnyvale Avenue.

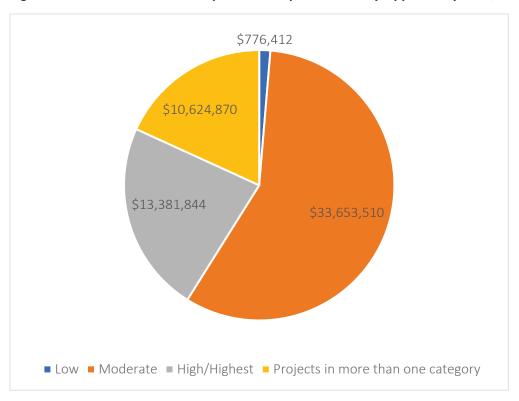


Figure 4-42: Investments in Transportation Improvements by Opportunity Area, 2013-2023

Note: Some projects are located on the border of census tracts and may include areas with multiple opportunity scores. Additionally, some projects may include multiple improvements in different areas of the city, including areas south of the El Camino Real corridor.

Source: City of Sunnyvale, 2023.

Recent updates to specific plans such as Downtown Specific Plan, Lawrence Station Area Plan, and Moffett Park Specific Plan (planned adoption in summer 2023), are designed to transition formerly exclusively commercial and industrial areas to mixed-use (office, commercial and residential uses). As this transition continues during the 2023-2031 planning period, new capital improvement projects will ensure access to amenities in northern and central Sunnyvale. As with prior capital improvement projects, many will be funded by revenue from development fees such as Park Dedication In-lieu, Sense of Place, and Transportation Impact fees. The Housing Element includes Program H35 — Prioritize Capital Improvement Program to ensure the continued prioritization of public infrastructure projects in northern Sunnyvale, especially in areas of low and moderate resource.

### LOCATION OF EXISTING PUBLICLY-SUPPORTED AFFORDABLE HOUSING

The geographic distribution of existing publicly-supported affordable housing is an important factor in examining fair housing choice and patterns of segregation by income and race/ethnicity. Figure 4-43 and Table 4-18 show the location of existing affordable rental housing in Sunnyvale, as of 2022. This includes subsidized housing, below market rate units, and affordable rental units. Existing affordable housing is generally located in the central and northern portions of the City, closer to the Downtown and near transit services. Six subsidized housing developments are located south of El Camino Real, where access to opportunities tends to be higher and the proportion of non-White residents is lower.

Table 4-18: Existing Affordable Rental Housing in Sunnyvale, 2022

| Map Site Number | Туре                   | Name                         | Address                    |
|-----------------|------------------------|------------------------------|----------------------------|
| 1               | Subsidized             | Klee Senior Group Home       | 1230 Klee Court            |
| 2               | Subsidized             | Wolfe Senior Group Home      | 1675 S. Wolfe Road         |
| 3               | Subsidized             | Parkside Studios             | 495 North Wolfe Road       |
| 4               | Subsidized             | Stoney Pine Villa            | 267 W California Street    |
| 5               | Subsidized             | Pacific Plaza                | 785 Reseda Drive           |
| 6               | Subsidized             | Lamar Group House            | 854 Gary Avenue            |
| 7               | Subsidized             | Meadows Group Home           | 862 Hollenbeck Avenue      |
| 8               | Subsidized             | Onizuka Crossing             | 620 East Maude Avenue      |
| 9               | Subsidized             | Fair Oaks Plaza              | 660 S. Fair Oaks Avenue    |
| 10              | Subsidized             | Garland Plaza                | 662 Garland Avenue         |
| 11              | Subsidized             | Carroll Inn                  | 174 Carroll Street         |
| 12              | Subsidized             | Crescent Terrace             | 130 Crescent Avenue        |
| 13              | Subsidized             | Morse Court                  | 825 Morse Avenue           |
| 14              | Subsidized             | Homestead Park/Moulton Plaza | 1601 Tenaka Place          |
| 15              | Subsidized             | Aster Park                   | 1059 Reed Avenue           |
| 16              | Below Market Rate      | Tamarind Square              | 1160 Morse Avenue          |
| 17              | Subsidized             | Plaza de las Flores          | 233 Carroll Street         |
| 18              | Subsidized             | Borregas Court               | 101 W. Weddell Drive       |
| 19              | Below Market Rate      | Encinal Place                | 604 S. Fair Oaks Ave       |
| 20              | Below Market Rate      | Lawrence Station Apartments  | 1271 Lawrence Station Road |
| 21              | Subsidized             | Orchard Gardens              | 245 W. Weddell Drive       |
| 22              | Subsidized             | Eight Trees Apartments       | 183 Acalanes Drive         |
| 23              | Subsidized             | Life's Garden                | 450 Old San Francisco Road |
| 24              | Below Market Rate      | Villa Del Sol                | 355 E. Evelyn Avenue       |
| 25              | Below Market Rate      | Magnolia Square              | 117 S. Mary Avenue         |
| 26              | Below Market Rate      | Via                          | 621 Tasman Drive           |
| 27              | Below Market Rate      | Cherry Orchard               | 250 W. El Camino Real      |
| 28              | Affordable Rental Unit | Iron Works North             | 495 E. Evelyn Avenue       |
| 29              | Affordable Rental Unit | Iron Works South             | 394 E. Evelyn Avenue       |
| 30              | Affordable Rental Unit | 481 on Mathilda              | 481 N. Mathilda Avenue     |
| 31              | Affordable Rental Unit | 6 Ten East                   | 610 E. Weddell Avenue      |
| 32              | Affordable Rental Unit | Encasa                       | 520 E Weddell Drive        |
| 33              | Subsidized             | Edwina Benner Plaza          | 460 Persian Drive          |
| 34              | Below Market Rate      | The Flats                    | 300 W. Washington Avenue   |
| 35              | Below Market Rate      | Savoy                        | 1120 Kifer Road            |
| 36              | Below Market Rate      | Flats West                   | 333 W. Iowa Avenue         |
| 37              | Affordable Rental Unit | Maxwell Apartments           | 490 W. McKinley Avenue     |
| 38              | Affordable Rental Unit | Redwood Place                | 959 Stewart Drive          |
| 39              | Subsidized             | Murphy Station Apartments    | 1008 E. El Camino Real     |

Source: City of Sunnyvale, 2023.

Plan Areas (1) City Limits Existing Affordable Rental Housing Subsidized Baylands Park Below Market Rate Affordable Rental Unit Moffett Park Specific Plan 20 33 101 LIGHT RAIL 21 18 (85) Peery Park Specific Plan (101) 237 Lawrence/101 Specific Plan Lakeside Specific Plan E Duane Ave 3 Arques Specific Plan (82 Downtown Specific Plan Lawrence Station El Camino Rei Specific Plan Area Plan CALTRAIN Reed Ave W Remington Dr 12 W Fremont Ave (85) Lawrence Expy S Wolfe Rd S Mary Ave 2 E Homestead Re 280 0 20210092.01 GIS 049

Figure 4-43: Existing Affordable Rental Housing, Sunnyvale, 2022

Source: Data received from the City of Sunnyvale in 2022.

# 4.3 Assessment of Sites Inventory and Fair Housing

State housing element law, Government Code Section 65583(c)(10), requires that the sites inventory (see Chapter 5) be analyzed with respect to AFFH to ensure that affordable housing is dispersed equitably throughout the City rather than concentrated in areas of high segregation and poverty or low resource areas that have historically been underserved. By comparing the sites inventory to the fair housing indicators in this assessment, this section analyzes whether the sites included in the Housing Element sites inventory improve or exacerbate fair housing conditions, patterns of segregation, and access to opportunity throughout the City.

### SUMMARY OF SITES INVENTORY AND FAIR HOUSING

Sunnyvale was allocated a total of 11,966 new housing units to plan for during the 6<sup>th</sup> Cycle Regional Housing Needs Allocation (RHNA) projection period. This RHNA includes 2,968 very low-, 1,709 low-, 2,032 moderate-, and 5,257 above moderate-income units. A full description of the City's ability to meet the RHNA is provided in Chapter 5, Sites Inventory. Using data and research from the HCD AFFH Data and Mapping Tool 1.0, Table 4-19 presents the housing unit capacity and existing conditions as they relate to indicators of fair housing analyzed in this assessment for each census tract in the city. Although this analysis is based on census tract geographies, neighborhood planning areas and specific plan areas are also included in the analysis. Please note that census tract geographies do not align with neighborhood planning areas and specific plan areas. As a result, in most cases, census tracts include only a portion of a specific plan or neighborhood planning area. Relative to all of the census tracts within the city, the inventoried capacity for new housing is highest in census tract 5046.02, which contains the entirety of the Moffett Park Specific Plan area (9,626 units, or 57 percent of the total housing capacity), followed by census tract 5087.08 of the East Murphy neighborhood where the Lawrence Station Area Plan is located (1,356 units or 8 percent of the total housing capacity) and census tract 5086.02 of the Washington neighborhood where a significant portion of the Downtown Specific Plan area is located (1,005 units or 6 percent of the total housing capacity). Figure 4-44 displays the housing capacity identified in the sites inventory relative to census tracts, neighborhood planning areas, and specific plan areas.

As described throughout this Housing Element, specific plans have proven to be successful for facilitating new infill housing development in the city. The City has adopted several area and specific plans to incite development in a variety of districts throughout the city and there are a multitude of active planning and development projects that are underway. Most of the future housing development, as described in Chapter 5, "Sites Inventory and Funding Resources," is anticipated to occur within specific plan areas, specifically the Downtown Specific Plan, Lawrence Station Area Plan, El Camino Real Specific Plan, Moffett Park Specific Plan, and Village Center Master Plan because these areas have the greatest capacity for higher density development.

City Limits Plan Areas Pipeline Project Lower Income Site San Jose Moderate Income Site TRACT 5046.02 Above Moderate Income Site Mixed Income Site **Future Opportunity Site** Census Tract Moffett Park Neighborhood 237 Specific De Anza East Murphy 4 Lakewood TRACT TRACT 5048.05 5048.08 TRACT 5091.02 TRACT Ortega TRACT 5048.07 5048.02 Ponderosa TRACT 5048.06 Raynor TRACT 5090.01 Lawrence/101 TRACT 5089 237 Specific Plan Peery Park Washington Specific Plan TRACT 5090.02 West Murphy TRACT 5088 Mountain View Lakeside TRACT 5087.08 Specific TRACT Plan **Arques** 0 TRACT 5087.07 Specific TRACT 5091.06 Downtown 82 Specific TRACT TRACT 5052.02 5086.01 TRACT 5086.02 El Camino Real TRACT 5087.05 TRACT 5087.06 **Lawrence Stati** Specific Plan Area Plan TRACT 5085.09 TRACT 5084.04 TRACT 5084.01 TRACT 5085.08 Santa Clara TRACT 5085.10 TRACT 5085.05 TRACT TRACT 5085.03 TRACT 5084.03 82 (85) Los Altos TRACT 5082.05 TRACT 5083.06 TRACT TRACT TRACT 5082.03 TRACT 5082.04 5083.01 5083.03 TRACT TRACT 5082.06 TRACT TRACT 5081.01 280 0.5 1 Cupertino Miles

Figure 4-44: Housing Capacity by Census Tract and Neighborhood Planning Area, City of Sunnyvale, 2023-2031

Source: City of Sunnyvale and Ascent, 2023.

Table 4-19: Distribution of Housing Capacity by Census Tract and Fair Housing Indicators, City of Sunnyvale, 2023-2031

| Geography       |                               |                                  | Existing<br>Housing<br>Units |                          | Sites                       | Inventory Ca                         | pacity            |  | Integrati              | ion and Segregation I | ndicators          | Acces  | s to Opport                | unity                             | Disproporti               | onate Housing N       | leeds/Displacem          | ent Risk                     |
|-----------------|-------------------------------|----------------------------------|------------------------------|--------------------------|-----------------------------|--------------------------------------|-------------------|--|------------------------|-----------------------|--------------------|--|----------------------------|-----------------------------------|---------------------------|-----------------------|--------------------------|------------------------------|
| Census<br>Tract | Neighborhood<br>Planning Area | Specific Plan<br>Area            |                              | Lower<br>Income<br>Units | Moderate<br>Income<br>Units | Above<br>Moderate<br>Income<br>Units | Total<br>Capacity | Percent of<br>Total<br>Housing<br>Capacity | Population<br>Majority | Median Income         | Disability<br>Rate | TCAC<br>Opportunity<br>Designation             | Jobs<br>Proximity<br>Index | Cal-<br>Enviroscreen<br>4.0 Score | Overcrowded<br>Households | Renter<br>Overpayment | Homeowner<br>Overpayment | Risk of<br>Displace-<br>ment |
| 5046.02         | Moffett Park                  | Moffett Park<br>Specific Plan    | 0*                           | 4,418                    | 0                           | 5,208                                | 9,626             | 56.8%                                      | Hispanic*              | \$87,100 - \$100,000* | < 10%*             | Low Resource/<br>Focused Area of<br>Investment | > 80                       | >60 - 70                          | ≤ 8.2%*                   | 40% - 60%*            | 40% - 60%*               |                              |
| 5048.02         | Lakewood                      |                                  | 1,748                        | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | Asian                  | \$100,000 - \$149,000 | 10% - 20%          | Moderate                                       | > 80                       | >50 - 60                          | 8.3% - 12%                | 40% - 60%             | 20% - 40%                | Y                            |
| 5048.05         | Lakewood                      |                                  | 3,084                        | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | White                  | \$100,000 - \$149,000 | < 10%              | Moderate                                       | > 80                       | >40 - 50                          | 8.3% - 12%                | 40% - 60%             | 20% - 40%                |                              |
| 5048.06         | Lakewood                      |                                  | 819                          | 0                        | 77                          | 0                                    | 77                | 0.5%                                       | Asian                  | \$100,000 - \$149,000 | 10% - 20%          | Moderate                                       | > 80                       | >40 - 50                          | 15% - 20%                 | 40% - 60%             | 20% - 40%                |                              |
| 5048.07         | Lakewood                      |                                  | 2,516                        | 207                      | 189                         | 144                                  | 540               | 3.2%                                       | Asian                  | \$150,000 - \$199,999 | < 10%              | Moderate                                       | >80                        | >40 - 50                          | 8.3% - 12%                | 20% - 40%             | 20% - 40%                | Y                            |
| 5048.08         | West Murphy                   | Peery Park<br>Specific Plan      | 648                          | 59                       | 7                           | 2                                    | 68                | 0.4%                                       | Asian                  | \$50,000 - \$87,100   | < 10%              | Moderate                                       | >80                        | >40 - 50                          | 8.3% - 12%                | 20% - 40%             | 20% - 40%                | Υ                            |
| 5052.02         | East Murphy                   | Lawrence<br>Station Area<br>Plan | 2,721                        | 151                      | 38                          | 63                                   | 252               | 1.5%                                       | Hispanic               | \$50,000 - \$87,100   | 10% - 20%          | Low Resource/<br>Focused Area of<br>Investment | >80                        | >50 - 60                          | ≤ 8.2%                    | 40% - 60%             | 20% - 40%                | Y                            |
| 5078.05         | Serra                         |                                  | 2,200                        | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | Asian                  | \$100,000 - \$149,000 | < 10%              | Highest  | 60 - 80                    | >10 - 20                          | 12% - 15%                 | 40% - 60%             | 40% - 60%                |                              |
| 5081.01         | Ortega                        |                                  | 2,366                        | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | Asian                  | \$150,000 - \$199,999 | < 10%              | Highest  | 60 - 80                    | >10 - 20                          | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                |                              |
| 5082.03         | Ortega                        |                                  | 1,842                        | 0                        | 48                          | 73                                   | 121               | 0.7%                                       | Asian                  | \$150,000 - \$199,999 | < 10%              | Highest  | 60 - 80                    | 0-10                              | ≤ 8.2%                    | < 20%                 | < 20%                    |                              |
| 5082.04         | Ortega                        |                                  | 1,563                        | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | Asian                  | \$150,000 - \$199,999 | < 10%              | Highest  | 60 - 80                    | 0-10                              | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                |                              |
| 5082.05         | Raynor                        | El Camino Real<br>Specific Plan  | 1,498                        | 0                        | 64                          | 0                                    | 64                | 0.4%                                       | White                  | \$150,000 - \$199,999 | < 10%              | Highest  | 40 - 60                    | >10 - 20                          | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                | Y                            |
| 5082.06         | Raynor                        |                                  | 1,475                        | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | White                  | \$150,000 - \$199,999 | < 10%              | Highest  | 40 - 60                    | >10 - 20                          | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                | Υ                            |
| 5083.01         | Serra                         |                                  | 1,513                        | 0                        | 108                         | 0                                    | 108               | 0.6%                                       | White                  | > \$200,000           | < 10%              | Highest  | 40 - 60                    | 0-10                              | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                |                              |
| 5083.03         | Serra                         |                                  | 927                          | 0                        | 108                         | 0                                    | 108               | 0.6%                                       | White                  | \$150,000 - \$199,999 | < 10%              | Highest  | 40 - 60                    | 0-10                              | ≤ 8.2%                    | 40% - 60%             | 20% - 40%                |                              |
| 5083.05         | Serra                         |                                  | 2,000                        | 0                        | 6                           | 0                                    | 6                 | 0.0%                                       | Asian                  | \$100,000 - \$149,000 | < 10%              | Highest  | 60 - 80                    | >10 - 20                          | 12% - 15%                 | 40% - 60%             | 20% - 40%                | Υ                            |
| 5083.06         | Serra                         |                                  | 1,107                        | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | Asian                  | \$100,000 - \$149,000 | < 10%              | Highest  | 60 - 80                    | >10 - 20                          | 12% - 15%                 | 40% - 60%             | 20% - 40%                | Υ                            |
| 5084.01         | De Anza                       | El Camino Real<br>Specific Plan  | 2,487                        | 245                      | 145                         | 102                                  | 492               | 2.9%                                       | White                  | \$150,000 - \$199,999 | < 10%              | Highest  | 40 - 60                    | >10 - 20                          | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                |                              |
| 5084.03         | De Anza                       |                                  | 1036                         | 14                       | 91                          | 0                                    | 105               | 0.6%                                       | White                  | \$150,000 - \$199,999 | < 10%              | Highest  | 40 - 60                    | 0-10                              | ≤ 8.2%                    | 40% - 60%             | 20% - 40%                |                              |
| 5084.04         | De Anza                       | El Camino Real<br>Specific Plan  | 2,244                        | 247                      | 62                          | 109                                  | 418               | 2.5%                                       | White                  | \$150,000 - \$199,999 | < 10%              | Highest  | 40 - 60                    | >10 - 20                          | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                |                              |
| 5085.03         | Ponderosa                     | El Camino Real<br>Specific Plan  | 2,748                        | 210                      | 131                         | 117                                  | 458               | 2.7%                                       | Asian                  | \$100,000 - \$149,000 | < 10%              | Highest  | 40 - 60                    | >10 - 20                          | ≤ 8.2%                    | 20% - 40%             | < 20%                    |                              |
| 5085.05         | Ponderosa                     |                                  | 2,105                        | 0                        | 13                          | 0                                    | 13                | 0.1%                                       | Asian                  | \$150,000 - \$199,999 | < 10%              | Highest  | 60 - 80                    | >20 - 30                          | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                | <u> </u>                     |
| 5085.07         | Ponderosa                     | El Camino Real<br>Specific Plan  | 1,523                        | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | Asian                  | \$100,000 - \$149,000 | < 10%              | High   | 60 - 80                    | >10 - 20                          | ≤ 8.2%                    | 40% - 60%             | 20% - 40%                | Y                            |
| 5085.08         | Ponderosa                     |                                  | 2,039                        | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | Asian                  | \$100,000 - \$149,000 | < 10%              | High   | 60 - 80                    | >20 - 30                          | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                | Y                            |
| 5085.09         | Ponderosa                     | El Camino Real<br>Specific Plan  | 2,074                        | 165                      | 59                          | 68                                   | 292               | 1.7%                                       | Asian                  | \$100,000 - \$149,000 | < 10%              | High   | 60 - 80                    | >20 - 30                          | 12% - 15%                 | 20% - 40%             | 40% - 60%                | Y                            |
| 5085.10         | Ponderosa                     | El Camino Real<br>Specific Plan  | 1,357                        | 291                      | 167                         | 122                                  | 580               | 3.4%                                       | Asian                  | \$100,000 - \$149,000 | < 10%              | High   | 60 - 80                    | >20 - 30                          | 12% - 15%                 | 20% - 40%             | 40% - 60%                | Y                            |
| 5086.01         | Washington                    | Downtown Specific Plan           | 1,369<br>2,517               | 96                       | 29<br>457                   | 39<br>418                            | 164               | 1.0%<br>5.9%                               | White<br>White         | \$150,000 - \$199,999 | < 10%              | Highest  | 60 - 80                    | >30 - 40                          | ≤ 8.2%                    | < 20%                 | 20% - 40%                | Y                            |
| 5086.02         | Washington                    | Downtown<br>Specific Plan        | ,                            |                          |                             |                                      | 1,005             |  |                        | \$100,000 - \$149,000 | 10% - 20%          | High   | 60 - 80                    | >10 - 20                          | 8.3% - 12%                | 20% - 40%             |                          | ·                            |
| 5087.05         | Ponderosa                     |                                  | 1,700                        | 0                        | 38                          | 0                                    | 38                | 0.2%                                       | Asian                  | \$150,000 - \$199,999 | < 10%              | High   | >80                        | >30 - 40                          | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                | Y                            |
| 5087.06         | Ponderosa                     | Lawrence<br>Station Area<br>Plan | 1,604                        | 74                       | 211                         | 310                                  | 595               | 3.5%                                       | Asian                  | \$150,000 - \$199,999 | < 10%              | High   | >80                        | >30 - 40                          | ≤ 8.2%                    | 20% - 40%             | 20% - 40%                | Y                            |

| Exis<br>Geography Hou<br>Un |                               |                                  |       |                          | Sites                       | Inventory Ca                         | pacity            |  | Integration and Segregation Indicators |                       |                    | Access to Opportunity              |                            |                                   | Disproportionate Housing Needs/Displacement Risk |                       |                          |                              |
|-----------------------------|-------------------------------|----------------------------------|-------|--------------------------|-----------------------------|--------------------------------------|-------------------|--|--|-----------------------|--------------------|------------------------------------|----------------------------|-----------------------------------|--|-----------------------|--------------------------|------------------------------|
| Census<br>Tract             | Neighborhood<br>Planning Area | Specific Plan<br>Area            |       | Lower<br>Income<br>Units | Moderate<br>Income<br>Units | Above<br>Moderate<br>Income<br>Units | Total<br>Capacity | Percent of<br>Total<br>Housing<br>Capacity | Population<br>Majority                 | Median Income         | Disability<br>Rate | TCAC<br>Opportunity<br>Designation | Jobs<br>Proximity<br>Index | Cal-<br>Enviroscreen<br>4.0 Score | Overcrowded<br>Households                        | Renter<br>Overpayment | Homeowner<br>Overpayment | Risk of<br>Displace-<br>ment |
| 5087.07                     | West Murphy                   | Peery Park<br>Specific Plan      | 1,594 | 0                        | 19                          | 0                                    | 19                | 0.1%                                       | Asian                                  | \$100,000 - \$149,000 | < 10%              | Moderate                           | >80                        | >30 - 40                          | 8.3% - 12%                                       | 20% - 40%             | 20% - 40%                |                              |
| 5087.08                     | West Murphy                   | Lawrence<br>Station Area<br>Plan | 1,836 | 990                      | 137                         | 229                                  | 1,356             | 8.0%                                       | Asian                                  | \$100,000 - \$149,000 | < 10%              | Moderate                           | >80                        | >30 - 40                          | 8.3% - 12%                                       | 20% - 40%             | 20% - 40%                |                              |
| 5088                        | West Murphy                   | Peery Park<br>Specific Plan      | 1,424 | 0                        | 81                          | 14                                   | 95                | 0.6%                                       | Hispanic                               | \$100,000 - \$149,000 | < 10%              | Moderate                           | >80                        | >30 - 40                          | 8.3% - 12%                                       | 20% - 40%             | 20% - 40%                | Υ                            |
| 5089                        | East Murphy                   |                                  | 1,697 | 0                        | 56                          | 0                                    | 56                | 0.3%                                       | Hispanic                               | \$100,000 - \$149,000 | < 10%              | Moderate                           | >80                        | >50 - 60                          | 12% - 15%  | 20% - 40%             | 40% - 60%                | Υ                            |
| 5090.01                     | West Murphy                   | Peery Park<br>Specific Plan      | 977   | 0                        | 0                           | 20                                   | 20                | 0.1%                                       | Hispanic                               | \$100,000 - \$149,000 | < 10%              | Moderate                           | >80                        | >50 - 60                          | 15% - 20%  | 40% - 60%             | 20% - 40%                | Υ                            |
| 5090.02                     | West Murphy                   |                                  | 1,482 | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | Hispanic                               | \$87,100 - \$100,000  | < 10%              | Moderate                           | >80                        | >50 - 60                          | 15% - 20%  | 40% - 60%             | 20% - 40%                | Y                            |
| 5091.02                     | West Murphy                   | Peery Park<br>Specific Plan      | 2,290 | 0                        | 0                           | 0                                    | 0                 | 0.0%                                       | Asian                                  | \$150,000 - \$199,999 | < 10%              | High                               | >80                        | >20 - 30                          | ≤ 8.2%   | < 20%                 | 20% - 40%                |                              |
| 5091.06                     | Washington                    | El Camino Real<br>Specific Plan  | 1,896 | 115                      | 29                          | 49                                   | 193               | 1.1%                                       | White                                  | \$100,000 - \$149,000 | < 10%              | Highest                            | 60 - 80                    | >10 - 20                          | ≤ 8.2%   | 20% - 40%             | < 20%                    | Υ                            |
| 5091.07                     | Washington                    | El Camino Real<br>Specific Plan  | 2,108 | 42                       | 10                          | 18                                   | 70                | 0.4%                                       | Asian                                  | \$100,000 - \$149,000 | < 10%              | High                               | 60 - 80                    | >30 - 40                          | 8.3% - 12%                                       | 20% - 40%             | 20% - 40%                | Υ                            |

<sup>\*</sup> According to data from 2020 ACS Estimates, there are 603 existing housing units in census tract 5046.02. None of these units are within the City of Sunnyvale and have therefore been zeroed out for the purpose of this analysis. The demographic indicators included in the table for this census tract are based on the population of the Alviso neighborhood in San Jose, which is a significant distance from the Moffet Park Specific Plan Area.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2020), Table B25001. HCD AFFH Data and Mapping Tool 1.0, 2021. Adapted by City of Sunnyvale and Ascent, 2023.

As described in the Introduction of this chapter, Moffett Park is located in a census tract (5046.02) that extends beyond the city's limits and into the City of San Jose. The portion of the census tract that is within the city does not currently have any existing residential units so the demographic data from this analysis is not indicative of conditions in this portion of Sunnyvale. Moffett Park is one of the City's largest employment centers and is the newest area in the city planned for transition from industrial to residential in the city's long history of industrial-to-residential conversions. For context, the land area of the Moffett Park Specific Plan (1,275 acres) is nearly nine times the size of the Downtown Sunnyvale Specific Plan Area (150 acres) and more than five times the size of the Lawrence Station Area Specific Plan (230 acres). The Housing Element sites inventory counts a total of 9,626 housing units in Moffett Park during the planning period, including 4,418 lower-income and 5,280 above moderate-income units, which is less than half of the full buildout of the Specific Plan. This corresponds with the timeline of the Moffett Park Specific Plan, which was adopted in July 2023 and plans for full buildout by 2040. The City relies on Moffett Park to meet approximately 33 percent of the lower-income RHNA and 62 percent of the above moderate-income RHNA.

Currently, the land in Moffett Park is predominately being utilized for industrial and office uses with a few commercial and hotel sites; however, with the update to the Moffett Park Specific Plan (adopted in July 2023), the area is anticipated to transform into an amenity-rich area that will allow high density residential development mixed with commercial and office uses, connected by open space trails and pedestrian and bike facilities. By increasing housing capacity in this jobs-rich area, new residents will have greater access to nearby employment opportunities and reduce vehicle miles traveled.

According to data from the HCD AFFH Data Viewer 1.0, the Moffett Park Specific Plan area (census tract 5046.02) has a predominant Hispanic population and median incomes are slightly higher than the state median income ranging between \$87,100 and \$100,000. However, as established, this is not deemed to be indicative of the conditions of the area within city limits. The tract is also designated as "Low Resource" by the TCAC/HCD opportunity mapping methodology mostly because of conditions outside the Specific Plan boundary. Through implementation of the Specific Plan, Moffett Park will achieve the vision of an ecological innovation district that will serve as a model community addressing resilience, climate protection, and equity. The Specific Plan is built around the concept of "complete neighborhoods" that provide commercial, housing, employment, parks and open space, active transportation, and social gathering. As the area develops, Moffett Park will be a high amenity area with great access to opportunity.

Figure 4-45 displays the number of existing housing units in Sunnyvale by neighborhood planning area, as reported by the 2020 ACS. Again, please note that neighborhood planning areas and specific plan areas do not align with census tract boundaries, so in some cases census data is approximate. As shown, the Ponderosa (15,150 units), West Murphy (8,415 units), and Lakewood (8,167 units) neighborhoods have the highest number of existing housing units in the city while the Housing Element inventories the greatest capacity in the Moffett Park (9,626 units), Ponderosa (1,976 units), and East Murphy (1,664 units) neighborhoods. While there is an obvious concentration of new housing inventoried in the Moffett Park Specific Plan area, this figure shows that the capacity counted in Moffett Park aligns with the general size of other established neighborhoods in the city.

If built out at the assumed income levels, this could add to the concentration of lower-income units in the northern portion of Sunnyvale. In response, the Housing Element includes a program to increase allowed densities in other areas of the city (i.e., in the southern Village Centers and other sites south of El Camino Real) to expand the capacity for lower-income housing sites throughout the city and particularly in southern Sunnyvale's high resource neighborhoods. The Village Centers refer to several existing retail centers throughout the city designated for higher density mixed use commercial development. Based on the currently allowed densities, these Village Centers are

inventoried as moderate-income sites; however, once implemented, Program H3 in the Housing Plan, Chapter 2, would allow Village Centers sites and new southern Sunnyvale sites to be added to the lower-income sites inventory, which will reduce reliance on Moffett Park to meet the lower-income RHNA.



Figure 4-45: Existing Housing Units vs. Total Housing Capacity by Neighborhood Planning Area, Sunnyvale

Source: City of Sunnyvale, Ascent, 2023. Existing housing units based on 2020 ACS 5Y Estimates, Table B25001.

The Housing Element also identifies 1,976 units in the Ponderosa neighborhood planning area, which accounts for 12 percent of the total capacity identified to meet the RHNA. Ponderosa encompasses the eastern segment of the El Camino Real Specific Plan area with one census tract (5087.06) in the Lawrence Station Area Plan (595 units). As shown in Table 4-19, the Ponderosa neighborhood planning area is a high/highest resource area with good proximity to employment opportunities. Households incomes in Ponderosa range between \$100,000 and \$199,999. Approximately 740 units (slightly less than 40 percent of the capacity in this neighborhood) are identified for lower-income housing. The addition of more affordable housing in this area provides the opportunity to ease the risk of displacement from changing rents in other areas of the city.

The El Camino Real Specific Plan focuses on increasing residential development opportunities along the El Camino Real corridor, which connects the city from east to west. While the Plan is intended to preserve important commercial uses, the designations permitting residential and mixed use development are primarily located in nodes at key intersections with transit access along the corridor. These nodes are envisioned as high-density mixed-use, pedestrian-oriented, transit supported neighborhoods. In addition to the Ponderosa neighborhood, the El Camino Real Specific Plan area also overlaps with the Washington, De Anza, and Raynor neighborhood planning areas. Sites along the El Camino Real corridor have an overall capacity for 1,204 lower-income units, 367 moderate-income units, and 502 above moderate-income units and land use controls would allow a variety of housing types to be built for a range of income levels.

<sup>\*</sup>According to data from 2020 ACS Estimates, there are 603 existing housing units in census tract 5046.02. None of these units are within the City of Sunnyvale and have therefore been zeroed out for the purpose of this analysis.

The Downtown Specific Plan area is entirely located within the Washington neighborhood planning area. As previously mentioned, a portion of the El Camino Real Specific Plan is also within Washington. There are over 7,800 existing housing units in this neighborhood planning area. According to census data, the neighborhood is predominantly White households and the median household income is in the range of \$100,000 to \$149,000. Between 10 and 20 percent of the population in this tract has a disability of some sort. It is designated as a high resource area with close proximity to educational and employment opportunities. Through the Downtown Specific Plan, originally adopted in 1993 and then comprehensively updated in 2003, the City has been working to enhance this area from a downtown shopping mall and a large shopping center to a vibrant mixed use environment with places for people to live, work, and visit. The Housing Element inventory includes 1,432 units in the Washington neighborhood planning area within approved projects or on available sites, including 383 lower-income units (27 percent), 525 moderate income units (36 percent), and 524 above moderate-income units (37 percent). Approximately 1,111 units are from the remaining capacity in the Downtown Specific Plan. The inventory includes several projects that have already been approved including the mixed use development on Taaffe Street, which will result in two 12-story residential buildings with 479 units and retail use (in the central portion of the Downtown Specific Plan, Block 18), and the Cityline redevelopment project of an existing parking lot (the northeast portion of Downtown Specific Plan Block 18) to a seven story mixed use building with 325 dwelling units and 36,000 square feet of retail. Both projects include a portion of deed restricted lower income units. Throughout the Housing Element period, the City will continue its efforts to support more affordable housing on commercial and former industrial parcels. For example, in September 2023, the City acquired 295 S. Mathilda Ave, the site of the former Wells Fargo Bank on the southern portion of Block 16. In late 2023 the City is in an exclusive negotiating agreement with MidPen Housing to develop the site as a 100 percent affordable housing development. The Housing Element inventories capacity for 52 lower-income units, 14 moderate-income units, and 20 above moderate-income units; however, the site could be developed with 100 percent affordable housing, providing significantly more lowerincome units than what is included in the Housing Element inventory.

The following sections provide a more in-depth look at how the sites inventory will impact several of the key fair housing indicators.

#### POTENTIAL EFFECTS ON PATTERNS OF SEGREGATION

Figures 4-44 and 4-45 shows the distribution and location of sites identified in the City's housing element sites inventory in relation to median income by census tract and Figure 4-48 shows the location of sites in relation to the predominant race or ethnicity of each census tract. As previously discussed, the City is moderately segregated with Asian Sunnyvale residents being more isolated than other population groups. Most of the City is predominantly non-Hispanic White or predominantly Asian/Pacific Islander. A small portion in the northern part of the City (within the West Murphy neighborhood) is predominantly Hispanic and no area of the City has a Black predominance. There are no racially or ethnically concentrated areas of poverty or racially or ethnically concentrated areas of affluence within Sunnyvale. Only one census tract has poverty levels of over 10 percent. This census tract is also located in the West Murphy neighborhood and has a slim predominance in Hispanic population. Affluent neighborhoods include both predominantly White and predominantly Asian areas in the southern portions of the City. As described previously, there are only a few block groups in the City with median incomes of less than \$100,000 in the Lakewood, West Murphy, and Ponderosa neighborhoods. These areas are also some of the most diverse neighborhoods in the city. They include the few predominantly Hispanic census tracts in the city. The remainder of the city is either predominantly Asian or White.

As shown in Figure 4-46 and Table 4-20 below, nearly 40 percent of the total capacity identified in the sites inventory (6,511 units) is located in areas with median incomes from \$100,00 to \$200,000. This includes 3,842 units (22.7)

percent) in census tracts with median incomes from \$100,000 to \$150,000 and 2,690 units (15.9 percent) in neighborhoods \$150,000 to \$200,000. To support housing mobility for moderate-income households and provide more workforce housing, most of the capacity identified in these areas are inventoried towards the moderate-income RHNA including 927 moderate-income units in census tracts with median incomes from \$100,000 to \$150,000 (40.6 percent of the moderate-income capacity) and 1,038 moderate-income units in neighborhoods with median incomes between \$150,000 to \$200,000 (45.5 percent of the moderate-income capacity). More than a third of the total lower-income capacity, 2,783 units, is also identified in the same census tracts. This demonstrates that the sites inventory creates opportunities to integrate a mixture of incomes with new development. However, some of the highest income areas (greater than \$200,000) are in south Sunnyvale, which is made up of mostly single-family neighborhoods with minimal developable vacant land. Housing opportunity sites are more limited in this area of the City. To remedy this, the Housing Element includes Program H3, which will expand housing opportunity in south Sunnyvale, as well as other programs that will help expand "missing middle" housing types and increase ADU production.

As described above, the estimated residential capacity in the Draft Moffett Park Specific Plan accounts for 57 percent of the housing capacity in the sites inventory, including 4,418 lower-income units and 5,208 above moderate-income units. The census tract in which Moffett Park is located has a median income in the range of \$87,000 to \$100,000, which is low for the region. However, there are no households that currently reside in this area within the City of Sunnyvale. As described in the Introduction, this census tract spans far outside of the city limits into an area of San Jose that is not directly connected in any way to the Moffett Park area. As such, the demographic data shown in this area of the City is influenced by conditions outside of the City and does not reflect existing conditions in the City's portion of the census tract. This is noted in Table 4-18 and Figure 4-46 below. The addition of 5,208 above moderate-income units (72.8 percent of the capacity for above moderate-income sites identified in the Housing Element inventory) in this area has a greater likelihood to change the demographic trends in the census tract by increasing median incomes. While the inventoried capacity for 4,418 lower-income housing units in the Moffett Park Specific Plan area is important for ensuring a mixed-income neighborhood, it also has the potential to add to an overconcentration of lower-income units in northern Sunnyvale. As explained above, Program H3 was added to the Housing Element to increase lower-income housing opportunities in southern Sunnyvale, to balance the distribution of lower-income opportunities throughout the city. In addition, the Housing Element aims to increase the diversity of the housing stock in single-family neighborhoods by expanding "missing middle" housing opportunities.

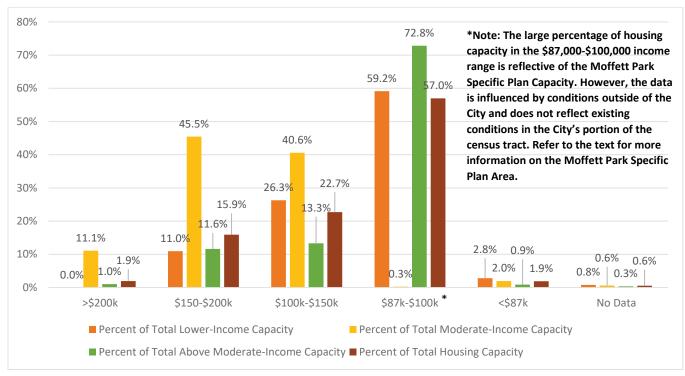
Table 4-20: Sites Inventory Income Distribution by Median Income of Census Tract, Sunnyvale

| Median Income | Lower- | Income | Mode<br>Inco |        | Above M<br>-Inc |        |        | Total  |
|---------------|--------|--------|--------------|--------|-----------------|--------|--------|--------|
| <\$87k        | 210    | 2.8%   | 45           | 2.0%   | 65              | 0.9%   | 320    | 1.9%   |
| \$87k-\$100k* | 4,418  | 59.2%  | 6            | 0.3%   | 5,208           | 72.8%  | 9,632  | 57.0%  |
| \$100k-\$150k | 1,963  | 26.3%  | 927          | 40.6%  | 952             | 13.3%  | 3,842  | 22.7%  |
| \$150-\$200k  | 820    | 11.0%  | 1,038        | 45.5%  | 832             | 11.6%  | 2,690  | 15.9%  |
| >\$200k       | 0      | 0.0%   | 253          | 11.1%  | 73              | 1.0%   | 326    | 1.9%   |
| No Data       | 58     | 0.8%   | 14           | 0.6%   | 24              | 0.3%   | 96     | 0.6%   |
| Total         | 7,469  | 100.0% | 2,283        | 100.0% | 7,154           | 100.0% | 16,906 | 100.0% |

<sup>\*</sup> Data shown is influenced by conditions outside of the City and does not reflect existing conditions in the City's portion of the census tract. Refer to the text for more information on the Moffett Park Specific Plan Area.

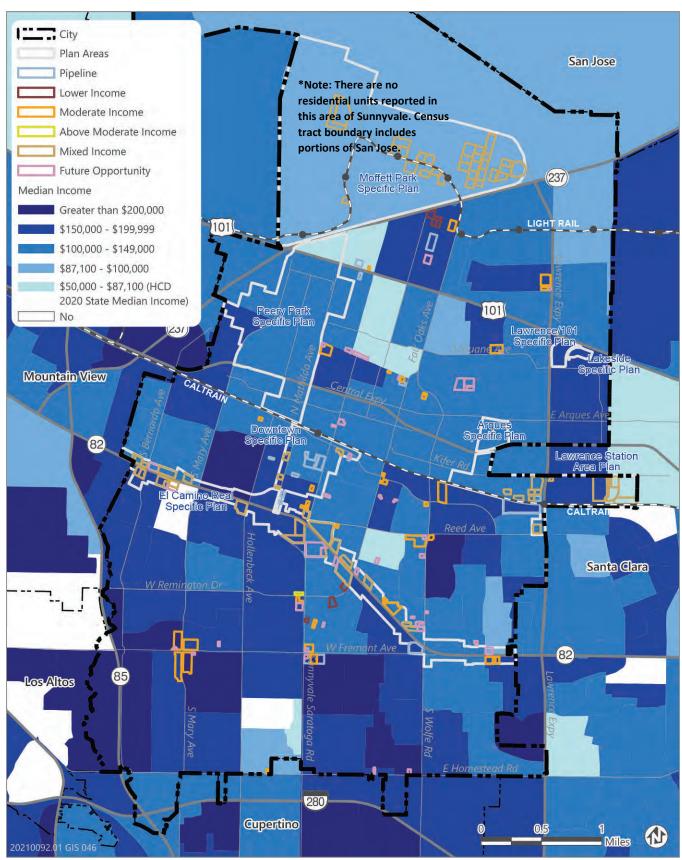
Source: Ascent, 2023.

Figure 4-46: Sites Inventory Income Distribution by Median Income of Census Tract, Sunnyvale



Source: Ascent, 2023.

Figure 4-47: Sites Inventory and Median Income, Sunnyvale



Source: Data downloaded from HCD AFFH Data and Mapping Tool in 2021, adapted by Ascent, 2022.

City Limits San Jose Plan Areas \*Note: There are no Pipeline Project residential units reported in Lower Income Site this area of Sunnyvale. Census tract boundary includes Moderate Income Site portions of/San Jose. Above Moderate Income Site (237)Mixed Income Site **Future Opportunity Site** 101 LIGHT RAIL 85 Peery Park Specific Plan 101 Lawrence/101 Specific Plan E Duane Ave Lakeside Specific Plan Mountain View TI I Central Expy E Argues Ave Downtown Specific Plan 82 El CaminoReal Specific Plan Reed Ave Santa Clara W Remington Dr White Majority Predominant (gap > 50%)Sizeable (gap 10% - 50%) W Fremont Ave (82 Sunnyvale Saratoga Rd Slim (gap < 10%)85 Los Altos Hispanic Majority Sizeable S Wolfe Ra (gap 10% - 50%) Slim (gap < 10%) Asian Majority Homestead Rd Predominant (gap > 50%)280 Sizeable (gap 10% - 50%) **Cupertino** 0.5 Slim (gap < 10%)

Figure 4-48: Sites Inventory and Predominant Race, Sunnyvale

Source: Adapted by Ascent in 2022 from data downloaded from HCD AFFH Data and Mapping Tool in 2021.

#### POTENTIAL EFFECTS ON ACCESS TO OPPORTUNITY

As shown in Figures 4-24 through 4-31, the southern portion of the City has more high resource areas than the northern portion of the City. Approximately 49 percent of the City's land area is highest/high resource, 25 percent is moderate resource, and 26 percent is low resource. There are no areas of high segregation and poverty identified in Sunnyvale. Figure 4-49 displays the percentage of the capacity for all sites by income level in the sites inventory within the various TCAC opportunity areas and Figure 4-50 shows the location of projects and sites in relation to the opportunity areas. As shown in Table 4-21 and Figure 4-49, 28.6 percent of the total capacity for housing identified in the sites inventory is within areas of high or highest resource (4,830 units), including:

- 21.6 percent of lower-income unit capacity (1,615 units),
- 77.5 percent of moderate-income unit capacity (476 units), and
- 20.2 percent of above moderate-income unit capacity (1,446 units).

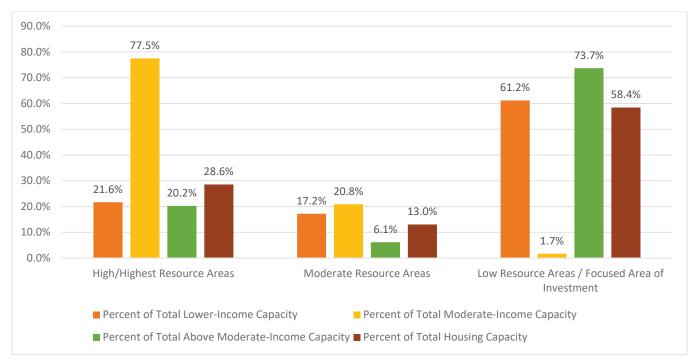


Figure 4-49: Sites Inventory Income Distribution by TCAC Resource Area, Sunnyvale

Source: Ascent, 2023.

This distribution includes 2,073 units in high and highest resource areas within the El Camino Real Specific Plan area, 224 units in the Downtown Specific Plan area, as well as capacity in Lawrence Station (122 units) and the Village Centers located south of El Camino Real and some sites located outside of plan areas (963 units).

In total, only 13 percent of the housing element sites inventory capacity is within the City's moderate resource areas (2,198 units), including:

- 17.2 percent of the lower-income capacity (1,285 units),
- 20.8 percent of the moderate-income capacity (476 units), and
- 6.1 percent of the above moderate-income capacity (437 units).

City Limits Plan Areas \*Note: There are no San Jose Pipeline Project residential units reported in Lower Income Site this area of Sunnyvale. Census tract boundary includes Moderate Income Site portions of San Jose. Above Moderate Income Site Mixed Income Site Future Opportunity Site 237 TCAC Opportunity Areas - Composite Score Highest Resource High Resource LIGHT RAIL Moderate Resource Low Resource ////, Low Resource/Focused Area of Investment Peery Park Specific Plan 101 237 Lawrence/101 Specific Plan Lakeside Specific Plan **Mountain View** CALTRAIN Downtown Specific Plan 82 Lawrence Station Area Plan El Camino Real Specific Plan Santa Clara W Remington Dr 82 Los Altos E Homestead Rd 280 0.5 **Cupertino** 20210092.01 GIS 035

Figure 4-50: Sites Inventory and 2022 TCAC/HCD Opportunity Areas, Sunnyvale

Source: Adapted by Ascent in 2022 from data downloaded from the California State Treasurer in 2022.

The reason for this distribution is that most moderate resource areas such as the West Murphy and Lakewood neighborhood planning areas are already largely built out with single family neighborhoods and several mobile home parks. The development of accessory dwelling units or other units produced through Senate Bill 9 could increase housing opportunities in these developed areas.

Lastly, approximately 58.4 percent, or 9,878 units, of the City's housing capacity is within areas of low resource/focused areas of investment. This is largely driven by the increased capacity made available through the Lawrence Station Area Plan and the Moffett Park Specific Plan area, which are both categorized as low resource due to socioeconomic conditions of the greater census tract. However, these conditions are not representative of the conditions within city limits. These two plan areas were originally developed for industrial and research & development uses and are now being updated to facilitate the production of more housing in the city. Both plans support higher density residential near employment opportunities, open space, and multimodal transportation infrastructure which is crucial to the City, as it supports community health and access to opportunity.

There are several strategies in the Lawrence Station Area Plan and Moffett Park Specific Plan that, when implemented, will transform the areas into areas of high opportunity. In Lawrence Station, this includes improving connectivity for bicycles and pedestrians to promote more environmentally sustainable travel options and improve access to Lawrence Caltrain Station to reduce greenhouse gas emissions, help minimize exposure to pollution in surrounding communities, and improve environmental indicators for residents. In Moffett Park, strategies include:

- Setting a target of 20,000 housing units mixed throughout Moffett Park into distinct neighborhoods and mixed-use activity centers.
- Placing housing in proximity to employment opportunities and multimodal infrastructure, including complete streets that provide connected paths for biking, walking, and frequent transit service.
- Creating a convenient and accessible open space network with universally accessible routes from all residential buildings to a neighborhood serving park within a half-mile walk.
- Prioritizing healthy food access through requiring commercial spaces large enough for grocery stores.
- Establishing allowances and incentives for public facilities, such as childcare and schools.
- Supporting the clean-up of environmental hazard sites and locating new housing away from regional highways.
- Encouraging a greater level of green building and ecological-friendly development.
- Creating standards that build resilience into the infrastructure of Moffett Park and protect against future hazards.

In addition to the policies included in the Moffett Park Specific Plan and Lawrence Station Area Plan, the Housing Element includes additional policies and programs to direct future investments to these low resource areas to continue improving amenities, diversifying the housing stock, and ensuring housing at all income levels is built concurrent with planned investments. The sites included in this Housing Element in areas that are currently (2023) classified as "low resource" can expect to have high access to opportunity upon implementation of the Lawrence Station Area Plan and Moffett Park Specific Plan.

Table 4-21: Sites Inventory Income Distribution by TCAC Resource Area, Sunnyvale

|   | Lower-I | Lower-Income |       | Moderate-Income |       | Above Moderate -<br>Income |        | Total  |  |
|---|---------|--------------|-------|-----------------|-------|----------------------------|--------|--------|--|
| High/Highest Resource                         | 1,615   | 21.6%        | 1,769 | 77.5%           | 1,446 | 20.2%                      | 4,830  | 28.6%  |  |
| Moderate Resource                             | 1,285   | 17.2%        | 476   | 20.8%           | 437   | 6.1%                       | 2,198  | 13.0%  |  |
| Low Resource / Focused<br>Areas of Investment | 4,569   | 61.2%        | 38    | 1.7%            | 5,271 | 73.7%                      | 9,878  | 58.4%  |  |
| Total   | 7,469   | 100.0%       | 2,283 | 100.0%          | 7,154 | 100.0%                     | 16,906 | 100.0% |  |

Source: Ascent, 2023.

#### POTENTIAL EFFECTS ON DISPROPORTIONATE HOUSING NEEDS

As discussed previously, renters are disproportionately affected by housing needs including overpayment, overcrowding, and displacement risk. By increasing the supply of housing throughout the city, future housing opportunities identified in the sites inventory have the potential to ease disproportionate housing needs and risk of displacement, as there will be more housing options available for a variety of income levels. The Urban Displacement Project, a joint research and action initiative of the University of California, Berkeley, and the University of Toronto, analyzes income patterns and housing availability to determine the level of displacement risk at the census-tract level. Sensitivity to displacement is defined as areas in which the share of very low-income residents is above 20 percent, and the tract meets at least two of the following criteria:

- Share of renters is above 40 percent
- Share of people of color is above 50 percent
- Share of very low-income households that are severely rent burdened is above the county median, or
- They, or areas in close proximity, have been experiencing displacement pressures.

The Urban Displacement Project defines displacement pressures as a percentage change in rent greater than the county median for rent increases. Using these metrics, several census tracts of the City are sensitive to or at risk of displacement. The City's sensitive areas include the Raynor neighborhood planning area in the southeast; most of the area between the El Camino Real corridor and the Caltrain rail line, including Downtown; and portions of the West Murphy, East Murphy, and Lakewood neighborhood planning areas in the northern portion of the City. Using the methodology from Chapter 5, these displacement-sensitive neighborhoods have capacity for 3,753 new housing units (or 22 percent of the total inventory), including the Downtown Specific Plan area, portions of the El Camino Real Specific Plan, and Lawrence Station Area Plan (see Table 4-22). As shown in Figure 4-51, this includes 17.6 percent of the above moderate-income capacity (1,259 units), 56.8 percent of moderate-income capacity (1,296 units), and 16.0 percent of lower-income capacity (1,198 units).

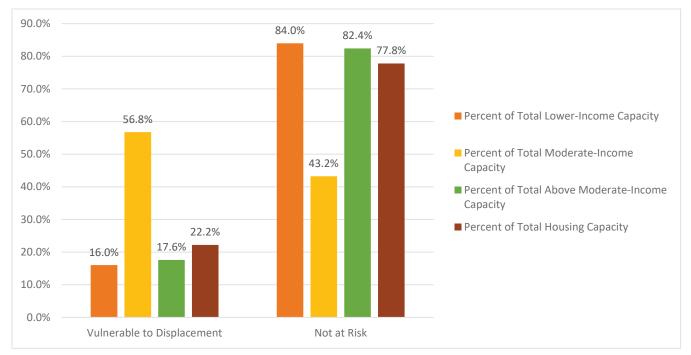


Figure 4-51: Sites Inventory Capacity by Income Distribution and Displacement Risk, Sunnyvale

Source: Ascent, 2023.

Figure 4-52 shows that the areas that are at risk of displacement, due to changing market conditions, are in and near Downtown and along the northern side of El Camino Real. The Housing Element includes capacity for approximately 2,073 units in the El Camino Real Specific Plan area including 1,204 lower-income units, 367 moderate-income units, and 502 above moderate-income units. More than 1,000 units of housing capacity in the El Camino Real Specific Plan area is on sites within census tracts that are at risk of displacement. Prior to the 2022 adoption of the El Camino Real Specific Plan, these sites were zoned for commercial use only and had no existing residential uses. The recent rezoning of these sites to mixed use designation allows the City to expand residential capacity in an area that is at risk of displacement without placing existing residents at direct risk of displacement. Since there is minimal undeveloped land in this area, providing a significant number of new lower-income units will have the greatest potential to protect vulnerable residents from being displaced under changing market pressures. The Housing Element also includes capacity for 224 units in the Downtown Specific Plan area, including 126 lowerincome units, 48 moderate-income units, and 50 above moderate-income units. Similar to the El Camino Specific Plan area, the Downtown Specific Plan area was found to be at a large risk of displacement but will include capacity for housing at a mix of household incomes with the majority being lower-income units which will assist in the mitigation of displacement risk. Also, like the El Camino Real Specific Plan area, the Downtown Specific Plan adds new housing capacity to an area that was previously zoned for commercial use and does not place existing residents at direct risk of displacement.

The Lawrence Station Area Plan will also help to alleviate displacement pressures in the city and could potentially provide mitigation for displacement in adjacent Santa Clara neighborhoods. About 374 units of the sites identified in Lawrence Station are located in areas at risk of displacement including 225 lower-income units, 56 moderate income units, and 93 above moderate-income units. In total, the Housing Element includes capacity for an additional 1,102 new lower income units in the plan area which will provide more lower-income housing options for residents who may be at risk of displacement in the nearby Ponderosa neighborhood planning area.

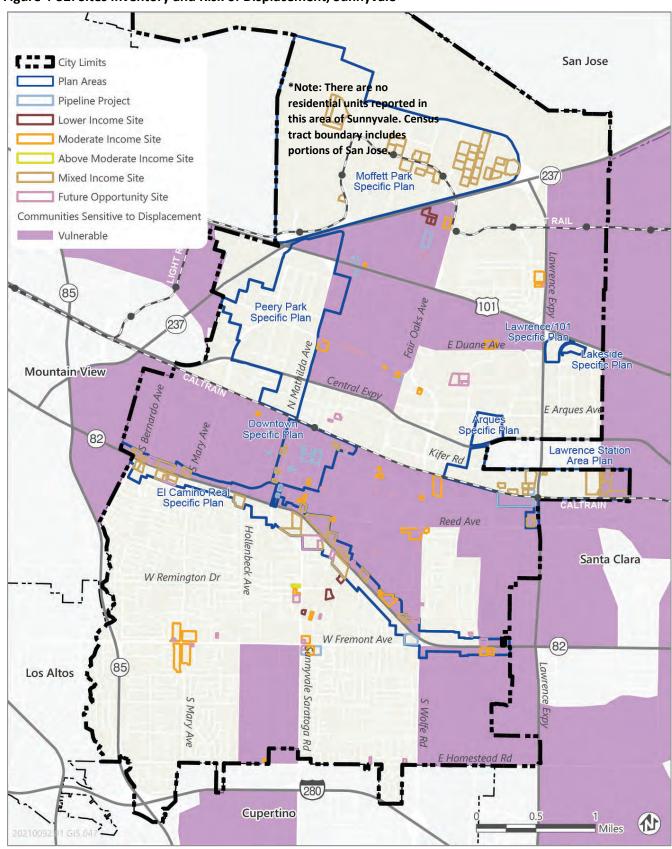


Figure 4-52: Sites Inventory and Risk of Displacement, Sunnyvale

Source: Adapted by Ascent in 2022 from data downloaded from the HCD AFFH Data and Mapping Tool in 2021, based on UC Berkley Urban Displacement Project, 2017.

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As rents continue to rise in the region, displacement risk increases when a household is paying more for housing than their income can support. In Sunnyvale, overpayment is not necessarily linked to areas with lower median incomes. Rapidly increasing housing costs in Sunnyvale, and throughout the Bay Area, create a high risk of displacement for lower-income households in the city. Future areas of development in the city including the Downtown Specific Plan area, the El Camino Real Specific Plan, and the Lawrence Station Area Plan are planned to facilitate mixed-income communities, including lower-income households, with amenities and community benefits. The City has included several programs in the Housing Element to protect vulnerable residents from displacement, including mobile home preservation, foreclosure prevention, right to lease, and affordable housing financing prioritization in areas at risk of gentrification. Refer to Table 4-21 for a summary of programs to address disproportionate housing needs, including risk of displacement. As noted above, there are very few sites within the inventory with existing residential uses, with the exception of a few parcels with single-family homes. Refer to Chapter 5, Sites Inventory, for further details. Implementation of the Housing Element and the development of inventoried sites for new housing is not anticipated to directly displace any existing residents.

Table 4-22: Sites Inventory Capacity by Income Distribution and Displacement Risk, Sunnyvale

|                               | Lower- | Income | Moderate-Income |        | Above Moderate -<br>Income |        | Total  |        |
|-------------------------------|--------|--------|-----------------|--------|----------------------------|--------|--------|--------|
| Vulnerable to<br>Displacement | 1,198  | 16.0%  | 1,296           | 56.8%  | 1,259                      | 17.6%  | 3,753  | 22.2%  |
| Not at Risk                   | 6,271  | 84.0%  | 987             | 43.2%  | 5,895                      | 82.4%  | 13,153 | 77.8%  |
| Total                         | 7,469  | 100.0% | 2,283           | 100.0% | 7,154                      | 100.0% | 16,906 | 100.0% |

Source: Ascent, 2023.

# 4.4 Summary of Fair Housing Issues, Contributing Factors, and Actions

Sunnyvale has a higher non-White population than most other Bay Area jurisdictions and White residents tend to be less segregated in Sunnyvale than in the Bay Area as a whole. This trend is largely driven by the high proportion of Asian residents within Sunnyvale. Sunnyvale is also an affluent City, with many areas of wealth concentrated in the southern portion of the City. Areas of wealth occur equally in both predominantly White and predominantly Asian areas. However, the City's only area with 10 percent of the population below the poverty rate is predominantly Hispanic.

Disparities in access to opportunity also exist within the City. The wealthier predominant White and predominant Asian populations in the southern portion of the City have higher access to opportunity than the northern portion of the City, which includes lower median household incomes, some areas with predominant Hispanic populations, lower rates of homeownership, and a higher occurrence of mobile home parks. However, implementation of specific plans in the northern portion of the City are anticipated to result in more amenities, services, and opportunities within these areas of the city in the near future.

Disproportionate housing needs resulting in overcrowding and risk of displacement also impact residents in northern Sunnyvale at disproportionate rates. Lower-income predominantly Hispanic areas in the West Murphy neighborhood planning area, near Fair Oaks Avenue and U.S. Highway 101 have rates of overcrowding higher than the statewide average. In addition, this area is identified as at risk of displacement.

Pursuant to Government Code Section 65583 (c)(10)(A)(v), the Housing Element includes several policies and programs to proactively address fair housing issues and replace segregated living patterns with integrated and balanced communities. Table 4-23 summarizes the fair housing issues, contributing factors, and implementation programs included in the Housing Element to affirmatively further fair housing in Sunnyvale.

Table 4-23: Fair Housing Issues, Contributing Factors, and Meaningful Actions

| Assessment of Fair<br>Housing Identified<br>Issue  | Contributing Factors  | Meaningful Actions, Objectives, and Timeframes   |
|--|---|--|
| issue  |   | The Housing Element includes the following programs to increase affordable housing opportunities in high resource areas:   |
| Patterns of segregation based on race and income (High Priority)  separated single fam industrial development of neighborhoods in th portion of the City. For specific plans and changes to transition residential have resumultifamily housing portion of the City in |   | H3. Increase Affordable Housing Opportunities in High Resource Areas.  Dbjective/Timeframe: Create at least 750 lower-income units of additional capacity for high density residential by increasing the allowed density in the Village Centers to 30 units per acre and designating additional non-residential sites in southern Sunnyvale as residential with a minimum allowed density of 30 units per acre             |
|  | Past zoning and land use practices separated single family homes from industrial development supporting the development of wealthier  | H4. Accessory Dwelling Units.  Dbjective/Timeframe: Promote tools and resources to homeowners throughout the city to increase production of accessory dwelling units (ADUs) and dual urban opportunity housing (DUOs) to promote mixed-income neighborhoods in areas of high and highest resource. Target the production of at least 80 ADUs/DUOs annually and a total of 640 ADUs and/or DUOs during the planning period. |
|  | neighborhoods in the southern portion of the City. Recent adoption of specific plans and other zoning changes to transition industrial to residential have resulted in more multifamily housing in the northern portion of the City in areas of moderate or low resource. | H5. Below Market Rate (BMR) Housing Program.  ■ Objective/Timeframe: Continue to implement the BMR Program citywide to ensure affordable housing is built at the same rate of market rate housing production. Target the production of 1,250 very low-, 1,250 low-, and 500 moderate-income units. Conduct a feasibility study to analyze potential increases in the BMR requirement for affordable housing by July 2024.  |
|  |   | <ul> <li>H6. Affordable Housing Development Assistance.</li> <li>Objective/Timeframe: Provide technical assistance for the development of 2,500 new deed-restricted lower-income units. Target production of 500 lower-income units in high resource areas.</li> </ul>   |
|  |   | H7. Local Funding Assistance for Affordable Housing  Dbjective/Timeframe: Provide \$60 million in local and federal housing funding throughout the planning period for the development of 2,500 lower-income units. Target production of 500 lower-income units in high resource areas. Evaluate progress in 2027 to determine if additional actions are needed to achieve funding target.                                 |
|  |   | H8. New Funding Mechanisms and Partnerships for Affordable Housing  • Objective/Timeframe: Implement new funding mechanisms to support the development of 2,500 lower-income units by 2024 and continuously develop  |

| Assessment of Fair<br>Housing Identified<br>Issue         | Contributing Factors  | Meaningful Actions, Objectives, and Timeframes   |
|---|---|--|
|   |   | relationships with partner agencies to leverage additional funding, securing over \$100 million for new very-low and low income units by 2027.   |
|   |   | H9. First-Time Home Buyer Programs.  Objective/Timeframe: Continue to implement the First- Time Home Buyer Program and seek new funding opportunities for an additional loan program for workforce-income households. Aim to assist 5-10 low to moderate income homebuyers per year, or as demand warrants.  |
|   |   | ■ Objective/Timeframe: Provide outreach and education to tenants and landlords/property management regarding fair housing laws and the Housing Choice Voucher program. Aim to increase Housing Choice Voucher usage in highest or high resource areas by 5 percent.  |
|   |   | H17. El Camino Real Specific Plan Commercial Requirement  • Objective/Timeframe: Remove constraints to 100% affordable housing developments in high resource areas along El Camino Real to facilitate a minimum of two 100% affordable developments, while still preserving critical resident serving, revenue generating economic land uses in this mixed income corridor. Continue to require inclusionary units within market rate developments as well.  H21. Missing Middle Housing Objective/Timeframe: Remove constraints and add incentives to the development of smaller, costeffective housing options that are affordable for |
|   |   | workforce-income households in higher opportunity neighborhoods. Target production of 50 new missing middle units.   |
| Disparities in access to opportunities in                 | Historic lack of investments in low and moderate resource neighborhoods, specifically in the northern portion of the City where most mobile home parks are located. Currently (2022), these areas have lower economic opportunity and less                    | The City will adopt and implement the Moffett Park Specific Plan to promote redevelopment and create complete neighborhoods with access to public amenities, good jobs, open space, and a healthy and safe environment.  In addition, the Housing Element includes the following   |
| areas of<br>moderate/low<br>resource<br>(Medium Priority) | proficient schools, according to TCAC. Compared to southern neighborhoods, the northern neighborhoods currently have fewer amenities for residential development because large areas were built as industrial and research and development parks. These areas | program to increase investments in low and moderate resource areas:  H39. Prioritize Capital Improvement Program (CIP)  Descrive/Timeframe: As part of the annual CIP development process, prioritize funding for neighborhood improvements, including walking and biking infrastructure, transit service, parks, trails, streetscape, and community amenities. Continue   |

| Assessment of Fair<br>Housing Identified<br>Issue   | Contributing Factors  | Meaningful Actions, Objectives, and Timeframes  |
|---|---|---|
|   | are currently the focus of increased investment, specifically in areas with adopted or pending specific plans.  | prioritizing public infrastructure and grant funding for projects in northern Sunnyvale, especially as population growth occurs. Open a new library, and additional City park facilities by 2029, and collaborate with the local school districts on future school sites by 2031.   |
|   |   | ■ Objective/Timeframe: Prioritize construction and maintenance of ADA curb ramps, sidewalks, and other bicycle and pedestrian infrastructure in low and moderate resource neighborhoods to improve ADA accessibility and pedestrian safety and increase access to opportunity in these areas. Construct 100 new ADA curb ramps within low and moderate resource areas by 2025.  |
|   |   | The Housing Element includes the following programs to address disproportionate housing needs throughout the city including displacement risk and homelessness:   |
|   |   | H11. Home Improvement Program  ■ Objective/Timeframe: Expand program to assist 20-35 homeowners per year with home improvements to help prevent displacement of at-risk households. Conduct no less than one workshop annually starting in 2023, targeting neighborhoods with the greatest need for housing rehabilitation.   |
| Disproportionate<br>housing needs<br>including risk of<br>displacement<br>(High Priority) | Rapidly increasing housing costs in Sunnyvale, and throughout the Bay Area, create a high risk of displacement for lower-income households, including residents of the City's many mobile home parks. | H14. Mobile Home Park Preservation  ■ Objective/Timeframe: Continue to implement current mobile home park protections, including the Sunnyvale Mobile Home Park Memorandum of Understanding (MOU), and maintain mobile home park zoning. Maintain an MOU compliance committee to annually enforce rent regulations and provide resident assistance. Preservation of 3,862 mobile homes. Provide resident assistance on an ongoing basis.            |
|   |   | H15. Foreclosure Prevention Resources  • Objective/Timeframe: Provide continuous information about available foreclosure counseling services, warnings about foreclosure-related scams, and available legal resources on the City's website. Provide materials in multiple languages and work with community-based organizations to distribute materials to residents most at-risk of foreclosure. Provide foreclosure assistance to 10 homeowners. |
|   |   | H26. Renter's Choice Ordinance  ■ Objective/Timeframe: Evaluate and consider establishing an ordinance to provide alternatives to traditional security deposit by 2026.   |

| Assessment of Fair<br>Housing Identified<br>Issue | Contributing Factors | Meaningful Actions, Objectives, and Timeframes  |
|---|----------------------|---|
|   |                      | H27. Right-to-Lease Ordinance  • Objective/Timeframe: Provide ongoing education to landlords and tenants about the Right to Lease ordinance by which requires that landlords offer renters a lease specifying a minimum one-year lease term prior to any other term lengths.  |
|   |                      | <ul> <li>H28. Relocation Assistance Ordinance</li> <li>Objective/Timeframe: Educate landlords and tenants about the Rental Relocation Assistance ordinance which requires landlords to provide financial assistance to tenants who are being displaced from rental units due to no-fault just cause factors.</li> </ul>   |
|   |                      | <ul> <li>H29. Emergency Rental Assistance Program</li> <li>■ Objective/Timeframe: Secure funding for emergency rental assistance for 25 lower-income households per year.</li> </ul>  |
|   |                      | ■ Objective/Timeframe: Ensure lower-income residents can afford repairs on limited or fixed incomes and ensure neighborhoods remain ADA compliant. Serve up to 10 households per year.  |
|   |                      | <ul> <li>H32. Programs to Address Homelessness</li> <li>Objective/Timeframe: Provide annual funding for homeless programs and at-risk households to serve at least 150 households per year. Implement new rental assistance program for seniors experiencing homelessness.</li> </ul>   |
|   |                      | ■ Objective/Timeframe: Work with owners of hotels or aging lower-density multifamily developments to apply for Homekey (or similar) funding to create housing for people experiencing homelessness. Identify at least one new Homekey site in 2024 and provide City funding in partnership with County funds to support the creation of a total of 200 units serving tenants experiencing homelessness. |
|   |                      | <ul> <li>H34. Safe RV Parking</li> <li>Objective/Timeframe: Support the establishment of a safe RV parking program and identify at least one potential site by 2025.</li> </ul>   |
| Source: Accept 2022                               |                      | ■ Objective/Timeframe: Re-establish a regularly occurring survey of housing and neighborhood conditions. Conduct a survey every 5 years, beginning in 2025, to preserve and improve neighborhood quality.   |

Source: Ascent, 2022.

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# **CHAPTER 5** Sites Inventory and Funding Resources

# 5.1 Regional Housing Needs

The California Department of Housing and Community Development (HCD) determines state-wide projected housing needs and allocates new housing unit targets to regional council of governments (COGs). Targets are set for an eight and a half-year projection period (June 30, 2022 through December 15, 2030), which differs from the Housing Element planning period (January 31, 2023 through January 31, 2031). The projection period is the timeframe for which the regional housing need is calculated, whereas the planning period dictates the housing element adoption date and the timeframe for the housing element policies and programs.

For Sunnyvale, the COG is the Association of Bay Area Governments (ABAG). The regional housing needs determination (RHND) for the ABAG region for the 2022-2030 projection period is 441,176 units. This RHND is identified by HCD and is based on population projections produced by the California Department of Finance (DOF) as well as State-required adjustments that incorporate the region's existing housing need. Adjustments focus on the region's vacancy rate, level of overcrowding, and the share of cost-burdened households to determine how it will affect population growth and housing needs.

# **Regional Housing Needs Allocation**

A starting point for the Housing Element Update process for every California jurisdiction is the Regional Housing Needs Allocation (RHNA) – the share of the RHND assigned to each jurisdiction by ABAG. 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 COG. 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 the jurisdiction's projected share of regional housing growth across all income categories.

ABAG is responsible for allocating the region's projected housing needs among its jurisdictions by income category. 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.

In December 2021, ABAG approved the Final RHNA Plan. Sunnyvale must plan for a RHNA of 11,966 units, a substantial increase from the last cycle. Sunnyvale's RHNA is broken down by the income categories (i.e., very low, low, moderate, and above moderate) shown in Table 5-1 below. The residential sites inventory, included in this chapter, identifies sites with general plan land use designations and zoning for future housing development and evaluates the adequacy of these sites in fulfilling the City's share of regional housing needs. The RHND for the Bay Area represents an increase of approximately 135 percent from the 2015-2023 housing element cycle and the RHNA for Sunnyvale represents an increase of approximately 120 percent from the 2015-2023 housing element cycle. This increase from the previous housing element cycle is in response to delayed housing construction, increased housing costs, and the resulting housing shortage felt across the Bay Area and the state.

Table 5-1: Regional Housing Needs Allocation (June 30, 2022 – December 15, 2030)

| Geography          | Very Low<br>Income (<50% of<br>AMI) | Low Income<br>(50%-80% of<br>AMI) | Moderate<br>Income (80%-<br>120% of AMI) | Above Moderate<br>Income (>120%<br>of AMI) | Total   |
|--------------------|-------------------------------------|-----------------------------------|--|--|---------|
| Sunnyvale          | 2,968                               | 1,709                             | 2,032                                    | 5,257                                      | 11,966  |
| Santa Clara County | 32,316                              | 18,607                            | 21,926                                   | 56,728                                     | 129,577 |
| Bay Area           | 114,442                             | 65,892                            | 72,712                                   | 188,130                                    | 441,176 |

Source: Association of Bay Area Governments, December 2021.

# **5.2 Residential Sites Inventory**

# Methodology

The Housing Element is required to identify and describe land available for residential development to meet the City's RHNA for the June 30, 2022, through December 15, 2030, projection period. The City plans to accommodate the RHNA using a combination of:

- sites with planned and approved residential development;
- redevelopment opportunity sites in specific plan areas;
- underutilized sites outside of specific plan areas designated for residential and mixed-use development in the City's General Plan Land Use and Transportation Element (LUTE); and
- a projection of accessory dwelling unit (ADU) construction.

#### RELATIONSHIP BETWEEN DENSITY AND INCOME LEVEL

Density can be a critical factor in the development of affordable lower-income housing. Higher density development can lower per-unit land cost and facilitate construction in an economy of scale. The following describes the assumptions used to determine the inventoried income categories and the realistic buildout capacity for each site.

- Lower-Income Sites. State law (Government Code Section 65583.2(c)(3)) establishes a "default density standard" of 30 units per acre for Sunnyvale, which is categorized as a metropolitan jurisdiction. This is the density that is "deemed appropriate" in State law to accommodate the City's lower-income RHNA. Sites with land use designations that allow for development at a density of at least 30 units per acre were included in the inventory as meeting the lower-income RHNA, except as described below.
- Moderate-Income Sites. Sites with a land use designation/zoning district that allows for multi-family development below 30 units per acre were included in the inventory as meeting the moderate-income RHNA.
- Above Moderate-Income Sites. Sites with a land use designation/zoning district that only allows for single-family housing and limited attached ownership housing (e.g., duplexes, townhomes) were included in the inventory as meeting the above moderate-income RHNA.

Most residential opportunity sites in Sunnyvale are zoned for high density residential development, exceeding the 30 unit per acre default density standard for lower-income sites. In fact, over 85 percent of the sites inventory capacity is on sites that allow at least 30 units per acre. If the City were to count the capacity on all sites that meet the default density standard toward the lower-income RHNA, the City would greatly exceed the lower-income RHNA, but would not meet its moderate- and above moderate-income RHNA. However, it is anticipated that many

of the high-density sites will be built with projects at a mix of income levels that will provide units affordable to moderate- and above moderate-income households as well as lower-income households. In order to reflect this in the inventory and to meet the moderate- and above moderate-income RHNA, the inventory assigns a portion of the capacity on each of the higher density sites in the Lawrence Station Area Plan (LSAP), Downtown Specific Plan (DSP), and El Camino Real Specific Plan (ECRSP) to the moderate- and above moderate-income RHNA categories. The inventory generally assumes 60 percent of the capacity on higher density sites in these plan areas will meet the lower-income need, 15 percent of the capacity will meet the moderate-income need, and 25 percent of the capacity will meet the above moderate-income need. This methodology is consistent with Assembly Bill 725 (2021), which requires that at least 25 percent of the above moderate-income RHNA be accommodated on sites that allow at least four (4) units of housing, and that at least 25 percent of the moderate-income RHNA be accommodated on sites that allow at least four (4) units of housing, but no more than 100 units per acre.

#### REALISTIC DENSITY

The inventory applies a realistic buildout density based on the development standards, market trends, and recent development to calculate capacity. The realistic buildout density varies by plan area and land use designation and is described in detail under each section describing the specific plan or additional sites outside of specific plans. The following provides a brief summary of each assumption:

- Downtown Specific Plan (DSP). The DSP allocates maximum residential development by block, consistent
  with the plan's development and density standards. Rather than assuming a realistic buildout density, the
  inventory calculates capacity using the remaining residential development allocation for each block.
- Lawrence Station Area Plan (LSAP). The LSAP identifies allowable base maximum densities for each zoning designation and provides an incentive program to increase densities beyond the base maximum density. Based on development trends, described in detail in the Lawrence Station Area Plan section below, the inventory assumes a realistic buildout density of 95 percent of the zoning district's maximum density with incentives (excluding State density bonus). This density is reflective of recent development activity in the Lawrence Station Area, as discussed in more detail later in this section. The development capacity is further reduced on several sites that are classified as Tier 2 sites to reflect redevelopment likelihood during the planning period.
- El Camino Real Specific Plan (ECRSP). The ECRSP identifies allowable base maximum densities for each residential mixed-use zoning designation and provides an incentive program to increase densities beyond the base maximum density. Considering that the ECRSP was adopted on June 28, 2022 (at the start of the projection period) and no development has been approved under the new standards, the inventory does not assume any units achieved through the Plan's incentive program but rather assumes a realistic buildout density equal to 100 percent of the base maximum density, which is equivalent to between 73-80 percent of the maximum density with incentives. The development capacity is further reduced on several sites that are classified as Tier 2 sites to reflect redevelopment likelihood during the planning period. The assumptions are described in more detail later in this section.
- Village Center Mixed Use. The General Plan allows an average density of 18 units per acre for each Village Center site. The inventory assumes a conservative realistic buildout density of 80 percent of the average density, or 14 units per acre.
- Additional Residential Sites. The General Plan includes residential designations at varying density ranges, described under the Additional Sites Outside of Specific Plans section below. Based on buildout densities of recent projects, the inventory assumes a conservative buildout density of 85 percent of the maximum allowable density for sites located outside of Village Centers or specific plans.

#### SITE SIZE

Per State law, sites smaller than half an acre or larger than 10 acres are not considered adequate to accommodate the lower income housing need unless it can be demonstrated that sites of equivalent size were successfully developed during the prior planning period or other evidence is provided that the site can be developed as lower income housing.

The lower-income sites inventory does not include sites (i.e., a parcel or group of parcels) smaller than 0.5 acre. One site (APN 11012077) designated for high density residential development (i.e., up to 30 units per acre) is less than 0.5 acre in size but has been identified as appropriate to accommodate moderate-income units. The lowerincome inventory includes eight sites composed of smaller parcels (0.5 acres or less) that have the potential to be consolidated to make a larger site. Five sites located in the DSP (Sites DSP-4, DSP-5, DSP-10, DSP-14, and DSP-16) are composed of two or more parcels, the majority of which are less than 0.5 acre. Small lot consolidation is typical of redevelopment under the DSP and the City has recently approved several lot consolidations for residential developments in the DSP, such as the 100 percent affordable Sunnyvale Block 15 project and DSP Block 6, and continues to receive additional development proposals requiring lot consolidations, including Site P-13 (DSP Block 20), Site P-33 (DSP Block 18), and Site P-34 (DSP Block 22), as shown in Table 5-2. In addition, Site LSAP-5 is made of three parcels (APNs 21301002, 21301003, and 21301004), one of which is only 0.34 acre. However, the remaining two parcels are larger than 0.5 acre and all three sites are owned by the same individual. Site LUTE-5 is made of three parcels (APNs 21120045, 21120046, and 21120047), two of which are less than 0.5 acre (i.e., 0.48 acre and 0.38 acre). These parcels are part of the same existing medical office development and would be redeveloped as one site. Site LUTE-8 is made of two parcels, APN 21135003 is 0.29 acre and APN 21135033 is 0.32 acre. These parcels are directly adjacent to each other and are anticipated to be redeveloped as one site. Lot line adjustments are approved as a ministerial action by the City and are not considered a constraint on development.

The lower-income sites inventory includes two sites larger than 10 acres (LSAP 8 and ECR-11). However, for both sites the inventory only assumes that 60 percent of the capacity would meet the lower-income need. The remaining 40 percent capacity is assumed to meet the moderate-income and above moderate-income need. Both sites are also located within specific plan areas, which help to facilitate development on the sites. The City has recently seen residential development of large sites, including the approved project at 1155-1175 Aster Avenue (shown as Site P-6 in Table 5-2 below) in the LSAP which is currently under construction and consists of 741 residential units and 1,500 square feet of ground commercial on a 17.48-acre site. As part of the project, the City approved a lot line adjustment to reconfigure the three existing parcels to allow for new lots for townhomes, condominiums, and apartments. Additionally, in 2019, the City approved a 1,051-unit multifamily project (including 944 apartment units and 107 townhome units) on a 32.8-acre site located at 1 AMD Place. The project is currently under construction. The site previously consisted of three parcels which were subdivided as part of the project into seven parcels.

Site LSAP-8 (APN 21627037) is located within the LSAP and is 14.58 acres in size (see Table 5-10). The site property owner participated in the LSAP planning process and has expressed interest in residential development of the site. However, the site is currently occupied with industrial buildings, including a data center, and will likely only redevelop later in the planning period. As such, only 25 percent residential redevelopment potential is assumed on the site, and only a quarter of the site, or 3.6 acres, is included in the inventory.

Site ECR-11 is located within the ECRSP and is 13.78 acres in size (see Table 5-12). The site is a large shopping center made of multiple smaller parcels (APNs 21101035; 21101036; 21101038; 21101044; 21101045). The site is actively used by big box retailers; however, the property owners have participated in the specific plan update process and are interested in redevelopment. It is uncertain as to which parcels would consolidate and redevelop. Due to the existing uses of the site, the inventory assumes a 25 percent potential for residential redevelopment of the site. As such, only a quarter of the site, or 3.4 acres, is included in the inventory.

#### SITES IDENTIFIED IN PREVIOUS HOUSING ELEMENTS

Per statute (Government Code Section 65583.2(c)), a non-vacant site identified in the previous planning period and a vacant site that has been included in two or more previous consecutive planning periods cannot be used to accommodate the lower income RHNA unless the site is subject to a policy in the housing element requiring rezoning within three years of the beginning of the planning period to allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower-income households.

Several sites included in the inventory for lower-income housing have been included in previous housing element planning periods. These sites are identified in the inventory tables included below (Table 5-6, Table 5-10, Table 5-12, Table 5-16, Table 5-19, and Table 5-21). The Housing Element includes a policy that commits the City to allowing residential use by right on these sites when at least 20 percent of the units are affordable to lower income households.

#### **NON-VACANT SITES**

State law allows jurisdictions with limited vacant land to rely on non-vacant and underutilized sites to accommodate the RHNA. However, non-vacant sites can present challenges for residential redevelopment and must therefore be analyzed closely to determine suitability. Jurisdictions must consider the extent to which existing uses may constitute an impediment to additional residential development, past experiences converting existing uses to higher density residential development, lease or contract requirements limiting residential redevelopment, development trends, market conditions, and regulatory or other incentives.

Due to Sunnyvale's built out nature (meaning that all but a few sites have development on them), the inventory relies heavily on non-vacant underutilized sites anticipated for infill development. This continues the trend of the past 30 years in which development in Sunnyvale has primarily consisted of the redevelopment of non-vacant sites. While some new residential construction occurs on small, lower-density single family sites, most new housing has been built on former industrial/commercial sites along El Camino Real, in the Downtown area, and in former industrial and business park areas. Since the early 1980s Sunnyvale has successfully rezoned lower intensity industrial sites for residential development (most of these sites have fully transitioned to residential use) and has increased allowable densities in high quality transit areas (e.g., Downtown Specific Plan, Lawrence Station Area Plan, and El Camino Real Specific Plan). These transitioned sites include the 32.8-acre site that formerly served as headquarters for the AMD semiconductor company. This site contained a Class B office building that was significantly upgraded in 1995 along with the construction of a new commons building. In 2019, the City approved a 1,051-unit multifamily project (including 944 apartment units and 107 townhome units) and a 6.5-acre public park. Soil and groundwater contamination from prior industrial use were successfully abated on the site. Construction on the project is nearing completion as of 2023.

Each site included in the inventory has been reviewed closely to ensure suitability of housing redevelopment and a description of existing uses and any impediments to residential development is provided. The City has a minimal amount of vacant land, yet the City continues to experience a high level of redevelopment of sites currently occupied with existing residential and non-residential uses. As shown in Table 5-2, below, all residential projects currently in the pipeline involve the redevelopment of non-vacant sites. Redevelopment sites range from existing industrial, commercial, and office space, to single family and multifamily apartment complexes.

The inventory generally does not include capacity on sites occupied with existing residences, with the exception of three sites. Two of these sites are located within the DSP (DSP-14 [N] and DSP-16), which promotes redevelopment of single family units and duplexes into higher-density residential. The Downtown area has experienced significant redevelopment in recent years, including the redevelopment of several existing residences. The potential for redevelopment is described in the Downtown Specific Plan section below. The third site (LUTE-8) is located outside of specific plan areas. The existing residence located on this site is poorly maintained and appears unoccupied, with

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cracked driveways, broken fences, and overgrown vegetation. The site is designated for High Density Residential (25 to 36 units per acre). As such, this site is considered suitable for redevelopment.

Government Code Section 65915(c)(3) establishes replacement requirements for sites identified in the inventory that currently have residential uses, or within the past five years have had residential uses that have been vacated or demolished, and:

- Were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low-income, or
- Subject to any other form of rent or price control through a public entity's valid exercise of its police power, or
- Occupied by low or very low-income households.

In addition, Government Code Section 66300(d) (Senate Bill 330) is effective through 2030 and states that an affected city or county shall not approve a housing development project that will require the demolition of residential dwelling units regardless of whether the parcel was listed in the inventory unless a) the project will create at least as many residential dwelling units as will be demolished, <u>and</u> b) certain affordability criteria are met for the replacement of protected units.

None of the sites include units subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low- or very low-income; or to any other form of rent or price control through a public entity's valid exercise of its police power; or were occupied by low- or very low-income households. However, considering that the units could become occupied by low- or very low-income households prior to redevelopment, the Housing Element includes a policy to require replacement housing units, consistent with the replacement requirements established in Government Code Section 65915(c)(3) and Government Code Section 66300(d).

#### **Non-Vacant Site Factors**

The following factors were considered in identifying non-vacant sites to include in the inventory. The factors that apply to each site in the inventory are indicated in the tables below using the corresponding letters.

- A. Transit-oriented development opportunities. The City of Sunnyvale is well served by regional transit networks, including Caltrain, light rail, and bus rapid transit systems. The majority of non-vacant sites included in the housing element sites inventory are within walking distance to major transit stops, particularly the sites within the specific plan areas. These specific plans facilitate residential development through higher densities, development incentives, and CEQA streamlining opportunities. All of the non-vacant sites within the Downtown Specific Plan are within walking distance to the Sunnyvale Transit Center and all of the non-vacant sites within the Lawrence Station Area Plan are within walking distance of the Lawrence Caltrain Station. The sites within the El Camino Real Specific Plan area are served by bus rapid transit, and the sites within the Moffett Park Specific Plan are within walking distance to the Orange Line of the light rail system. These sites were prioritized for inclusion in the housing element because of the significant opportunity for transit-oriented development.
- B. Village Centers. Commercial shopping centers identified as Village Centers were prioritized for inclusion in the housing element sites inventory because of the residential mixed use redevelopment potential provided by the General Plan. The Village Center sites are currently developed as low-intensity, autooriented shopping centers and strip malls. The City has seen significant development interest in the Village Centers and is currently preparing a Village Centers Master Plan to provide further guidance and incentives for redeveloping these commercial shopping centers. Not all Village Center sites are included in the inventory. City staff assessed the redevelopment potential of each parcel based on the condition of the

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- shopping and interest from the development community and prioritized those with the greatest potential during the planning period.
- C. Development interest. City staff prioritized certain sites for inclusion in the housing element sites inventory because they have received phone calls, emails, or meetings from property owners, developers, or real estate brokers interested in developing residential or residential mixed use on these sites. Nearly every development application for new housing that the City receives is preceded by inquiries to the Planning Division. These inquiries are usually months or can even be years ahead of the receipt of a development application. The questions often come from a developer performing due diligence in support of a purchase agreement or design professionals working on preliminary concepts for a development proposal.
- **D.** Occupancy status. Several of the sites included in the inventory have buildings that are vacant, for lease or for sale, or being held vacant (i.e., "mothballed") waiting for future development opportunity. This is particularly true within the Moffett Park Specific Plan Area where several office buildings are sitting vacant with plans to redevelop with housing following adoption of the Specific Plan.
- E. Structure age and poor condition. Many of the non-vacant sites in the inventory have buildings that are more than 40 years old. In many cases, buildings of this age are reaching the end of their useful life and may require costly repairs or upgrades, making redevelopment of the site more likely. Some sites in the inventory include structures that are damaged, poorly maintained, or obsolete buildings that are likely to be demolished.
- F. Low floor area ratio. In zones with high development potential (such as multifamily residential districts, mixed-use zones, and the specific plan areas) a lack of building area or excessive surface parking areas are an indicator that the site is underutilized. A floor area ratio (FAR) of less than 35 percent was utilized to identify properties that are being underutilized. These parcels generally contain single-story office or commercial uses and/or large surface parking lots. Most of these parcels have the opportunity to develop with at least five stories of residential above structured parking.
- **G.** Low improvement-to-land value ratio. When a parcel's land value exceeds the value of improvements (land improvement ratio of less than 1.0), this is an indication that the property may be underutilized, and there may be a financial incentive for the property owner to redevelop. Some of the sites included in the inventory have an improvement to land value ratio of less than 1.0, as indicated in the tables below.

Table 5-2 summarizes recent trends in projects on nonvacant sites converted to residential uses. The following examples cover various project sizes in different areas with characteristics similar to inventoried sites (i.e., industrial, office, retail strip). The table also includes the non-vacant site factors that apply to these recent housing developments to demonstrate the validity of the factors used to identify non-vacant sites included in the inventory.

**Table 5-2: Examples of Recent Redevelopment Projects** 

### Example 1: Redwood Place - Office to Residential (R-4)

#### Before:

From Duane/Indian Wells:



From Stewart/Santa Trinita:



#### After:

From Duane/Indian Wells:





Project Name: Redwood Place
Address: 1030 Indian Wells Ave

**Prior Use:** Office/R&D Campus

Planning Permit: Zoning Amendment and

**Special Development Permit** 

**Status:** Under construction **Units Proposed:** 944 apartments

Above Moderate: 899 units

Moderate: 0 units

Lower: 45 units
Zoning: R-4/PD

Site Area: 20.7 acres

**Maximum Allowable Density:** 

36 du/acre

Actual Project Density: 45.7 du/acre

Percent Buildout: 127%

Usable Open Space: 428 sf/unit (380 sf/unit

required)

Parking: 1,680 spaces (1,680 required)

#### **Non-Vacant Site Redevelopment Factors:**

- ✓ Unoccupied office/R&D buildings
- ✓ Development interest
- ✓ Low FAR (22%)

**Project Description:** Redwood Place is the redevelopment of a 20.7-acre office/R&D property (formerly the headquarters of AMD Semiconductors) into 944 apartments. This project includes the construction of eight multifamily buildings including 57 units in four three-story buildings and 887 units in four five-story buildings.

The site is located in the East Sunnyvale Industrial to Residential area and a Zoning Amendment was required to accommodate the same number of housing units with the dedication of a public park. As part of the conversion to residential, four existing buildings were demolished and the property was subdivided to create separate lots for each multifamily building as well as lots for an adjacent ownership townhome project and a new 6.5-acre public park. The development also included the extension of Indian Wells Avenue to allow traffic which was improved with bike lanes, sidewalks, and street design components consistent with the East Sunnyvale Sense of Place Plan.

By providing 45 lower-income units and energy-efficient design, the project utilized the State Density Bonus and the City's Green Building Program to create an additional 200 units on top of the base maximum density of 744 units.

#### Example 2: 481 on Mathilda - DSP Office to Very High Density Residential

#### **Before:**

Mathilda Avenue Frontage:



**Charles Street Frontage:** 



#### After:

Mathilda Avenue Frontage:



#### Charles Street Frontage:



Project Name: 481 on Mathilda

Address: 465 S Mathilda Ave

Prior Use: Office and commercial

Planning Permit: Special Development Permit

Status: Constructed 2016
Units Constructed: 105

Above Moderate: 100 units

Moderate: 0 units

Lower: 5 units

Zoning: DSP Block 14 (Very High Density Residential)

Site Area: 1.61 acres

Maximum Allowable Density: 54 du/acre

Actual Project Density: 65 du/acre

**Percent Buildout: 121%** 

Usable Open Space: 77 sf/unit (50 sf/unit required)

Parking: 148 spaces (139 required under State

**Density Bonus)** 

#### **Non-Vacant Site Redevelopment Factors:**

- ✓ TOD opportunity
- ✓ Development interest
- ✓ Unoccupied office/commercial buildings

**Project Description:** 481 on Mathilda is a 105-unit multifamily development on a formerly office and commercial site in Block 14 of the Downtown Specific Plan (DSP). This project included the demolition of one office building and two commercial strips and required the combining of two existing parcels.

Based on comprehensive updates to the DSP completed in 2003, the site was able to convert from its former commercial use to residential, with a maximum of 87 units allowable on site. The project utilized the State Density Bonus by providing five affordable units for very low-income households and was approved to build 105 total units, exceeding the maximum density for the site.

The project was designed to be transit-oriented (a half-mile from Sunnyvale Caltrain Station) and pedestrian friendly. As seen in the photos above, the project successfully transitions between a four-story, high-density design on the busy Mathilda Avenue frontage and two story, townhome style units along the Charles Street frontage.

#### Example 3: Paloma Place - DSP Office Conversion Missing Middle Residential (Low to Medium Density)

#### **Before**



#### After



Project Name: Paloma Place

Address: 300 W Iowa Ave **Prior Use:** Office building

Planning Permit: Special Development Permit

Status: Constructed 2017

Units Constructed: 13

Above Moderate: 12 units

Moderate: 1 unit

Lower: 0 units

Zoning: DSP Block 13 (Low to Medium-Density

Residential)

Site Area: 1.16 acres

**Maximum Allowable Units: 12** 

**Percent Buildout: 100%** 

Usable Open Space: 670 sf/unit (500 sf/unit

required)

Parking: 33 spaces (26 required)

#### **Non-Vacant Site Redevelopment Factors:**

- ✓ TOD opportunity
- ✓ Development interest
- ✓ Unoccupied office/commercial buildings
- ✓ Low FAR (23%)

**Project Description:** Paloma Place is the conversion of a vacant office building into 13 detached single family homes along a newly built, shared access drive. The project is located in Block 13 of the Downtown Specific Plan, which is designated as low- to medium-density in order to transition from the very high residential densities of the commercial core area to the north and the lower densities of historic residential neighborhoods to the south and east.

Paloma Place is designed to achieve similar densities as a cottage court, achieving a net density (excluding the access drive) of 25.3 du/acre. (Cottage courts typically achieve a net density between 13 and 44 du/acre). The project also exceeds the City's development standards, with 670 square feet of usable open space per unit (500 square feet is required) and two assigned parking spaces per unit with an additional seven guest spaces.

5-11

#### Example 4: Flats West - DSP Commercial (portion of a Mall) Conversion

# Before:

Project Name: Flats West Address: 333 W Iowa Ave

Prior Use: Commercial (Demolished)

Planning Permit: Special Development Permit

**Status:** Constructed 2021 **Units** Constructed: 75

Above Moderate: 66 units

Moderate: 0 units

Lower: 9 units

Zoning: DSP Block 18 (Downtown Mixed Use)

Site Area: 0.78 acres

Maximum Allowable Units: 75 units

Percent Buildout: 100%

Usable Open Space: 114 sf/unit (50 sf/unit required)

Parking: 138 spaces (138 required)

#### Non-Vacant Site Redevelopment Factors:

- ✓ TOD opportunity
- ✓ Development interest
- Unoccupied site (buildings previously demolished)
- ✓ Low FAR (0%)



**Project Description:** Flats West is the conversion of a former commercial property into a five-story, 75-unit residential project. The project is part of the Cityline development, which is located on the southern portion of Block 18 of the Downtown Specific Plan (DSP). Cityline is the conversion of the former 35-acre Sunnyvale Town Center Mall into a dense, urban downtown with a mix of housing, retail, and office uses.

Flats West is part of the first phase of Cityline, which was made possible by the 2007 DSP. The DSP allowed a maximum unit count of 75 for the site and a density of 96.7 du/acre. Flats West not only achieves very high residential density; it also meets or exceeds the City's development standards, including usable open space (114 sf/unit provided where 50 sf/unit is required) and parking (meets the requirement for 75 assigned and 63 unassigned spaces).

The project is designed to be transit-oriented (a half mile from Sunnyvale Caltrain Station) and pedestrian friendly. Residents of Flats West are within a quartermile from a grocery and numerous retail and dining options.

#### Example 5: 610 East - Industrial/Light Manufacturing Conversion to Residential (R-4)

#### Before:



#### After:



Address: 610 E Weddell Dr

Prior Use: Industrial

Planning Permit: General Plan Amendment and

Special Development Permit

Status: Constructed 2017
Units Constructed: 205

Above Moderate: 189 units

Moderate: 0 units

Lower: 16 units

Zoning: R-4/PD

Site Area: 4.04 acres

Maximum Allowable Density: 36 du/acre

Actual Project Density: 52 du/acre

Percent Buildout: 141%

Usable Open Space: 424 sf/unit (380 sf/unit

required)

Parking: 340 spaces (311 required by State Density

Bonus)

#### **Non-Vacant Site Redevelopment Factors:**

- ✓ TOD opportunity
- ✓ Development interest
- ✓ Unoccupied office/commercial buildings
- ✓ Low FAR (35%)

**Project Description:** 610 East is the conversion of an unoccupied, industrial site with a new multifamily residential development within a half-mile from the VTA Light Rail Orange Line. The project included the demolition of an existing one-story, vacant industrial building and construction of a four-story apartment building containing 205 residential units. This project required a General Plan Amendment to rezone the site from Industrial to High Density Residential (R-4/PD).

The project achieved residential densities well beyond the base maximum density by employing the State Density Bonus and the City's Green Building incentive program. These programs enabled the project to create an additional 59 units on top of the 146 units allowable under the base maximum density.

#### Example 6: Savoy - Industrial/Light Manufacturing Conversion to Residential (R-4)

#### Before:



#### After:



Project Name: Savoy

Address: 1120 Kifer Rd Prior Use: Office/R&D

Planning Permit: Use Permit

Status: Constructed 2021
Units Constructed: 520

Above Moderate: 480 units

Moderate: 0 units

Zoning: LSAP (2016 Plan) MXD-I

Site Area: 7.99 acres

Maximum Allowable Density: 45 du/acre

Actual Project Density: 65 du/acre

**Percent Buildout: 145%** 

Usable Open Space: 194 sf/unit (50 sf/unit required)

Parking: 766 spaces (620 required)

#### **Non-Vacant Site Redevelopment Factors:**

- ✓ TOD opportunity
- ✓ Development interest
- ✓ Partially occupied office/R&D building
- ✓ Low FAR (29%)

**Project Description:** Savoy is the redevelopment of a formerly industrial site into a new mixed-use project containing 520 residential units and 7,400 square feet of retail space. The project included the demolition of one partially occupied, single-story building and the construction of two five-story buildings with a publicly accessible loop road providing access between the buildings.

Submitted under the 2016 Lawrence Station Area Plan (LSAP), the project utilized the LSAP Incentive Program to achieve increased density by providing community benefits. Applicable community benefits for this project include the aforementioned loop road as well as the construction of a 15,000 square foot park that is fully accessible to the public.

Under the MXD-I zoning, the maximum number of units developable on site would be 359 units. Through the LSAP incentive program, the project was able to achieve an additional 161 units.

#### Example 7: The Martin – High Rise, Mixed Use, Commercial Conversion





Address: 200 S Taaffe

Prior Use: Mall parking structure

Planning Permit: Special Development Permit

Status: Under construction

**Units Proposed:** 479

Above Moderate: 426 units

Moderate: 6 units
Lower: 47 units

Zoning: DSP Block 18 (Downtown Mixed Use)

Site Area: 3.77 acres

**Maximum Allowable Units: 265** 

Percent Buildout: 181%

Parking: 479 spaces (996 required)

#### **Non-Vacant Site Redevelopment Factors:**

✓ TOD opportunity✓ Development interest

Source: City of Sunnyvale, 2023.

**Project Description:** The Martin is the largest residential project in the Cityline development, which is centrally located in Block 18 of the Downtown Specific Plan (DSP). Cityline is the conversion of the former 35-acre Sunnyvale Town Center Mall into a dense, urban downtown with a mix of housing, retail, and office uses.

The Martin is part of the second phase of the Cityline development, which is the result of an amendment to the 2007 DSP and a subsequent Development Agreement which increased the total number of units in the overall Cityline project from 292 to 793. The Martin's 479 units are included in the Housing Element's Sites Inventory under Approved Projects (Table 5-2).

The project is designed to be transit-oriented (a quarter mile from Sunnyvale Caltrain Station) and pedestrian friendly. Future residents of the Martin are across the street from a full-service grocery store and numerous retail and dining options.

#### **MIXED USE SITES**

State law allows jurisdictions to rely on sites zoned for non-residential uses that allow residential development, such as mixed use development. However, the inventory must consider the potential for mixed use sites to be developed with non-residential uses when estimating realistic capacity.

For mixed use designations or zones located within the DSP or LSAP, the City does not require a commercial component and permits uses configured as vertical mixed use or as single-use buildings or parcels. For mixed use developments that include both a commercial and residential component, maximum residential densities can still be achieved. Residential capacity assumed for sites located in mixed use zones within specific plan areas is calculated consistent with the projections of the specific plan.

For sites designated as residential mixed use in the ECRSP, the plan requires a commercial component. However, development standards, such as building height and lot coverage, still allow for maximum residential densities to be achieved. The commercial requirement does not reduce the maximum number of residential units that can be

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built. In addition, as discussed in detail in the ECRSP section below, the sites inventoried were selectively identified based on their potential for residential development.

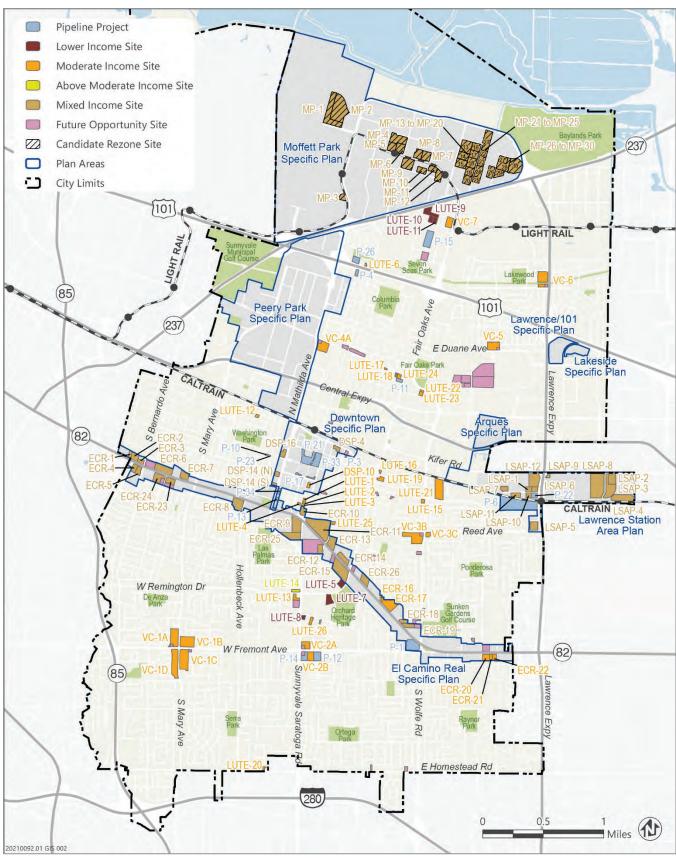
The General Plan Village Mixed Use designation allows for an average residential density of 18 units per acre. The average residential density accounts for a 10 to 25 percent commercial floor area ratio (commercial floor area to land area) component requirement within the Village Mixed Use designation. The inventory assumes a conservative realistic density of 14 units per acre on Village Mixed Use sites and is more than enough to accommodate the commercial requirement.

As shown in Table 5-2 below, 18 projects recently approved or currently under review are located within mixed use designations, 10 of which include mixed use developments and eight of which include stand-alone residential uses. Only one stand-alone office project was recently approved in 2016 within a mixed use designation of the LSAP. The mixed use developments are able to achieve maximum densities, despite the inclusion of commercial uses.

#### **FUTURE OPPORTUNITY SITES**

There are several sites identified in the inventory that could potentially be redeveloped with residential development based on their zoning, but currently their redevelopment potential is unknown or assumed to be limited at this time (2022). These sites include existing residential uses or non-residential uses that have high market demand and/or high redevelopment costs, such as daycare centers, gas stations, and data centers. This list also includes sites in the East Sunnyvale Industrial to Residential area at Stewart and De Guigne Drives that are currently zoned for industrial use. The Housing Element includes a program to rezone these sites to Medium Density Residential. Since the potential for redevelopment to occur on these sites within the planning period is unlikely, these sites are identified as "future opportunity sites" and no capacity for residential development is included in the 2023-2031 Housing Element inventory. The reason they are identified in the Housing Element is to communicate to the public and development community that opportunity exists on the sites and to flag the sites for inclusion in a future Housing Element sites inventory if and when redevelopment is deemed feasible. Future opportunity sites are identified in the tables below and in Figure 5-1 below. These sites are not included in the inventory for this Housing Element cycle.

Figure 5-1: City-Wide Inventory



Source: Adapted by Ascent in 2022 from data received from the City of Sunnyvale in 2021 and 2022

# **Approved Projects**

The City has residential development applications that have either been approved or are currently under review and are expected to be built during the RHNA projection period (June 30, 2022, through December 15, 2030). This does not include projects that are already under construction if the building permits were issued prior to June 30, 2022. Table 5-2 shows these as approved projects. For each project, the table includes the assessor parcel number (APN), address, site acreage, number of units by income category, project description, and project status. Figure 5-1 shows the city-wide inventory, including all approved and planned projects.

Several projects include demolition or renovation of existing residences. The inventory does not count replacement units or renovated units towards the RHNA; rather, only the net new capacity is counted towards the RHNA. Units are categorized by income as follows:

- Projects with deed-restricted affordable units are counted toward the lower- or moderate-income RHNA, as applicable. For mixed-income projects, deed-restricted affordable units are provided per the City's below market rate housing program described in Chapter 6, "Constraints to the Development of Housing."
- Projects that include non-deed-restricted market-rate rental multifamily units are assumed to meet both the moderate-income and above moderate-income RHNA. As described in Chapter 3, "Housing Needs Assessment," a two-person moderate-income household can afford rents up to \$4,236 per month, a three-person moderate-income household can afford rents up to \$4,766, and a four-person moderate-income household can afford rents up to \$5,295. As shown in Table 5-4 below, many of the units in recent multifamily developments are rented at prices considered affordable to moderate-income households, ranging from \$3,055 to \$4,220 for a one-bedroom apartment, \$3,875 to \$6,400 for a two-bedroom apartment, and \$5,065 to \$6,090 for a three-bedroom apartment. As such, the inventory assumes 50 percent of pipeline market-rate rental units meet the moderate-income need and 50 percent of pipeline market-rate rental units meet the above moderate-income need.
- Projects that include market-rate attached ownership (e.g., townhomes or condominiums) or single-family
  units are assumed to meet the above-moderate-income RHNA based on recent home sale prices that are
  generally only affordable to above moderate-income households.

As shown in Table 5-3, there are 38 projects that will provide a total of 1,842 net new units including: 220 very low-income units, 101 low-income units, 522 moderate-income units, and 999 above moderate-income units. There are several additional development projects that have submitted either preliminary or formal applications and are working through the development review process. However, if the projects are not yet approved, they are not included in Table 5-3 unless there is an executed development agreement or Specific Plan Amendment indicating a unit count for the project. Sites where there are preliminary projects that have not yet been approved are included in the vacant and underutilized sites inventory with notes indicating that there is expressed interest in developing the sites.

Table 5-3: City of Sunnyvale, 2023-2031 Housing Element, Approved Projects

|                | 1   | unnyvaie, 2023-203  |                          |   |   |                       |                           |                                 |                         | 1  |   |                                       |   |   |  |
|----------------|---|---|--------------------------|---|---|-----------------------|---------------------------|---------------------------------|-------------------------|--|---|---------------------------------------|---|---|--|
| Site<br>Number | Number<br>(APN)   | Address/<br>(Plan Area, if<br>applicable)                         | Size<br>(Gross<br>Acres) | General Plan<br>Land Use<br>Designation       | Zoning  | Total<br>New<br>Units | Net<br>Units <sup>1</sup> | Very<br>Low-<br>Income<br>Units | Low-<br>Income<br>Units | Deed-<br>Restricted<br>Moderate-<br>Income Units | Non-Deed-<br>Restricted<br>Moderate-<br>Income<br>Units | Above<br>Moderate-<br>Income<br>Units | Project Description   | Project Status  | Discretionary or<br>Ministerial<br>Review Pending? |
| P-1            | 211-25-<br>011, 211-<br>25-033,<br>211-25-<br>034, 211-<br>25-038 | 871 and 895 E<br>Fremont Ave<br>(El Camino Real<br>Specific Plan) | 5.44                     | EL CAMINO REAL<br>SPECIFIC PLAN<br>(ECRSP)    | R3 EL CAMINO<br>REAL – MEDIUM<br>DENSITY<br>RESIDENTIAL | 130                   | 128                       |                                 |                         |  | 46  | 82                                    | Redevelop a 5.49-acre site previously developed for agriculture and residential uses with 39 townhomes and 91 apartments plus 6,934 square feet of retail/office use with surface and underground parking. Two existing single family homes to be demolished.  Based on the time of application, rental units are not subject to the City's Below Market Rate (BMR) program. Based on market rents, 50 percent of rental units are inventoried as moderate. Applicant has been approved to pay in-lieu fee for ownership BMR unit requirement.  | Building Permit<br>Issued 6/30/22;<br>Under Construction  | No   |
| P-2            | 204-04-<br>034  | 421 E Washington<br>Ave   | 0.19                     | LOW MEDIUM<br>DENSITY<br>RESIDENTIAL<br>(RLM) | R2-LOW<br>MEDIUM<br>DENSITY<br>RESIDENTIAL              | 2                     | 1                         |                                 |                         |  |   | 1                                     | Subdivide existing 8,147 sq. ft. lot into two lots. Demolish an existing single-family home and build two new single-family homes.  | Project Approved<br>(10/28/2019),<br>Building Permit<br>Under Review, Time<br>Extension Approved<br>(9/27/22)   | No   |
| P-3            | 204-03-<br>003, 204-<br>03-002                                    | 210 and 214 W<br>Ahwanee Ave                                      | 0.75                     | HIGH DENSITY<br>RESIDENTIAL<br>(RHI)          | R4-HIGH<br>DENSITY<br>RESIDENTIAL                       | 24                    | 23                        |                                 |                         | 3  |   | 20                                    | 24 condo units in four 4-story buildings, includes 3 deed-<br>restricted moderate-income units per the City's BMR<br>ownership housing requirement.   | Project Approved<br>(8/10/2020);<br>Comments provided<br>Jan 2023, Pending<br>Building Permit<br>Resubmittal  | No   |
| P-4            | 213-01-<br>034, 213-<br>01-032,<br>213-01-<br>033                 | 1155-1175 Aster<br>Ave (Lawrence<br>Station Area Plan)            | 17.48                    | TRANSIT MIXED USE (TMIX)                      | MXD-III   | 329                   | 329                       |                                 |                         | 41   |   | 288                                   | Demolish 7 existing industrial buildings, 2 commercial buildings, and construct a new mixed use project consisting of a 4-to-5-story apartment/commercial building with wrapped above-grade parking structure (412 rental units); (2) 2-to-7-story condo buildings above podium parking structures (189 ownership units); and (20) 2-to-3-story townhome buildings with individual unit garages (140 ownership units). Includes 41 deed-restricted moderate income ownership units. The 412-unit apartment building is under construction and not counted towards the 6 <sup>th</sup> cycle RHNA. The remaining 329-unit condo and townhome buildings will be developed after the start of the 6 <sup>th</sup> cycle projection period (June 30, 2022). | Apartment Project Under Construction (Building Permit Issued 12/3/2021); Comments provided on condo/townhome project Nov 2022, Pending Building Permit Resubmittal for Townhomes and Condos | No   |
| P-5            | 165-12-<br>083  | 606 W McKinley<br>Ave   | 0.2                      | LOW MEDIUM<br>DENSITY<br>RESIDENTIAL<br>(RLM) | R2-LOW<br>MEDIUM<br>DENSITY<br>RESIDENTIAL              | 2                     | 0                         |                                 |                         |  |   | 0                                     | Demolish existing duplex and create two lots and construct two new single-family homes.   | Under Construction<br>(Building Permits<br>Issued 3/1/23)   | No   |
| P-6            | 204-38-<br>008, 009,<br>and 010                                   | 475 N Fair Oaks Ave<br>585, 595 Columbia<br>Ave                   | 0.86                     | MEDIUM<br>DENSITY<br>RESIDENTIAL<br>(RMED)    | R3-MEDIUM<br>DENSITY<br>RESIDENTIAL                     | 18                    | 16                        |                                 |                         | 2  |   | 14                                    | Redevelop a 35,903 sq. ft. lot multi-family property.  Demolish 2 single family homes, a rectory, 2 accessory structures and construct 2 structures resulting in a total of 18 townhomes and a density of 22 du/acre. The project includes 2 deed-restricted moderate-income units per the City's BMR ownership housing requirement.  | Under Construction<br>(Building Permits<br>Issued 8/11/22)  | No   |
| P-7            | 209-29-<br>057, 209-<br>29-067                                    | 562-566 S Mathilda<br>Ave (Downtown<br>Specific Plan)             | 0.44                     | TRANSIT MIXED<br>USE (TMIX)                   | DSP- BLOCK 20   | 25                    | 24                        | 1                               | 2                       |  | 11  | 10                                    | Redevelop an existing residence and medical office with 25 residential rental units and 4,240 square feet of commercial. Project is subject to the City's 15% BMR rental inclusionary   | Specific Plan<br>Amendment<br>approved 1/10/2023;   | Number of units<br>has been<br>approved;           |

| Site<br>Number | Assessor<br>Parcel<br>Number<br>(APN) | Address/<br>(Plan Area, if<br>applicable)         | Size<br>(Gross<br>Acres) | General Plan<br>Land Use<br>Designation | Zoning                                     | Total<br>New<br>Units | Net<br>Units <sup>1</sup> | Very<br>Low-<br>Income<br>Units | Low-<br>Income<br>Units | Deed-<br>Restricted<br>Moderate-<br>Income Units | Non-Deed-<br>Restricted<br>Moderate-<br>Income<br>Units | Above<br>Moderate-<br>Income<br>Units | Project Description   | Project Status   | Discretionary or<br>Ministerial<br>Review Pending?   |
|----------------|---------------------------------------|---|--------------------------|---|--|-----------------------|---------------------------|---------------------------------|-------------------------|--|---|---------------------------------------|---|--|--|
|                |                                       |   |                          |   |  |                       |                           |                                 |                         |  |   |                                       | requirement for 3 deed-restricted lower-income units. Based on market rents, 50 percent of remaining rental units are inventoried as moderate.  | Pending Formal<br>Application Submittal  | Discretionary – Requires Special Development Permit with Planning Commission review based on Objective Design Guidelines |
| P-8            | 110-14-<br>197                        | 1139 Karlstad Dr                                  | 5.05                     | HIGH DENSITY<br>RESIDENTIAL<br>(RHI)    | R4-HIGH<br>DENSITY<br>RESIDENTIAL          | 135                   | 135                       |                                 |                         | 20   |   | 115                                   | Demolish an existing industrial building and construct 135 townhome units at a density of 27 du/acre. Includes 20 deed-restricted moderate-income units based on City's BMR ownership housing requirement.  | Project Approved<br>(5/24/21), Building<br>Permit Under Review<br>as of Jan 2023   | No   |
| P-9            | 209-35-<br>023                        | 200 S Taaffe St<br>(Downtown Specific<br>Plan)    | 3.77                     | TRANSIT MIXED<br>USE (TMIX)             | DSP – BLOCK 18                             | 479                   | 479                       | 16                              | 31                      | 6  | 213   | 213                                   | Mixed use development including two 12-story residential buildings with 479 units and 37,300 sf retail use in DSP Block 3 (southern portion). Includes 53 deed-restricted BMR units per the approved development agreement. Based on market rents, 50 percent of remaining rental units are inventoried as moderate.  | Issued 8/26/2022)  | No   |
| P-10           | 205-50-<br>013                        | 1178 Sonora Ct<br>(Lawrence Station<br>Area Plan) | 1.33                     | TRANSIT MIXED<br>USE (TMIX)             | MXD-I                                      | 176                   | 176                       | 131                             | 43                      |  |   | 2                                     | Redevelop a 1.26-acre industrial property within the LSAP. Demolish an existing 19,440 sq. ft. one-story industrial building and construct 176 apartment units (174 affordable units and two managers' units). Deed-restricted units per applicant project proposal.  | Project Approved (11/8/21); Comments provided Jan 2023, Pending Building Permit Resubmittal; Applicant Seeking Financing (CDLAC in 2023)     | No   |
| P-11           | 165-12-<br>057                        | 664 W. McKinley<br>Ave                            | 0.17                     | LOW MEDIUM DENSITY RESIDENTIAL (RLM)    | R2-LOW<br>MEDIUM<br>DENSITY<br>RESIDENTIAL | 2                     | 1                         |                                 |                         |  |   | 1                                     | To allow a two-lot subdivision of a R-2 property and two new two-story single family residences. One existing home to be demolished.  | Project Approved<br>(1/10/22), Building<br>Permit Under Review<br>as of Jan 2023   | No   |
| P-12           | 309-01-<br>006                        | 166 E Fremont Ave<br>(Village Center)             | 2.8                      | VILLAGE MIXED<br>USE (VMIX)             | C1-<br>NEIGHBORHOOD<br>BUSINESS            | 50                    | 50                        |                                 |                         |  | 7   | 43                                    | Redevelop portion (2.77 ac) of a shopping center with a mixed use project that includes demolishing 10,500 sq. ft. of commercial space, retain 8,094 sq. ft. commercial space, and construction of 50 residential condo units in four, 4-story buildings with associated parking and common public open space and 5-lot subdivision (SB 330 Submittal). Includes 7 deed-restricted moderate-income units based on City's BMR ownership housing requirement. | Project Approved<br>(9/8/2021), Building<br>Permit Under Review<br>as of Jan 2023  | No   |
| P-13           | 110-12-<br>093                        | 245 W Weddell Dr                                  | 1.81                     | HIGH DENSITY<br>RESIDENTIAL<br>(RHI)    | R4-HIGH<br>DENSITY<br>RESIDENTIAL          | 123                   | 61                        | 59                              |                         |  |   | 2                                     | To redevelop an existing 62-unit affordable housing development including demolition of one apartment building with 32 apartment units and construction of a new six-story, 93-unit building, and rehabilitating an existing apartment building with 30 affordable apartment units resulting in a total of 123 units. Lower-income units based on project application.  | Project Approved<br>(11/8/21), Building<br>Permit Under Review<br>as of Jan 2023;<br>Applicant Seeking<br>Financing (Tax<br>Credits in 2023) | No   |

| Site<br>Number | Assessor<br>Parcel<br>Number<br>(APN)                             | Address/<br>(Plan Area, if<br>applicable)   | Size<br>(Gross<br>Acres) | General Plan<br>Land Use<br>Designation | Zoning                          | Total<br>New<br>Units | Net<br>Units <sup>1</sup> | Very<br>Low-<br>Income<br>Units | Low-<br>Income<br>Units | Deed-<br>Restricted<br>Moderate-<br>Income Units | Non-Deed-<br>Restricted<br>Moderate-<br>Income<br>Units | Above<br>Moderate-<br>Income<br>Units | Project Description   | Project Status   | Discretionary or<br>Ministerial<br>Review Pending?  |
|----------------|---|---|--------------------------|---|---------------------------------|-----------------------|---------------------------|---------------------------------|-------------------------|--|---|---------------------------------------|---|--|---|
| P-14           | 309-01-<br>002  | 102 E Fremont Ave<br>(Village Center)   | 1.82                     | VILLAGE MIXED<br>USE (VMIX)             | C1-<br>NEIGHBORHOOD<br>BUSINESS | 35                    | 35                        |                                 |                         | 5  |   | 30                                    | Redevelop portion (1.87 acre) of a shopping center with a mixed use project that includes demolishing 19,852 sf. commercial, retaining 8,048 sf. commercial, and construction of 35 residential condo units in three, 4-story building(s) and 5-lot subdivision (SB 330 submittal). Includes 5 deed-restricted moderate-income units based on City's BMR ownership housing requirement. | Project Approved<br>(8/9/2022), Pending<br>Building Permit<br>Application Submittal  | No  |
| P-15           | 209-35-<br>019, 209-<br>35-018,<br>209-35-<br>017, 209-<br>35-016 | 100 E Washington Ave 230, 240 S Murphy Ave 301 S Sunnyvale Ave (Downtown Specific Plan) | 3.88                     | TRANSIT MIXED USE (TMIX)                | DSP – BLOCK 18                  | 325                   | 325                       | 11                              | 21                      | 4  | 145   | 144                                   | Cityline Subblock 6 proposal to redevelop the existing parking lot for 7 story mixed use building with 325 dwelling units and 36,000 square feet of retail. Includes 36 deed-restricted BMR units per development agreement. Based on market rents, 50 percent of remaining rental units are inventoried as moderate.   | Development Agreement approved and executed; Pending Formal Application Submittal  | Number of units has been approved; Discretionary – Requires Special Development Permit with Planning Commission review based on Objective Design Standards in the DSP |
| P-16           | 209-29-<br>060; 209-<br>29-061                                    | 510-528 S Mathilda<br>Ave (Downtown<br>Specific Plan)                                   | 0.75                     | TRANSIT MIXED<br>USE (TMIX)             | DSP – BLOCK 20                  | 46                    | 38                        | 2                               | 4                       |  | 16  | 16                                    | Redevelop existing commercial and office space and an 8-unit apartment to allow a 46-unit residential apartment building with 10,230 sq. ft. of ground floor commercial. Project is subject to the City's 15% BMR inclusionary requirement for 3 deed-restricted lower-income units. Based on market rents, 50 percent of remaining rental units are inventoried as moderate.           | Project Under Review, Pending Approval. Specific Plan Amendment Approved (1/10/2023); Pending Formal Application Submittal | Number of units has been approved; Discretionary – Requires Special Development Permit with Planning Commission review based on Objective Design Standards in the DSP |
| P-17           | 209-35-<br>024; 209-<br>35-013                                    | 221 W Iowa Ave,<br>379 S Sunnyvale<br>Ave<br>(Downtown Specific<br>Plan)                | 0.92                     | TRANSIT MIXED<br>USE (TMIX)             | DSP – BLOCK 18                  | 21                    | 21                        |                                 |                         | 3  |   | 18                                    | Modification to previously approved Sunnyvale Town Center project for eight three-story townhomes on DSP Subblock 4, and 13 three-story townhomes on Subblock 5. Includes 3 deed-restricted moderate-income units per the development agreement.  | Project Approved<br>(12/12/2022);<br>Pending Building<br>Permit Application<br>Submittal                                   | No  |
| Total          |   | 1 .   | 50.99                    |   |                                 | 1,922                 | 1,842                     | 220                             | 101                     | 84   | 438   | 999                                   | ·   |  | ion   |

Notes

DSP = Downtown Specific Plan

Source: City of Sunnyvale, 2023.

 $<sup>^{\</sup>rm 1}\,{\rm Net}$  units removes any existing residential units proposed for demolition.

Table 5-4: Listed Rents for Recent Multi-family Developments

| Project                         | Minimum Rent             | Maximum Rent |  |  |  |
|---------------------------------|--------------------------|--------------|--|--|--|
|                                 | One-Bedroom Unit Rents   |              |  |  |  |
| Stewart Village Apartment Homes | \$3,055                  | \$3,665      |  |  |  |
| Lakeside                        | \$3,500                  | \$4,000      |  |  |  |
| Ironworks                       | \$3,506                  | \$3,506      |  |  |  |
| Savoy                           | \$3,520                  | \$4,180      |  |  |  |
| The Murphy Station              | \$3,550                  | \$3,760      |  |  |  |
| Cityline Flats                  | \$4,173                  | \$4,220      |  |  |  |
|                                 | Two-Bedroom Unit Rents   |              |  |  |  |
| Stewart Village Apartment Homes | \$3,875                  | \$4,425      |  |  |  |
| Cityline Flats                  | \$4,452                  | \$5,204      |  |  |  |
| Lakeside                        | \$4,500                  | \$4,900      |  |  |  |
| Ironworks                       | \$4,511                  | \$5,117      |  |  |  |
| The Murphy Station              | \$4,600                  | \$6,400      |  |  |  |
| Savoy                           | \$4,765                  | \$5,815      |  |  |  |
|                                 | Three-Bedroom Unit Rents |              |  |  |  |
| Ironworks                       | \$5,065                  | \$5,336      |  |  |  |
| Cityline Flats                  | \$5,622                  | \$5,968      |  |  |  |
| Stewart Village Apartment Homes | \$6,090                  | \$6,090      |  |  |  |

Source: Apartments.com, 2022. ForRent.com, 2022.

# **Specific Plans**

The City has approved several specific plans to spur development in a variety of districts throughout Sunnyvale. The following plans have recently been updated to increase residential development capacity near jobs and transit. An analysis of the land use controls of each specific plan is included in Chapter 6, "Constraints to the Development of Housing."

- **Downtown Specific Plan.** The DSP was originally adopted in 1993 and was comprehensively updated in 2003. The DSP encompasses approximately 150 acres and envisions an enhanced, traditional downtown serving the community with a variety of destinations in a pedestrian-friendly environment. The plan was updated in 2013 to add parcels north of Evelyn Avenue to the plan area (including the Ironworks site) and was most recently updated in September 2020 to increase residential and office capacity in the Commercial Core and North of Washington districts. Full buildout of the specific plan is anticipated to occur over a 10 to 15 year-period, following the 2020 update, based on market conditions.
- Lawrence Station Area Plan. The LSAP was adopted in 2016 and amended in September 2021 to increase the housing capacity by an additional 3,600 units (for a total of 5,900 units). The LSAP is intended to guide transit-oriented development within a one-half-mile radius of the Lawrence Caltrain Station encompassing approximately 229 acres (without roads). Redevelopment here is planned to consist of transit-oriented uses to promote greater use of the station. Full buildout of the plan is anticipated to occur by 2040.

El Camino Real Specific Plan (ECRSP). The ECRSP was adopted on June 28, 2022, and replaces the 2007 Precise Plan for El Camino Real. The ECRSP is intended to refine and guide development of the El Camino Real corridor as a vibrant, mixed use corridor with improved streetscapes and safer environments for alternative transportation modes. The 2017 LUTE planned for 4,200 new units and the 2022 plan adds capacity for an additional 2,700 housing units, for a total capacity of 6,900 housing units.

The following sections describe the residential capacity for each of the specific plan areas.

#### **DOWNTOWN SPECIFIC PLAN**

The DSP designates areas within the downtown for commercial, office, mixed use, and residential uses. Residential uses range from low density (up to 7 units per acre) to very high density (up to 58 units per acre). The DSP identifies maximum development levels for each block and accounts for both residential and non-residential development, as shown in Table 5-5 below. Additional residential development, beyond that identified in the DSP, is permitted through State and local density bonus programs (i.e., the Green Building Program) or through a development agreement.

Table 5-5: Downtown Land Uses and Development Capacity

|           |                             | 1                                  |                    | •                              |                              |                                  |  |
|-----------|-----------------------------|------------------------------------|--------------------|--------------------------------|------------------------------|----------------------------------|--|
| Block #   | Area<br>(Acres)             | Land Use                           | Maximum<br>Density | Residential<br>Units per Block | Maximum<br>Office Sq.<br>Ft. | Maximum<br>Commercial<br>Sq. Ft. | Maximum<br>Building<br>Height                |
| Commerci  | al Core Distr               | ict                                |                    |                                |                              |                                  |  |
| 18        | 37.92                       | Downtown Mixed<br>Use              | n/a                | 817                            | 709,000                      | 642,000                          | 75 ft. except 80<br>ft. for movie<br>theater |
| Subtotal  | 37.92                       |                                    |                    | 817                            | 709,000                      | 642,000                          |  |
| North Was | hington Dist                | trict                              |                    |                                |                              |                                  |  |
| 1         | 5.87                        | Office                             | n/a                | -                              | 480,600                      | 10,000                           | 100 ft.                                      |
| 1a        | 4.35                        | Downtown Mixed<br>Use              | n/a                | 407                            | -                            | 41,000                           | 85 ft.                                       |
| 2         | 6.36                        | Commercial                         | n/a                | -                              | 80,000                       | 171,000                          | 36 ft.                                       |
| 21        | 2.35                        | Downtown Transit<br>Center         | n/a                | -                              | -                            | -                                | 85 ft.                                       |
| 22        | 1.46                        | Office and<br>Commercial           | n/a                | -                              | 56,                          | ,200                             | 85 ft.                                       |
| Subtotal  | 20.39                       |                                    |                    | 407                            | 616,800                      | 222,000                          |  |
| Sunnyvale | /Carroll Dist               | rict                               |                    |                                |                              |                                  |  |
| 3         | 2.95                        | Commercial                         | n/a                | -                              | -                            | 62,000                           | 50 ft.                                       |
|           |                             |                                    | 58                 |                                |                              |                                  | 40 ft. except                                |
| 4         | 3.8                         | Downtown Very<br>High Density Res. | 58                 | 160                            | -                            | -                                | 30 ft. on<br>Washington<br>and McKinley      |
|           | 0.58 Medium Densiti<br>Res. |                                    | 24                 | 13                             |                              |                                  |  |
| 5         | 1.13                        | Downtown Very<br>High Density Res. | 58                 | 46                             | -                            | -                                | 40 ft.                                       |

# CHAPTER 5 | SITES INVENTORY AND FUNDING RESOURCES

| Block #     | Area<br>(Acres) | Land Use                               | Maximum<br>Density | Residential<br>Units per Block | Maximum<br>Office Sq.<br>Ft. | Maximum<br>Commercial<br>Sq. Ft. | Maximum<br>Building<br>Height           |
|-------------|-----------------|--|--------------------|--------------------------------|------------------------------|----------------------------------|---|
|             |                 |  | 36                 |                                |                              |                                  | 40 ft. except                           |
| 6           | 2.33            | High Density Res.                      | 36                 | 85                             | -                            | -                                | 30 ft. on<br>Washington<br>and McKinley |
|             | 1.16            | Medium Density<br>Res.                 | 24                 | 27                             |                              |                                  |   |
| 7           | 5.92            | Downtown Mixed<br>Use                  | n/a                | 100                            | 36,000                       | 14,000                           | 50 ft.                                  |
| 23          | 5.27            | High Density Res.                      | 36                 | 191                            | -                            | -                                | 50 ft.                                  |
| Subtotal    | 23.14           |  |                    | 622                            | 36,000                       | 76,000                           |   |
| South of Ic | wa District     |  |                    |                                |                              |                                  |   |
| 8           | 1.14            | Low-Medium<br>Density Res.             | 14                 | 15                             | -                            | -                                | 30 ft.                                  |
| 8a          | 0.57            | Medium Density<br>Res.                 | 24                 | 12                             | -                            | -                                | 30 ft.                                  |
| 8b          | 1.6             | Low Density Res.                       | 7                  | 12                             | -                            | -                                | 30 ft.                                  |
| 9           | 1.77            | Low-Medium<br>Density Res.             | 14                 | 20                             | -                            | -                                | 30 ft.                                  |
| 9a          | 1.17            | Low Density Res.                       | 7                  | 8                              | -                            | -                                | 30 ft.                                  |
| 10          | 1.92            | Low-Medium<br>Density Res.             | 14                 | 47                             | -                            | -                                | 30 ft.                                  |
| 11          | 3.68            | Low-Medium<br>Density Res.             | 14                 | 49                             | -                            | -                                | 30 ft.                                  |
| 12          | 3.79            | Low-Medium<br>Density Res.             | 14                 | 51                             | -                            | -                                | 30 ft.                                  |
|             | 4.71            | Commercial                             | n/a                | -                              |                              |                                  | 50 ft.                                  |
| 13          | 2.16            | Low-Medium<br>Density Res.             | 14                 | 25                             | 176,100                      | 21,000                           | 30 ft.                                  |
| 20          | 1.49            | High Density Res.                      | 36                 | 51                             | 16 400                       |                                  | 40 ft.                                  |
| 20          | 0.93            | Office                                 | n/a                | -                              | 16,400                       | -                                | 30 ft.                                  |
| Subtotal    | 24.93           |  |                    | 290                            | 192,500                      | 21,000                           |   |
| West of M   | athilda Dist    | rict                                   |                    |                                |                              |                                  |   |
| 14          | 2.83            | Downtown Very                          | 58                 | 173                            |                              | 10,000                           | 30 ft. on<br>Charles St;                |
|             | 2.03            | High Density Res.                      | J0                 | 1/3                            | _                            | 10,000                           | 50 ft. on<br>Mathilda                   |
| 15          | 2.0             | Downtown Very                          | F0                 | 152                            |                              | 10.000                           | 30 ft. on<br>Charles St;                |
| 15          | 2.8             | 2.8 Downtown Very<br>High Density Res. | 58                 | 152                            | -                            | 10,000                           | 50 ft. on<br>Mathilda                   |

#### CHAPTER 5 | SITES INVENTORY AND FUNDING RESOURCES

| Block #  | Area<br>(Acres) | Land Use                   | Maximum<br>Density | Residential<br>Units per Block | Maximum<br>Office Sq.<br>Ft. | Maximum<br>Commercial<br>Sq. Ft. | Maximum<br>Building<br>Height |
|----------|-----------------|----------------------------|--------------------|--------------------------------|------------------------------|----------------------------------|-------------------------------|
| 16       | 3.12            | Downtown Very              | 58                 | 173                            |                              | 10,000                           | 30 ft. on<br>Charles st;      |
| 10       | 5.12            | High Density Res.          | 36                 | 1/3                            | -                            | 10,000                           | 50 ft. on<br>Mathilda         |
| 17       | 4.65            | Low-Medium<br>Density Res. | 14                 | 48                             | -                            | -                                | 30 ft.                        |
| Subtotal | 13.40           |                            |                    | 546                            | -                            | 30,000                           |                               |
| TOTAL    | 119.78          |                            |                    | 2,682                          | 1,554,300                    | 991,000                          |                               |

Source: City of Sunnyvale, Downtown Specific Plan, 2020.

For the DSP sites that are included in the Housing Element sites inventory, the housing unit capacity number included in the inventory is equal to the development potential assigned to the specific block. Nearly all developments in the Downtown in the past 15 years have been built at or in excess of the assigned development per block using the State Density Bonus, Green Building Incentive program, and/or other incentives provided by the City. Table 5-6 shows the density of developments in the Downtown since 2007 compared to the assigned unit allocation per block. Overall, development projects exceeded the assigned unit counts by over 30 percent. This evidence supports the Housing Element assumption that blocks within the Downtown will build at their assigned unit capacities.

Table 5-6: Recent Developments in Downtown Specific Plan Area

| Development Name                                      | Address  | Block # | Acres | Year<br>Approved | Construction<br>Completion<br>Date |       | Units<br>Approved/<br>Built | Difference | Density Bonuses  |
|---|--|---------|-------|------------------|------------------------------------|-------|-----------------------------|------------|--|
| 481 on Mathilda                                       | 481 S Mathilda Ave   | DSP-14  | 1.61  | 2013             | 2016                               | 87    | 105                         | 18         | 20% State Density Bonus  |
| Classics at Town Plaza                                | 238-258 Carroll St   | DSP-6   | 0.87  | 2014             | 2016/2017                          | 32    | 24                          | -8         | None   |
| Classics at Paloma Place                              | Polaris Terrace  | DSP-13  | 1.16  | 2014             | 2016/2017                          | 12    | 13                          | 1          | 5% Green Building Incentive  |
| 437-441 S Sunnyvale Ave                               | 437-441 S Sunnyvale Ave  | DSP-10  | 0.28  | 2014             | 2016                               | 4     | 4                           | 0          | None   |
| Sunnyvale Block 15<br>(Related Affordable)            | 380 Charles Street<br>397 S Mathilda Ave                             | DSP-15  | 1.44  | 2020             | Under<br>Construction              | 67    | 90                          | 23         | 35% State Density Bonus  |
| Ironworks North<br>(Prometheus)                       | 457 E Evelyn Ave   | DSP-23  | 2.31  | 2013             | 2017                               | 83    | 117                         | 34         | 35% State Density Bonus + 5%<br>Green Building Incentive                                     |
| Ironworks South<br>(Prometheus)                       | 388 E Evelyn Ave   | DSP-23  | 0.98  | 2013             | 2017                               | 47    | 67                          | 20         | 35% State Density Bonus + 5%<br>Green Building Incentive                                     |
| 220-228 Carroll                                       | 220 and 228 Carroll St   | DSP-6   | 0.58  | 2020             | Under<br>Construction              | 20    | 16                          | -4         | None   |
| The Maxwell (Lane Partners)                           | 311 S Mathilda Ave   | DSP-15  | 1.01  | 2018             | 2022                               | 54    | 75                          | 21         | 35% State Density Bonus + 5%<br>Green Building Incentive                                     |
| The Flats<br>CityLine Phase 1A (sub-<br>blocks 1 & 2) | 320 W Washington Ave<br>350 W McKinley Ave<br>345 W McKinley Ave     | DSP-18  | ~2.44 | 2007             | 2018                               | 197   | 197                         | 0          | None   |
| Flats West<br>CityLine Phase 1B (sub-<br>block 1)     | 333 W Iowa Ave   | DSP-18  | 0.78  | 2018             | 2021                               | 75    | 75                          | 0          | None   |
| CityLine Phase 1C (sub-<br>blocks 4 & 5)              | 221 W Iowa Ave<br>379 S Sunnyvale Ave                                | DSP-18  | 0.92  | 2018             | N/A                                | 21    | 21                          | 0          | None   |
| CityLine Phase 2A (sub-<br>block 3S)                  | 200 S Taaffe St  | DSP-18  | 3.77  | 2021             | Under<br>Construction              | 313   | 479                         | 166        | Development Agreement  |
| The Flats<br>CityLine Phase 2A (sub-<br>block 2)      | 320 W Washington Ave   | DSP-18  | N/A   | 2020             | 2021                               | 0     | 1                           | 1          | Development Agreement (Unit<br>Added to Existing Apartment<br>Building, the Flats)           |
| CityLine Phase 2B (sub-<br>block 6)                   | 100 E Washington Ave<br>230, 240 S Murphy Ave<br>301 S Sunnyvale Ave | DSP-18  | ~4.64 | 2020*            | N/A                                | 212   | 325                         | 113        | *Development Agreement<br>Executed 2020, Pending<br>Planning Permit Application<br>Submittal |
| TOTAL   |  |         | 23.94 |                  |                                    | 1,223 | 1,608                       | 385        |  |

# **Residential Development Potential**

The 2020 DSP Update provided an additional residential capacity of 550 units; through a combination of density bonus programs 750 net new units were approved through the recently approved CityLine Sunnyvale project on Block 18, as shown in Table 5-3 above. Most of the blocks within the DSP are built on. Sites with remaining residential capacity under the DSP are shown on Figure 5-2 and are described below.

# Block 4

As shown in Figure 5-3 below, the inventory includes one 1.2acre site within Block 4 composed of three parcels (APNs 20905017, 20905018, and 20905036). APN 20905017 contains a self-storage building built in 1960 and no recent site improvements or building renovations have occurred. APN 20905018 contains one unoccupied small retail building built in 1957 that is listed for lease as of October 2022. APN 20905036 is listed for sale, as of April 2022, and includes a retail building built in 1970 and is occupied by several users, including Walt's Cycle. These uses are considered legal non-conforming. Based on current sales, building age, building vacancy status, TOD potential, and site conditions, this site is considered to have redevelopment potential during the planning period. The surrounding sites within Block 4 have been recently redeveloped with multifamily residential and residential redevelopment is anticipated to continue in this area. The site



Sunnyvale Self Storage located at 360 E Evelyn Ave (APN 20905017).



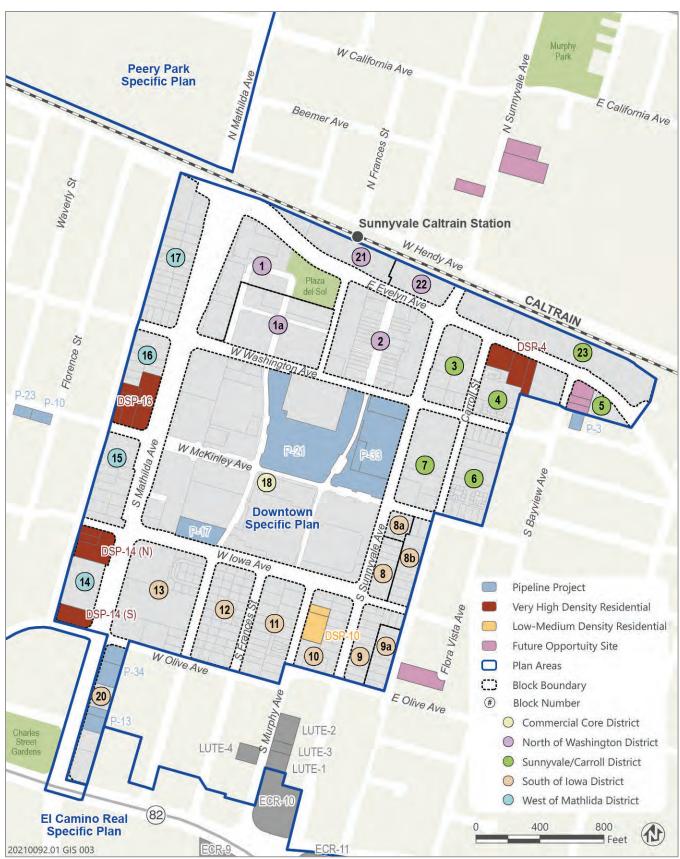
Walt's Cycle located at 120 Carroll St (APN 20905036).

is designated as Very High Density Residential and has a capacity of 50 units under the DSP. The inventory assumes redevelopment within the planning period and includes capacity for 30 lower-income units, 8 moderate-income units, and 12 above moderate-income units at this site.

#### Block 10

As shown in Figure 5-4, one 0.67-acre site, consisting of two parcels (APNs 20926041 and 20926063) in Block 10, is designated for low-medium density residential and has a capacity for 16 units under the DSP. The site is currently occupied by offices and other non-residential uses, including a hair salon. The commercial service and retail uses are considered legal non-conforming. The building located on APN 20926041 was built in 1942 and the building located on APN 20926063 was built in 1987. The site is within a residential neighborhood and adjacent to an apartment complex. Current market trends resulting in high residential demand in the Downtown are expected to continue. Considering the redevelopment potential under the residential land use designation, the age of the structures, the market demand for the existing uses, and recent redevelopment trends in the Downtown, redevelopment is likely to occur within the planning period and the inventory identifies capacity for 16 moderate-income units at the site based on allowed densities.

Figure 5-2: Downtown Specific Plan Sites



Source: Adapted by Ascent in 2021 from data received by the City of Sunnyvale in 2021.

Figure 5-4: Downtown Specific Plan - Block 10 BLOCK 23 **BLOCK** BLOCK 11 DSP-4 BLOCK 4 BLOCK 9 BLOCK 10 BLOCK Plan Area Pipeline Project Low-Medium Plan Area 0 **Density Residential** Very High Density Residential **Block Boundary Block Boundary Future Opportuity Site** 100 200 100

Figure 5-3: Downtown Specific Plan - Block 4

Source: Adapted by Ascent in 2021 from data received from the City Source: Adapted by Ascent in 2021 from data received from the City of Sunnyvale in 2021 of Sunnyvale in 2021

#### Block 14

As shown in Figure 5-5 below, two sites identified in Block 14 are included in the inventory. One site on the northern end of the block (i.e., DSP-14 (N)) consists of three parcels (APNs 16503001, 16503002, and 16503003), totals 1.03 acres, and includes two single family homes and a vacant for-sale (as of April 2022) non-residential building previously occupied by a bank. The City has been contacted by a developer interested in building housing on this site. The second site on the southern end of the block consists of one parcel (APN 16503006), is 0.54 acre in size, and is occupied by another bank built in 1975. The sites are separated by a residential apartment complex built in 2016. Both sites are designated as Very High Density Residential, and the block has a remaining capacity of 73 units under the specific plan. The City has seen a lot of development activity in the past 20 years on sites previously occupied by banks. Many banks in Sunnyvale have closed their physical locations and these sites have redeveloped with housing or other non-residential uses. Examples of this trend within the Downtown Specific Plan Area include:

- Crocker Bank (corner of Taaffe and Iowa), demolished in 2015 and redeveloped with residential;
- Bank of America (390 McKinley Way), demolished and replace with offices;
- HomeFed Bank (480 S. Mathilda), replaced with a commercial use and approved in 2022 to demolish and redevelop with offices;
- Security National (300 S. Mathilda), demolished in 2003 with approval to redevelop as office;
- Security National Bank (296 Mathilda), demolished in 2000 and approved in 2022 for future office/retail building

#### CHAPTER 5 | SITES INVENTORY AND FUNDING RESOURCES

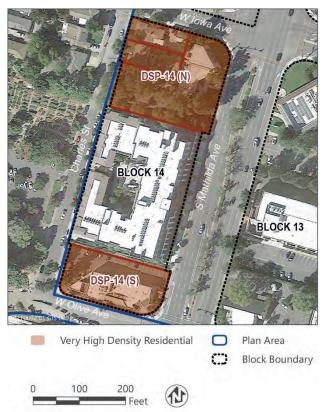
Directly across the street (and north) from the Block 14 site, the southern portion of Block 15 is included in a recently approved redevelopment proposal (see P-14 on Figure 5-2). Six parcels owned by the City of Sunnyvale were consolidated and are currently under construction for an affordable housing project to be completed in late 2023. In addition, a project to redevelop a commercial site (Denny's restaurant) into a mixed use building with mixed-income apartments is under construction on the northern portion of Block 15 and was completed in summer 2022. Based on the vacancy status of the existing structure on the largest parcel, the redevelopment potential under the land use designations of the DSP, and recent redevelopment trends on adjacent blocks it is anticipated that the sites within Block 14 would likely be redeveloped within the planning period. Development on Site DSP-14(N) could proceed on the larger 0.73-acre parcel (APN 16503003) occupied by the vacant, closed bank without the two smaller parcels. The sites inventory includes capacity for 44 lower-income units, 10 moderate-income units, and 18 above moderate-income units in Block 14.

# Block 16

As shown in Figure 5-6 below, Block 16 consists of 14 parcels (APNs 16513051 through 64) totaling 3.12 acres. The entire block is designated as Very High Density Residential and has capacity for 164 additional residential units. Four of the parcels contain an unoccupied Wells Fargo Bank building that was purchased by the City in September 2023 (APNs 16513051, 16513052, 16513053, and 16513064), seven are occupied by residences (APNs 16513054, 16513055, 16513056, 16513057, 16513058, 16513060, and 16513061), and the remaining consist of various commercial uses, including a travel agency, guitar school, shoe repair shop, and similar uses. The former Wells Fargo Bank site was purchased by the City in September 2023. The City entered into an exclusive negotiating agreement with the affordable housing developer, MidPen Housing, to develop the site with very high density 100 percent affordable housing. The City processes lot line adjustments as a ministerial action and does not consider lot consolidation to be a constraint on development. While the entire block could be redeveloped, it is more realistic that within the timeframe of the Housing Element the 1.58-acre southern portion of the block containing the Wells Fargo Bank and adjacent properties will develop. The portion of the block included in the sites inventory has capacity for 52 lower-income units, 14 moderate-income units, and 20 above moderate-income units.

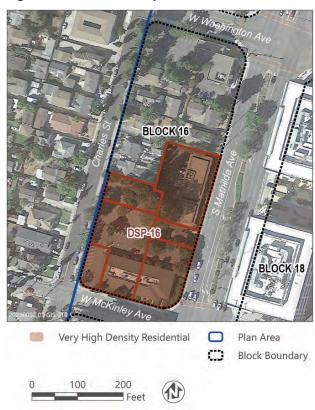
CITY OF SUNNYVALE 5-30

Figure 5-5: Downtown Specific Plan - Block 14



Source: Adapted by Ascent in 2021 from data received from the City of Sunnyvale in 2021

Figure 5-6: Downtown Specific Plan - Block 16



Source: Adapted by Ascent in 2021 from data received from the City of Sunnyvale in 2021

### Block 5 (Future Opportunity Site)

As shown in Figure 5-8, one site consisting of three parcels (APNs 20904036, 20904037, 20904052) is designated for Very High Density Residential, totals 0.58 acres, and has a remaining capacity for 22 units under the DSP. The site is currently occupied by low density residential units and a preschool. Although the City has experienced a number of low-density residential units that have been sold and replaced with higher density residential, it is less likely that the site would be redeveloped within the planning period. The sites inventory identifies the site as a future opportunity site and does not include capacity for housing during the planning period. However, potential for housing does exist and, if redeveloped, the site could help meet the City's RHNA.

### **Summary of Capacity**

The residential development potential described is in addition to the amount of commercial development permitted in each block; in other words, development of commercial uses does not reduce the amount of residential permitted under the Specific Plan. Table 5-7 shows the inventoried residential capacity for sites within the DSP, including 126 lower-income units, 48 moderate-income units, and 50 above moderate-income units.

Table 5-7: City of Sunnyvale, 2023-2031 Housing Element, Downtown Specific Plan

|             |                                 |                    |                       | nown Specific Flan                |              |  | Remaining                       |                         | Lower-          | Moderate-       | Above                     | Subject to AB         | Non-   | vacant    | Site    | Facto   | rs <sup>1</sup> |
|-------------|---------------------------------|--------------------|-----------------------|-----------------------------------|--------------|--|---------------------------------|-------------------------|-----------------|-----------------|---------------------------|-----------------------|--------|-----------|---------|---------|-----------------|
| Site Number | Assessor Parcel<br>Number (APN) | Address            | Size (Gross<br>Acres) | General Plan Land Use Designation | Zoning       | Specific Plan Land Use Designation     | Capacity (per<br>Specific Plan) | Inventoried<br>Capacity | Income<br>Units | Income<br>Units | Moderate-<br>Income Units | 1397 by-right policy? | АВ     | С         | D       | E I     | G               |
|             | 20905017                        | 360 E Evelyn Ave   | 0.46                  | Transit Mixed Use                 | DSP Block 4  | Downtown Very High Density Residential | 19                              | 19                      | 12              | 3               | 4                         | Yes                   | А      |           |         | E F     | :               |
| DCD 4       | 20905018                        | 380 E Evelyn Ave   | 0.26                  | Transit Mixed Use                 | DSP Block 4  | Downtown Very High Density Residential | 10                              | 10                      | 6               | 2               | 3                         | Yes                   | А      |           | D       | E F     | G               |
| DSP-4       | 20905036                        | 120 Carroll St     | 0.49                  | Transit Mixed Use                 | DSP Block 4  | Downtown Very High Density Residential | 21                              | 21                      | 12              | 3               | 5                         | Yes                   | А      |           | D       | Е       |                 |
|             | Subto                           | otal Block 4       | 1.21                  |                                   |              |  | 50                              | 50                      | 30              | 8               | 12                        |                       | Detail | led descr | ription | on p. 5 | -20             |
| DSP-5       | 20904036                        | 152 S Bayview Ave  | 0.15                  | Transit Mixed Use                 | DSP Block 5  | Downtown Very High Density Residential | 6                               | 0                       |                 |                 |                           |                       |        |           | $\Box$  |         |                 |
| Future      | 20904037                        | 140 S Bayview Ave  | 0.15                  | Transit Mixed Use                 | DSP Block 5  | Downtown Very High Density Residential | 6                               | 0                       |                 |                 |                           |                       |        |           |         |         |                 |
| opportunity | 20904052                        | 404 E Evelyn Ave   | 0.28                  | Transit Mixed Use                 | DSP Block 5  | Downtown Very High Density Residential | 10                              | 0                       |                 |                 |                           |                       |        |           |         |         |                 |
| site        | Subto                           | otal Block 5       | 0.58                  |                                   |              |  | 22                              | 0                       |                 |                 |                           |                       | Detail | ed descr  | ription | on p. 5 | -24             |
|             | 20926041                        | 422 S Murphy Ave   | 0.15                  | Transit Mixed Use                 | DSP Block 10 | Low-Medium Density Residential         | 3                               | 3                       |                 | 3               |                           |                       | А      |           | $\Box$  | E F     | =               |
| DSP-10      | 20926063                        | 438 S Murphy Ave   | 0.52                  | Transit Mixed Use                 | DSP Block 10 | Low-Medium Density Residential         | 13                              | 13                      |                 | 13              |                           |                       | Α      |           |         |         | G               |
|             | Subto                           | tal Block 10       | 0.67                  |                                   |              |  | 16                              | 16                      |                 | 16              |                           |                       | Detail | ed descr  | ription | on p. 5 | -20             |
|             | 16503001                        | 414 Charles St     | 0.15                  | Transit Mixed Use                 | DSP Block 14 | Downtown Very High Density Residential | 8                               | 8                       | 5               | 1               | 2                         | Yes                   | А      |           | $\Box$  | Е       | G               |
| 202 44 (21) | 16503002                        | 410 Charles St     | 0.15                  | Transit Mixed Use                 | DSP Block 14 | Downtown Very High Density Residential | 8                               | 8                       | 5               | 1               | 2                         | Yes                   | Α      |           |         | Е       | G               |
| DSP-14 (N)  | 16503003                        | 425 S Mathilda Ave | 0.73                  | Transit Mixed Use                 | DSP Block 14 | Downtown Very High Density Residential | 20                              | 20                      | 12              | 3               | 5                         | Yes                   | Α      | С         | D       | E F     | G               |
|             | Subtotal E                      | Block 14 – North   | 1.03                  |                                   |              |  | 36                              | 36                      | 22              | 5               | 9                         |                       | Detail | ed descr  | ription | on p. 5 | -22             |
| DSP-14 (S)  | 16503006                        | 495 S Mathilda Ave | 0.54                  | Transit Mixed Use                 | DSP Block 14 | Downtown Very High Density Residential | 36                              | 36                      | 22              | 5               | 9                         | Yes                   | А      |           | $\Box$  | E F     | :               |
|             | Subtotal E                      | Block 14 – South   | 0.54                  |                                   |              |  | 36                              | 36                      | 22              | 5               | 9                         |                       | Detail | ed descr  | ription | on p. 5 | -22             |
|             | 16513051                        | 495 W McKinley Ave | 0.10                  | Transit Mixed Use                 | DSP Block 16 | Downtown Very High Density Residential | 5                               | 5                       | 3               | 1               | 1                         | Yes                   | А      |           | D       | 1       | G               |
|             | 16513052                        | 475 W McKinley Ave | 0.46                  | Transit Mixed Use                 | DSP Block 16 | Downtown Very High Density Residential | 25                              | 25                      | 15              | 4               | 6                         | Yes                   | Α      |           | D       | 1       | - G             |
|             | 16513053                        | 260 Charles St     | 0.17                  | Transit Mixed Use                 | DSP Block 16 | Downtown Very High Density Residential | 9                               | 9                       | 6               | 1               | 2                         | Yes                   | Α      |           | D       | ,       | - G             |
| DSP-16      | 16513062                        | 241 S Mathilda Ave | 0.44                  | Transit Mixed Use                 | DSP Block 16 | Downtown Very High Density Residential | 24                              | 24                      | 14              | 4               | 6                         | Yes                   | Α      |           |         |         |                 |
|             | 16513063                        | 259 S Mathilda Ave | 0.10                  | Transit Mixed Use                 | DSP Block 16 | Downtown Very High Density Residential | 5                               | 5                       | 3               | 1               | 1                         | Yes                   | Α      |           |         |         | G               |
|             | 16513064                        | 295 S Mathilda Ave | 0.32                  | Transit Mixed Use                 | DSP Block 16 | Downtown Very High Density Residential | 18                              | 18                      | 11              | 3               | 4                         | Yes                   | Α      |           | D       | ,       | - G             |
|             | Subto                           | tal Block 16       | 1.58                  |                                   |              |  | 87                              | 87                      | 52              | 14              | 20                        |                       | Detail | ed descr  | ription | on p. 5 | -23             |
| TOTAL       |                                 |                    | 5.63                  |                                   | 1            | 1                                      | 247                             | 224                     | 126             | 48              | 50                        |                       |        |           |         |         |                 |

Source: Ascent, 2021.

<sup>&</sup>lt;sup>1</sup>Non-vacant site factors: A) TOD Opportunity, B) Village Center, C) Development Interest, D) Occupancy Status, E) Structure Age and Condition, F) Low FAR, G) Low ILV Ratio (see page 5-6 for more information).

#### LAWRENCE STATION AREA PLAN

The LSAP is an incentive-based plan that provides density bonuses in exchange for community benefits such as affordable housing, new circulation routes, structured/below-grade/podium parking, or sustainable building. The LSAP requires that, at a minimum, 85 percent of the base maximum density is achieved for all new residential developments. Developers can use the City's Green Building Program to receive a five (5) percent density bonus before using the LSAP incentive program. In addition, developers may apply for a State density bonus beyond the Green Building Program and LSAP Incentive Program.

Table 5-8 shows the development standards for land use designations permitting residential uses and outlines the base maximum density and additional LSAP density incentive points allowed under each land use designation. Sites zoned for Flexible Mixed Used I (MXD-I), Flexible Mixed Use I/Sonora Court (MXD-I/S), Flexible Mixed Use II (MXD-III), or High-Density Residential (R-5) meet the default density standard for lower-income housing of 30 units per acre. Sites zoned for MXD-III or MXD-IV also meet the default density standard through the LSAP incentive program. The FAR does not apply to residential development. It only applies to non-residential development.

| Table 5-8: Lawrence Station Area Plan Development Star | ıdards |
|--|--------|
|--|--------|

| Land Use/ Zoning                               | Office/R&I                                      | )/Industrial | Retail         |  | Maximum                                     |  |                  |
|--|---|--------------|----------------|--|---|--|------------------|
|  | Base Maximum I FAR with incentives <sup>1</sup> |              | Minimum<br>FAR | Base<br>maximum<br>density<br>(du/ac) <sup>2,3</sup> | Incentive<br>points<br>available<br>(du/ac) | Maximum Density w/ LSAP Incentives (du/ac) | Height<br>(feet) |
| Flexible Mixed Use I (MXD-I)                   | 35%   | 150%         | N/A            | 45   | 35  | 80   | 100              |
| Flexible Mixed Use I/Sonora<br>Court (MXD-I/S) | 35%   | 150%         | N/A            | 54   | 26  | 80   | 100              |
| Flexible Mixed Use II (MXD-II)                 | 35%   | 150%         | N/A            | 36   | 32  | 68   | 100              |
| Flexible Mixed Use III (MXD-III)               | 35%   | 100%         | N/A            | 28   | 17  | 45   | 55               |
| Flexible Mixed Use IV (MXD-IV)                 | 35%   | 50%          | 25%            | 28   | 17  | 45   | 55               |
| High-Density Residential (R-5)                 | N/A   | N/A          | N/A            | 45   | N/A   | 45   | 55               |

A Development Agreement is required for additional FAR above the base maximum through the LSAP Incentives Program.

Development agreements are not required for projects consistent with the additional FAR allowed through participation in the City's Green Building Program.

Source: City of Sunnyvale, Lawrence Station Area Plan, 2021.

The 2021 LSAP Update provided an additional estimated residential capacity of 3,612 units, resulting in a total buildout capacity of 5,935 units. As of November 2021, 1,261 residential units have been approved since adoption of the plan and a residential capacity of 4,674 units remains. This residential capacity assumes that developers would utilize the density bonuses provided through the plan's incentive program, the City's Green Building Program, and the State density bonus.

New residential development in the LSAP is required to build to at least 85 percent of the zoning district's base maximum zoning density.

Additional densities may be achieved above the base maximum density or density obtained through the City's Green Building Program and/or the LSAP Incentives Program by providing affordable housing consistent with State Density Bonus Law. Additional densities above the base maximum density are calculated in the following order: apply the density bonus percentage through the City's Green Building Program, add the incentive points gained through the LSAP Development Incentives Program, then apply the State Density Bonus percentage achieved by the project.

Maximum density with LSAP incentives does not include incentives provided through the City's Green Building Program or the State density bonus.

# **Realistic Density**

Recent projects within the plan area have been approved at densities surpassing the base maximum density and often surpassing even densities provided through the LSAP incentive program by also applying State density bonus. As shown in Table 5-9, recent projects have been built at approximately 80 to 205 percent of the LSAP incentive maximum density.

**Table 5-9: Buildout Densities Proposed Under Recent Developments** 

| Project<br>Address                | Zoning  | Acres     | Units<br>Proposed<br>/Built | Base<br>Density | ty Density Project w/ Density Incentives |     | Percent<br>of<br>Maximum<br>Density | Income<br>Level  | Project Status                               |
|-----------------------------------|---|-----------|-----------------------------|-----------------|--|-----|-------------------------------------|------------------|--|
| Approved (                        | under 2016  | S LSAP (P | rior to 2021                | LSAP Upda       | ate)                                     |     |                                     |                  |  |
| 1120<br>Kifer<br>Road             | MXD-I   | 7.99      | 520                         | 36-45           | 68                                       | 65  | 96%                                 | Mixed<br>Income  | Approved,<br>constructed                     |
| 1155-<br>1175<br>Aster<br>Avenue  | MXD-III   | 16.80     | 741                         | 24-36           | 54                                       | 44  | 81%                                 | Mixed<br>Income  | Approved, under construction (2022)          |
| 1178<br>Sonora<br>Court           | MXD-I   | 1.26      | 177                         | 36-45           | 68                                       | 140 | 206%                                | Lower-<br>Income | Approved                                     |
| Submitted                         | under 202   | 1 LSAP U  | <b>Ipdate</b>               |                 |  |     |                                     |                  |  |
| 1170<br>Sonora<br>Court           | MXD-<br>I/S   | 1.09      | 106                         | 54              | 80                                       | 98  | 123%                                | Mixed<br>Income  | Formal<br>application<br>received            |
| 1154<br>Sonora<br>Court           | MXD-<br>I/S   | 1.89      | 172                         | 54              | 80                                       | 90  | 113%                                | Mixed<br>Income  | Formal application received                  |
| 1150-<br>1170 Ki<br>fer Rd        | MXD-I   | 2.00      | 225                         | 45              | 80                                       | 112 | 140%                                | Mixed<br>Income  | Project Under<br>Review, Pending<br>Approval |
| Average Pe                        | ercent of N   | laximum   | Density w/                  | Incentives      |  |     | 127%                                |                  |  |
| Average Pe<br>bonus) <sup>1</sup> | Average Percent of Maximum Density w/ Incentives (excl. State density bonus) <sup>1</sup> |           |                             |                 |  |     |                                     |                  |  |

<sup>&</sup>lt;sup>1</sup> Gross acreage of the site is 5.82 acres. The project includes a lot line adjustment resulting in a 2 acre residential parcel and a 3.82 acre parcel for the existing office buildings to remain.

Source: City of Sunnyvale, 2021.

For example, a 741-unit project was recently approved on 16.8-acre site located at 1155-1175 Aster Avenue. At the time of project approval, prior to the 2021 LSAP Update, the site was zoned MXD-III which allowed a base density range of 24 to 36 units per acre and a maximum density with incentives of 54 units per acre. The project utilized the LSAP incentive program and provided several community benefits in exchange for density bonus points, resulting in a buildout density of 44 units per acre, 122 percent of the base density and 81 percent of the maximum density with incentives.

<sup>&</sup>lt;sup>2</sup> For projects utilizing State density bonus (1178, 1170, and 1154 Sonora Court and 1150-1170 Kifer Road), 100 percent of maximum density is assumed to have been achieved without State density bonus.

#### CHAPTER 5 | SITES INVENTORY AND FUNDING RESOURCES

Three projects along Sonora Court and one at 1150-1170 Kifer Road have also utilized the LSAP incentive program as well as the State density program, exceeding the maximum density with incentives by up to 206 percent.

High land costs in the LSAP area incentivize developers to build at the highest achievable density to increase project feasibility. Based on these recent trends, it is anticipated that most new residential developments would utilize the LSAP incentive program. Excluding State density bonus units, recent developments have been built at an average of 96 percent of the maximum density with incentives. Therefore, the sites inventory assumes a realistic density of 95 percent of the zoning district's maximum density with incentives (excluding State density bonus). All of the sites in the inventory exceed the minimum lot size requirement of 22,500 square feet and the minimum lot width requirements ranging from 100 to 200 feet. Even if the sites did not comply with the lot size requirements, they would not be a constraint on development since the Zoning Code would consider them to be legal, non-conforming and would allow them to develop with the prescribed use. In addition, the setback, lot coverage, open space, and landscaping requirements do not preclude development from achieving maximum densities. See Chapter 6, Constraints for more analysis of land use controls in the LSAP.

1155 -1165 Reed Avenue and 1164 Willow Avenue (LSAP-5) are currently occupied with retail and restaurant uses. However, the three parcels are under common ownership, existing buildings are outdated, and the property owner has expressed interest in mixed-use redevelopment. This site is with 0.5 mile of the Lawrence Station providing excellent access to transit for lower-income housing.



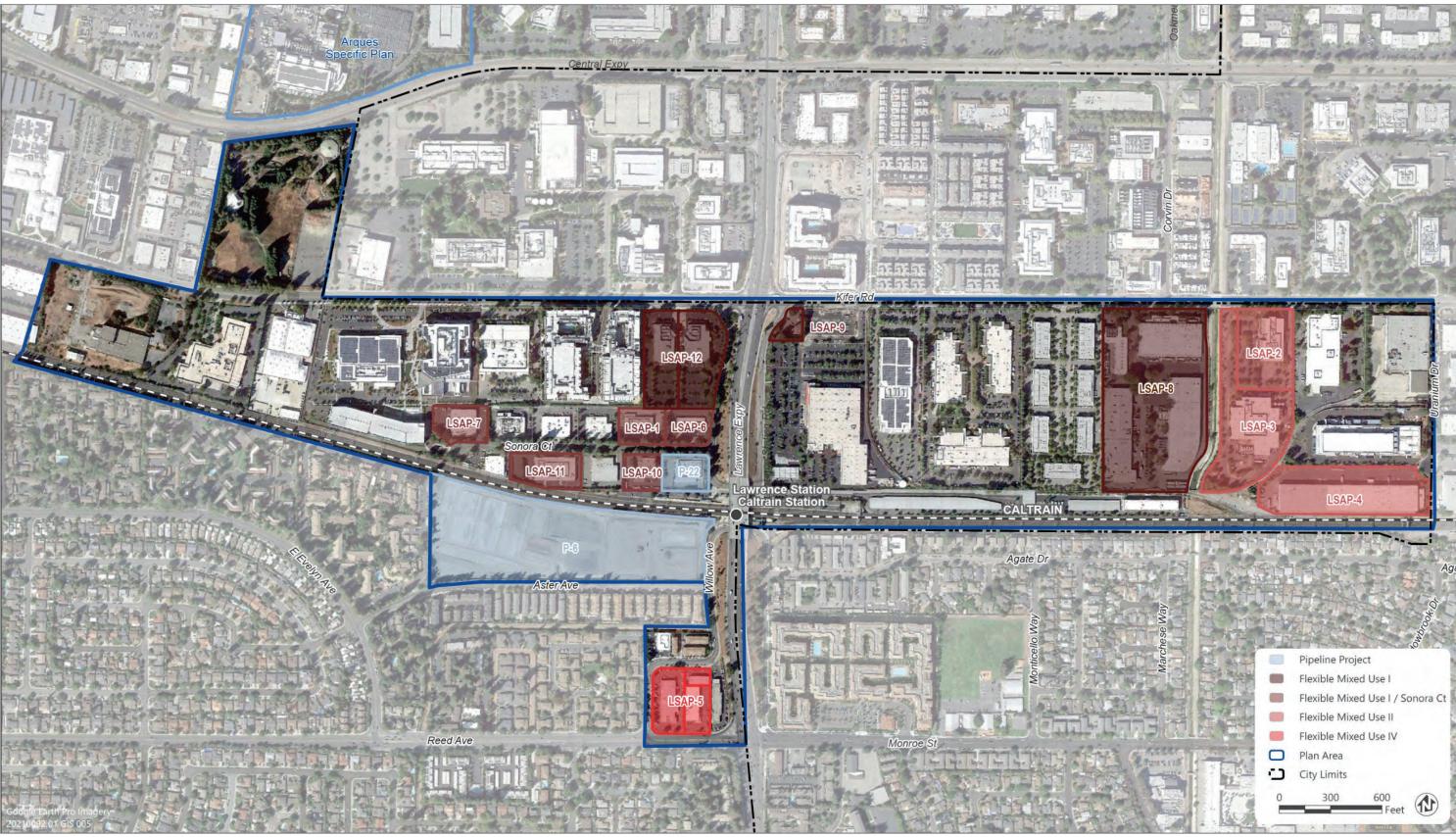
#### **Residential Development Potential and Summary of Capacity**

Sites were selected and categorized into different tiers based on market demand for existing uses, conversations with property owners and real estate brokers, and recent development trends on adjacent parcels in the Lawrence Station Area. Each site has been reviewed to consider the proportion of residential development to non-residential development as well as the redevelopment potential within the 2023-2031 planning period. Table 5-10 below details the residential capacity for each site based on the realistic density, redevelopment likelihood, and site characteristics. Sites within the LSAP that are included in the Housing Element inventory are shown in Figure 5-7 below and provide capacity for 1,096 lower-income units, 227 moderate-income units, and 379 above moderate-income units. This total inventoried capacity of 1,703 units during the 2023-2031 housing element planning period in addition to the 505 units in pipeline projects within the plan area represents about 37 percent of the total buildout (5,935 units) estimated over the approximately 20 year planning horizon of the LSAP (i.e., 2040).

1135 Sonora Court (LSAP-7) is currently developed as office space. However, several recent approved projects have triggered redevelopment of Sonora Court into a residential mixed use district. The building was built in 1977 and no recent significant improvements have occurred. The property owner has expressed interest in mixed-use redevelopment of the site.



Figure 5-7: Lawrence Station Area Plan Sites



Source: Adapted by Ascent in 2021 from data received by the City of Sunnyvale in 2021.

Table 5-10: City of Sunnyvale, 2023-2031 Housing Element, Lawrence Station Area Plan

| Site<br>Number | Assessor<br>Parcel | Address            | Size<br>(Gross | General Plan<br>Land Use | Zoning  | Maximum<br>Achievable | Maximum<br>Potential | Realistic<br>Density <sup>2</sup>    | Tier | Redevelop-<br>ment |                | Invent                    | oried Units                  |                                       | Subject<br>to AB            | Description of Existing Use/Status  | ١ |    | Vaca<br>actor | nt Site<br>'s <sup>3</sup> |
|----------------|--------------------|--------------------|----------------|--------------------------|---------|-----------------------|----------------------|--------------------------------------|------|--------------------|----------------|---------------------------|------------------------------|---------------------------------------|-----------------------------|---|---|----|---------------|----------------------------|
|                | Number<br>(APN)    |                    | Acres)         | Designation              |         | Density <sup>1</sup>  | Units <sup>1</sup>   |                                      |      | Likelihood         | Total<br>Units | Lower-<br>Income<br>Units | Moderate<br>-Income<br>Units | Above<br>Moderate<br>-Income<br>Units | 1397<br>by-right<br>policy? |   | A | ВС | D             | E F                        |
| LSAP-1         | 20550024           | 1171 Sonora Ct     | 1.3            | Transit Mixed<br>Use     | MXD-I/S | 80                    | 104                  | 148 (with<br>state density<br>bonus) | 1    | 100%               | 192            | 190                       |                              | 2                                     | No                          | Site includes existing low-rise office building built in 1976. Several entities including the City and Facebook provided funding to MidPen Housing that purchased the site in June 2021. MidPen has indicated plans to build 192 units on the site, including 40% set aside as permanent supportive housing or housing for those earning up to 30% AMI. The project is not yet entitled (as of 2022) and is therefore treated as a vacant site at this time. However, the unit count and realistic density assumptions are based on MIdPen's application for the City's 2022 NOFA and preliminary plans, which intend to utilize State Density Bonus. | A | C  | D             | E F (                      |
| LSAP-2         | 21627068           | 1382-1388 Kifer Rd | 3.56           | Transit Mixed<br>Use     | MXD-II  | 68                    | 242                  | 65                                   | 2    | 25%                | 57             | 34                        | 9                            | 14                                    |                             | Research and development building, built in 1999, City has received interest from brokers, who have indicated that residential redevelopment is likely in 2 <sup>nd</sup> half of planning period. The existing building could be demolished or could remain, with residential development built on the large surface parking lot. Based on this information, the site is identified as a Tier 2 site with only 25% redevelopment likelihood. The site capacity has been reduced to reflect this (i.e., 57 units vs. 242 maximum allowable units).  |   | C  | :             | F                          |
| LSAP-3         | 21627069           | 1400 Kifer Rd      | 6.34           | Transit Mixed<br>Use     | MXD-II  | 68                    | 431                  | 65                                   | 2    | 25%                | 102            | 61                        | 15                           | 26                                    |                             | Existing data center built in 1992. City has received interest from brokers, who have indicated that residential redevelopment is likely in 2 <sup>nd</sup> half of planning period. Based on this information, the site is identified as a Tier 2 site with only 25% redevelopment likelihood. The site capacity has been reduced to reflect this (i.e., 102 units vs. 431 maximum allowable units).   | A | С  |               | F                          |
| LSAP-4         | 21627047           | 111 Uranium Dr     | 5.79           | Transit Mixed<br>Use     | MXD-II  | 68                    | 393                  | 65                                   | 2    | 25%                | 94             | 56                        | 14                           | 23                                    |                             | Existing data center. Built in 1970. Most recently sold in 2019. City has received interest from brokers, who have indicated that residential redevelopment is likely in 2 <sup>nd</sup> half of planning period. Based on this information, the site is identified as a Tier 2 site with only 25% redevelopment likelihood. The site capacity has been reduced to reflect this (i.e., 94 units vs. 393 maximum allowable units).   | A | C  |               | E F (                      |
| LSAP-5         | 21301002           | 1165 Reed Ave      | 0.96           | Transit Mixed<br>Use     | MXD-IV  | 45                    | 43                   | 43                                   | 1    | 100%               | 41             | 25                        | 6                            | 10                                    | Yes                         | Existing one-story grocery store, restaurant, auto repair and print shop. Constructed from 1961-  |   | С  | ; D           | E F                        |
|                | 21301003           | 1155 Reed Ave      | 1.54           | Transit Mixed<br>Use     | MXD-IV  | 45                    | 69                   | 43                                   | 1    | 100%               | 66             | 40                        | 10                           | 16                                    | Yes                         | 1972. Across the street from recently built 5-story Montecello development. All three parcels under same ownership. The property is for sale and the  | А |    |               | E F                        |
|                | 21301004           | 1164 Willow Ave    | 0.34           | Transit Mixed<br>Use     | MXD-IV  | 45                    | 15                   | 43                                   | 1    | 100%               | 15             | 9                         | 2                            | 4                                     | Yes                         | property owner has expressed interest in mixed-<br>use redevelopment.   | А | C  | ; D           | E F                        |
|                | Site Total         |                    | 2.84           |                          |         |                       | 127                  |                                      |      |                    | 122            | 74                        | 18                           | 30                                    |                             |   |   |    |               |                            |

| Site<br>Number | Assessor<br>Parcel | Address        | Size<br>(Gross | General Plan<br>Land Use       | Zoning  | Maximum<br>Achievable | Maximum<br>Potential | Realistic<br>Density <sup>2</sup> | Tier | Redevelop-<br>ment |                | Invent                    | toried Units                 |                                       | Subject<br>to AB            | Description of Existing Use/Status   | N |    | acant Si | te  |
|----------------|--------------------|----------------|----------------|--------------------------------|---------|-----------------------|----------------------|-----------------------------------|------|--------------------|----------------|---------------------------|------------------------------|---------------------------------------|-----------------------------|--|---|----|----------|-----|
|                | Number<br>(APN)    |                | Acres)         | Designation                    |         | Density <sup>1</sup>  | Units <sup>1</sup>   |                                   |      | Likelihood         | Total<br>Units | Lower-<br>Income<br>Units | Moderate<br>-Income<br>Units | Above<br>Moderate<br>-Income<br>Units | 1397<br>by-right<br>policy? |  | A | ВС | D E      | F G |
| LSAP-6         | 20550019           | 1175 Sonora Ct | 1.31           | Transit Mixed<br>Use           | MXD-I/S | 80                    | 104                  | 76                                | 2    | 25%                | 25             | 15                        | 4                            | 6                                     |                             | Existing one-story office space for lease. Built in 1976. Because there has not been expressed interest in redevelopment of the site, the potential for mixed-use development is more likely in 2 <sup>nd</sup> half of planning period. The site capacity has been reduced to reflect this (i.e., 25 units vs. 104 maximum allowable units).  | A |    | D E      | F   |
| LSAP-7         | 20550028           | 1135 Sonora Ct | 1.47           | Transit Mixed<br>Use           | MXD-I/S | 80                    | 117                  | 76                                | 1    | 100%               | 112            | 67                        | 17                           | 28                                    |                             | Existing office space. Built in 1977. Property owner expressed interest in mixed-use redevelopment.  | А | С  | E        | F G |
| LSAP-8         | 21627037           | 1360 Kifer Rd  | 14.58          | Transit Mixed<br>Use           | MXD-I   | 80                    | 1,166                | 76                                | 2    | 25%                | 277            | 166                       | 42                           | 69                                    |                             | Existing industrial space and data center. Constructed in 1979. Fully leased. Property owner interested in residential conversion, however given the size of the site it is assumed that development would be phased and only 25% of the site is assumed to develop during the planning period. The inventory assumes 277 total units compared to the 1,166 maximum unit capacity of the site. | A | С  | E        | F G |
| LSAP-9         | 216-27-018         | 1202 Kifer Rd  | 0.62           | TRANSIT MIXED<br>USE (TMIX)    | MXD-I   | 80                    | 50                   | 76                                | 1    | 100%               | 47             | 28                        | 7                            | 12                                    |                             | Existing office building. Built in 1985. Developer has submitted plans to demolish office building and construct residential   | А | С  | D        | F G |
| LSAP-10        | 20550014           | 1170 Sonora Ct | 1.09           | TRANSIT MIXED<br>USE (TMIX)    | MXD-I/S | 80                    | 87                   | 76                                | 1    | 100%               | 83             | 50                        | 12                           | 21                                    |                             | Existing office building. Built in 1974. Developer has submitted plans to redevelop office space with apartments.  | А | С  | D E      | F   |
| LSAP-11        | 20550016           | 1154 Sonora Ct | 1.89           | TRANSIT MIXED<br>USE (TMIX)    | MXD-I/S | 80                    | 151                  | 76                                | 1    | 100%               | 144            | 86                        | 22                           | 36                                    |                             | Existing office building. Built in1975. Developer has submitted plans to redevelop office space with apartments.   | А | С  | D E      | F G |
| LSAP-12        | 20550034           | 1150 Kifer Rd  | 2.67           | TRANSIT<br>MIXED USE<br>(TMIX) | MXD-I   | 80                    | 214                  | 76                                | 1    | 100%               | 203            | 122                       | 30                           | 51                                    |                             | Existing surface parking lot area at the rear of two existing office buildings. Developer has submitted plans to demolish the surface parking area and   | А | С  |          | F G |
|                | 20550035           | 1170 Kifer Rd  | 3.23           | TRANSIT<br>MIXED USE<br>(TMIX) | MXD-I   | 80                    | 258                  | 76                                | 1    | 100%               | 245            | 147                       | 37                           | 61                                    |                             | construct apartments.  | А | С  |          | F G |
|                | Site Total         |                | 5.89           |                                |         |                       | 466                  | 76                                | 1    | 100%               | 448            | 269                       | 67                           | 112                                   |                             |  |   |    |          |     |
| TOTAL          |                    |                | 46.7           |                                |         |                       |                      |                                   |      |                    | 1,702          | 1,096                     | 227                          | 379                                   |                             |  |   |    |          |     |

<sup>&</sup>lt;sup>1</sup>Maximum achievable density and maximum achievable units includes density bonus points received through the LSAP incentive program but excludes density bonus points available through the City's Green Building Program and the State density bonus.

<sup>&</sup>lt;sup>2</sup> Realistic densities are calculated at 95 percent of maximum achievable density.

<sup>&</sup>lt;sup>3</sup> Non-vacant site factors: A) TOD Opportunity, B) Village Center, C) Development Interest, D) Occupancy Status, E) Structure Age and Condition, F) Low FAR, G) Low ILV Ratio (see page 5-6 for more information). Source: Ascent, 2023.

#### **EL CAMINO REAL SPECIFIC PLAN**

The El Camino Real Specific Plan (ECRSP) was adopted by the City Council on June 28, 2022. The plan replaces the City's Precise Plan for El Camino Real and focuses on increasing residential development opportunities along the corridor, while preserving important retail and commercial sites.

The plan designates the corridor for Public Facilities, Office, Commercial, Residential Mixed Use, Medium Density Residential, and High Density Residential. Designations permitting residential mixed use development are primarily located in nodes located at key intersections with transit access along the corridor. These nodes are envisioned for transit-oriented development and are surrounded by uses compatible with high density residential. The remaining portions of the corridor are identified as segments. These segments are anticipated to be developed with more auto-oriented commercial uses. As shown in Figure 5-8 below, a large portion of the corridor is designated for Commercial and does not permit residential uses. This is intended to preserve important commercial uses but also to support residential development in select areas.

Mixed Use designations require that a portion of the site be developed with commercial uses. However, maximum residential densities could still be achieved on the site. The plan permits building heights up to 6 stories in nodes and up to 4 stories in segments. Residential densities vary by zone as shown in Table 5-11.

Table 5-11: El Camino Real Specific Plan Density Standards

| Land Use/ Zoning                    |                              | Residential                        |  |
|-------------------------------------|------------------------------|------------------------------------|--|
|                                     | Base maximum density (du/ac) | Incentive points available (du/ac) | Maximum Density w/ Incentives (du/ac) <sup>1</sup> |
| Commercial (ECR-C)                  | N/A                          | N/A                                | N/A  |
| Mixed Use -24 (ECR-MU24)            | 24                           | 6                                  | 30   |
| Mixed Use - 28 (ECR-MU28)           | 28                           | 10                                 | 38   |
| Mixed Use - 33 (ECR-MU33)           | 33                           | 12                                 | 45   |
| Mixed Use - 42 (ECR-MU42)           | 42                           | 14                                 | 56   |
| Mixed Use - 54 (ECR-MU54)           | 54                           | 20                                 | 74   |
| Office (ECR-O)                      | N/A                          | N/A                                | N/A  |
| Public Facilities (ECR-PF)          | N/A                          | N/A                                | N/A  |
| Medium Density Residential (ECR-R3) | 24                           | N/A                                | N/A  |
| High Density Residential (ECR-R4)   | 36                           | N/A                                | N/A  |

Maximum density with incentives does not include additional incentives provided through the City's Green Building Program or the State density bonus.

Source: City of Sunnyvale, 2022.

# **Realistic Density**

There are five market rate or mixed income projects located within the ECRSP area that are either under construction or preliminary applications have been submitted and reviewed (see Table 5-12). Most of these applications were submitted prior to adoption of the Specific Plan and were therefore based on the development standards of the prior Precise Plan for El Camino Real. Nevertheless, the development applications reflect an average density equal to 109 percent of the base density and 86 percent of the maximum density with incentives allowed under the updated Specific Plan. Similarly, the sites inventory assumes capacity based on 100 percent of the base maximum density and does not assume any units achieved through the Plan's incentive program. Assuming the base maximum density is the equivalent of assuming between 73 and 80 percent of the maximum density with incentives. These density assumptions are supported by the past development applications submitted within the ECRSP area. However, similar to recent development activity in other plan areas, such as the LSAP, the City

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anticipates residential buildout densities beyond the base maximum density through use of the incentive program. As such, the capacity included in the sites inventory is conservative.

Table 5-12: Analysis of Density for Recently Proposed Projects in El Camino Real Specific Plan Area

| Proposed Project<br>Location | Site<br>Area<br>(Acres) | Total<br>Units | Project<br>Density | Zoning | Base<br>Max<br>Density | Max Density<br>with<br>Incentives | % of Base<br>Max<br>Density | % of Max<br>Density with<br>Incentives | Notes                 |
|------------------------------|-------------------------|----------------|--------------------|--------|------------------------|-----------------------------------|-----------------------------|--|-----------------------|
| 871 and 895 E                | F 44                    | 120            | 24                 | D2     | 2.4                    | 24                                | 1000/                       | 1000/                                  | Under                 |
| Fremont Ave                  | 5.44                    | 130            | 24                 | R3     | 24                     | 24                                | 100%                        | 100%                                   | construction          |
| 610 Grape Ave, 1088          |                         |                |                    | ECR-   |                        |                                   |                             |  | Prelim. app.          |
| W El Camino Real             | 2.29                    | 108            | 47                 | MU42   | 42                     | 56                                | 112%                        | 84%                                    | in 2018               |
|                              |                         |                |                    |        |                        |                                   |                             |  | Formal<br>Application |
| 1100 and 1124 W El           |                         |                |                    | ECR-   |                        |                                   |                             |  | Under                 |
| Camino Real                  | 3.56                    | 116            | 33                 | MU33   | 33                     | 45                                | 99%                         | 72%                                    | review                |
| 777 Sunnyvale-               |                         |                |                    | ECR-   |                        |                                   |                             |  | Prelim. app.          |
| Saratoga Rd                  | 5.32                    | 417            | 78                 | MU54   | 54                     | 74                                | 145%                        | 106%                                   | in 2022               |
| 665, 681, 683, 685 E         |                         |                |                    | ECR-   |                        |                                   |                             |  | Prelim. app.          |
| El Camino Real               | 3.08                    | 114            | 37                 | MU42   | 42                     | 56                                | 88%                         | 66%                                    | in 2022               |
| Average                      |                         |                |                    |        |                        |                                   | 109%                        | 86%                                    |                       |

Source: City of Sunnyvale, 2022.

# **Redevelopment Potential**

Table 5-13 below identifies sites included in the Housing Element inventory within the ECRSP. These sites have been selected based on the proposed designations of the plan, existing uses, site location, and the other non-vacant factors described earlier. A brief description of current site conditions is included in the table along with an identification of the non-vacant site factors used to determine the feasibility of development. Sites are categorized into different tiers based on conversations with property owners, City staff knowledge of the sites, locations within nodes, and compatibility with surrounding uses. A redevelopment potential of 100 percent is applied to sites in the Tier 1 category, which have been assessed to have the greatest likelihood of developing during the planning period. While a redevelopment potential of only 25 percent is applied to sites in the Tier 2 category. Sites in the Tier 2 category are assumed to be less likely to redevelop or may only redevelop later in the planning period.

#### **Future Opportunity Sites**

Additional sites are designated for mixed use residential within the plan and are suitable for redevelopment. However, based on site conditions, lack of expressed property owner development interest, and existing uses, these sites are assumed to be unlikely to redevelop within the planning period. These sites are identified as future opportunity sites.

#### **Summary of Capacity**

As shown in Figures 5-9a through 5-9c and Table 5-13, sites within the ECRSP included in the Housing Element inventory provide capacity for 1,204 lower-income units, 367 moderate-income units, and 502 above moderate-income units. This inventoried capacity of 2,073 units on non-vacant sites during the 2023-2031 housing element planning period in addition to the 128 units in pipeline projects within the plan area represents about 32 percent of the total buildout (6,900 units) estimated over the approximately 20 to 30 year planning horizon of the El Camino Real Specific Plan.

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Figure 5-8: El Camino Real Specific Plan Residential vs. Non-Residential Sites

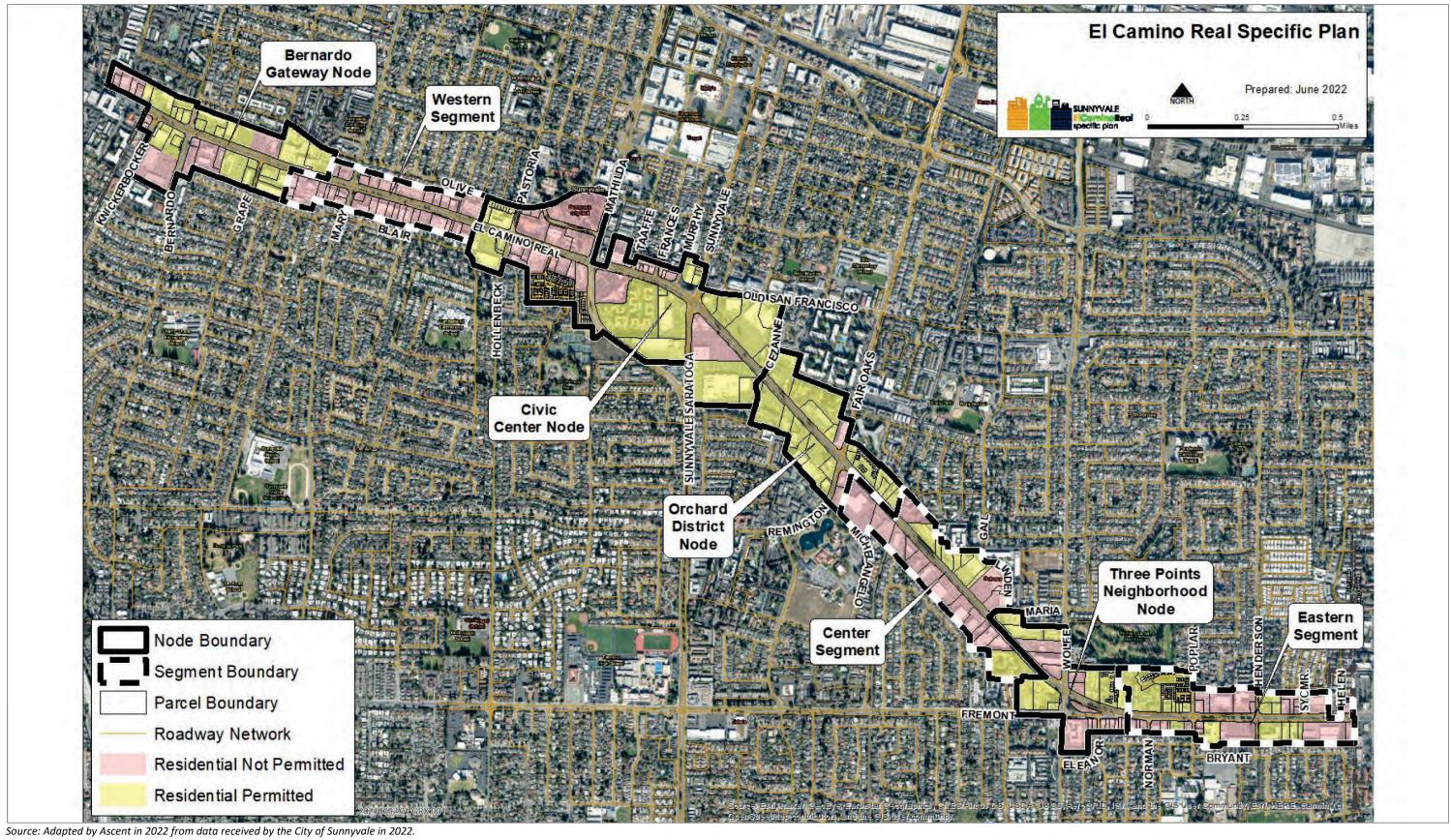


Figure 5-9a: El Camino Real Specific Plan Sites (Western Section)



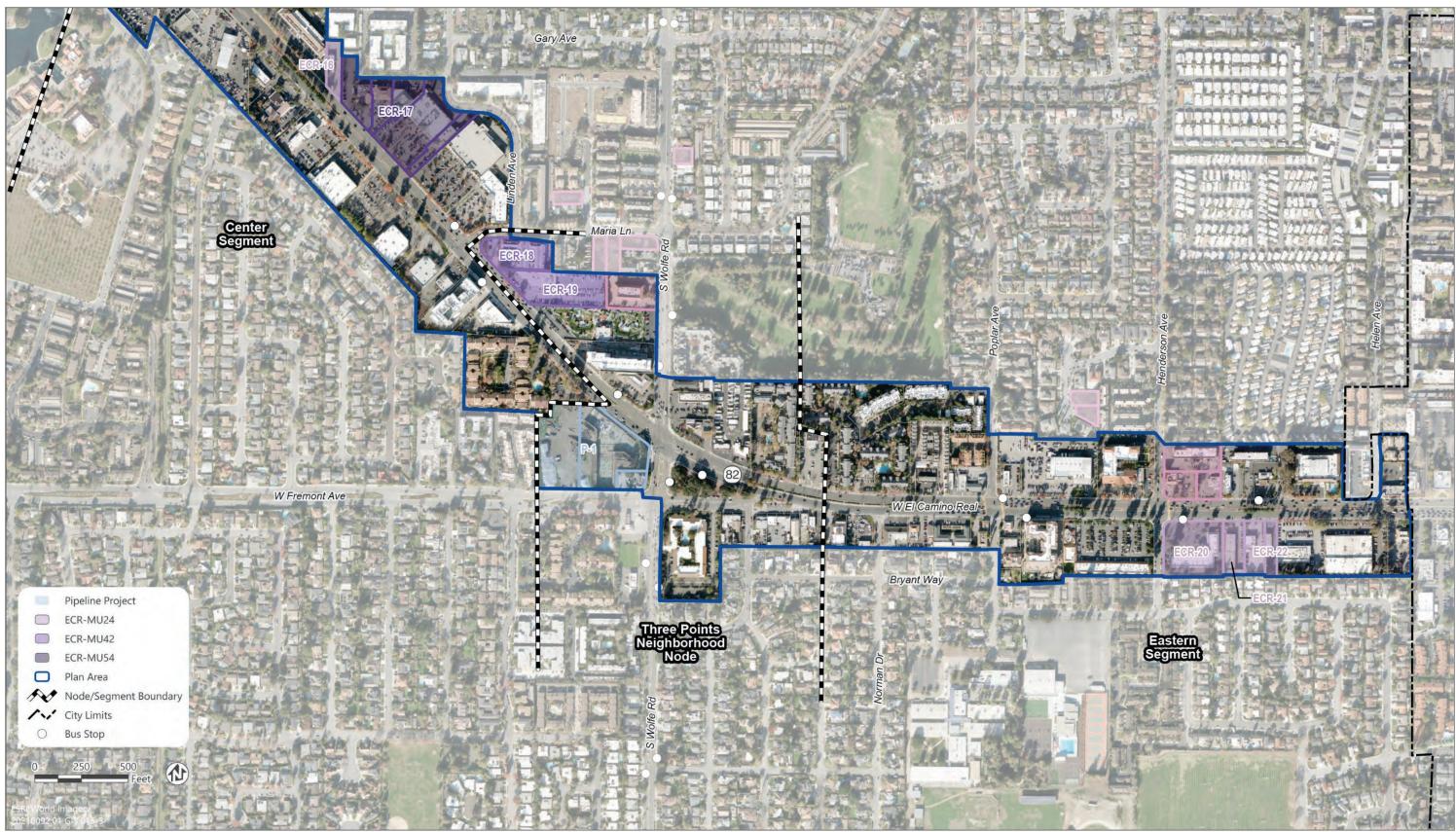
 $Source: Adapted \ by \ Ascent \ in \ 2022 \ from \ data \ received \ by \ the \ City \ of \ Sunnyvale \ in \ 2022.$ 

Figure 5-9b: El Camino Real Specific Plan Sites (Central Section)



 $Source: Adapted \ by \ Ascent \ in \ 2022 \ from \ data \ received \ by \ the \ City \ of \ Sunnyvale \ in \ 2022.$ 

Figure 5-9c: El Camino Real Specific Plan Sites (Eastern Section)



Source: Adapted by Ascent in 2022 from data received by the City of Sunnyvale in 2022.

Table 5-13: City of Sunnyvale, 2023-2031 Housing Element, El Camino Real Specific Plan

|                | •                                | iniyvaic, 2023 2              |                          |   |              |                         |   |                            |                      |      |                                  |                | Invent                    | oried Units                  |                                       |  |   | Non | -vacar | t Site | Factors <sup>2</sup> |   |
|----------------|----------------------------------|-------------------------------|--------------------------|---|--------------|-------------------------|---|----------------------------|----------------------|------|----------------------------------|----------------|---------------------------|------------------------------|---------------------------------------|--|---|-----|--------|--------|----------------------|---|
| Site<br>Number | APN                              | Address                       | Size<br>(Gross<br>Acres) | General Plan<br>Land Use<br>Designation | Zoning       | Max.<br>Base<br>Density | Max.<br>Density w/<br>Incentives <sup>1</sup> | Max.<br>Potential<br>Units | Realistic<br>Density | Tier | Redevelop-<br>ment<br>Likelihood | Total<br>Units | Lower-<br>Income<br>Units | Moderate-<br>Income<br>Units | Above<br>Moderate-<br>Income<br>Units | Subject to<br>AB 1397<br>by-right<br>policy? | Description of Site Conditions/Existing Use   | A B | С      | D I    | E F G                |   |
| ECR-1          | 16122008                         | 1255 W El<br>Camino Real      | 0.86                     | ECRSP                                   | ECR-<br>MU42 | 42                      | 56  | 48                         | 42                   | 1    | 100%                             | 36             | 22                        | 5                            | 9                                     | YES  | Vacant. The previous building burned down, and the site has been cleared. Food trucks temporarily occupy the site. The property owner has expressed interest in mixed use development.  | A   | С      | D I    | E F G                | _ |
| ECR-2          | 16122007                         | 1247-1254 W El<br>Camino Real | 2.23                     | ECRSP                                   | ECR-<br>MU42 | 42                      | 56  | 125                        | 42                   | 2    | 25%                              | 23             | 14                        | 3                            | 6                                     | YES  | Shopping center built in 1980, well maintained, and has multiple tenants. No property owner interest has been received but specific plan supports mixed use redevelopment. Site is similar to others being proposed for redevelopment in the plan area.   | A   |        |        | F G                  |   |
| ECR-3          | 16122004<br>16122005<br>16122006 | 1193-1241 W El<br>Camino Real | 1.09                     | ECRSP                                   | ECR-<br>MU42 | 42                      | 56  | 61                         | 42                   | 2    | 25%                              | 11             | 6                         | 2                            | 3                                     | YES  | Three separate parcels under separate ownership currently occupied by a motel, restaurant, and dance studio. The retail buildings on APN 16122004 and APN 16122006 were built in 1970. The motel on APN 16122005 was built in 1948, previously suffered from a fire and is in poor condition. Lot consolidation would be required and no property owner interest has been received. Specific plan supports mixed use redevelopment. | A   |        | D      | E F G                |   |
| ECR-4          | 19816007<br>19816008             | 1234-1238 W El<br>Camino Real | 1.86                     | ECRSP                                   | ECR-<br>MU54 | 54                      | 74  | 138                        | 54                   | 1    | 100%                             | 100            | 60                        | 15                           | 25                                    | YES  | Two parcels under single ownership. Three-unit shopping center built in 1986 in need of minor repair. Currently occupied by retail uses and bank with one vacant unit. Large surface parking lot. Directly adjacent to VTA Rapid 522 bus stop.  | A   |        | D      | E F                  |   |
| ECR-5          | 19816002<br>part of<br>19816004  | 601-663 S<br>Bernardo Ave     | 1.76                     | ECRSP                                   | ECR-<br>MU54 | 54                      | 74  | 130                        | 54                   | 1    | 100%                             | 95             | 57                        | 14                           | 24                                    | YES  | Two parcels under single ownership. Fast food restaurant with drive-thru built in 1968. Directly adjacent to VTA Rapid 522 bus stop. Auto-oriented uses including drive-thrus would be limited by the specific plan. The specific plan supports transit oriented mixed use redevelopment.   | A   |        | I      | E F G                | _ |
| ECR-6          | 16123001                         | 1111 W El<br>Camino Real      | 2.74                     | ECRSP                                   | ECR-<br>MU33 | 33                      | 45  | 123                        | 33                   | 1    | 100%                             | 90             | 54                        | 14                           | 23                                    |  | Portion of large shopping center built in 1984, occupied by a variety of retail, restaurant, and service uses. The City has received developer interest for residential redevelopment of the site.  | A   | С      |        | F G                  | _ |
| ECR-7          | 16141009                         | 1027-1035 W El<br>Camino Real | 2.42                     | ECRSP                                   | ECR-<br>MU42 | 42                      | 56  | 136                        | 42                   | 1    | 100%                             | 102            | 61                        | 15                           | 26                                    |  | Existing auto sale and office uses. Buildings constructed in 1971. The City has received developer interest for mixed use and residential redevelopment of the site.  | A   | С      | ı      | E F G                | _ |
| ECR-8          | 20121005<br>20121006<br>20121007 | 804-844 W El<br>Camino Real   | 4.91                     | ECRSP                                   | ECR-<br>MU42 | 42                      | 56  | 275                        | 42                   | 1    | 25%                              | 52             | 31                        | 8                            | 13                                    |  | Shopping center, built in 1996, occupied by retail and restaurant uses with some vacancy. Three parcels with two separate owners. Property owner interest in mixed use redevelopment.   | A   | С      |        | F                    | _ |
| ECR-9          | 20137011<br>20137012             | 144-154 W El<br>Camino Real   | 5.38                     | ECRSP                                   | ECR-<br>MU54 | 54                      | 74  | 398                        | 54                   | 2    | 25%                              | 73             | 44                        | 11                           | 18                                    | YES  | Existing retail uses constructed in 1964. Adjacent to existing multifamily apartments. Directly adjacent to VTA Rapid 522 bus stop. Two separate property owners. No property owner interest has been received but specific plan supports mixed use redevelopment.  | A   |        | I      | E F G                | _ |

|                |  |  |                          |                                   |              |                         |   |                            |                      |      |                                  |                | Invent                    | oried Units                  |                                       |  |   | N | on-va | cant S | ite Fa | actors <sup>2</sup> |
|----------------|--|--|--------------------------|-----------------------------------|--------------|-------------------------|---|----------------------------|----------------------|------|----------------------------------|----------------|---------------------------|------------------------------|---------------------------------------|--|---|---|-------|--------|--------|---------------------|
| Site<br>Number | APN  | Address  | Size<br>(Gross<br>Acres) | General Plan Land Use Designation | Zoning       | Max.<br>Base<br>Density | Max. Density w/ Incentives <sup>1</sup> | Max.<br>Potential<br>Units | Realistic<br>Density | Tier | Redevelop-<br>ment<br>Likelihood | Total<br>Units | Lower-<br>Income<br>Units | Moderate-<br>Income<br>Units | Above<br>Moderate-<br>Income<br>Units | Subject to<br>AB 1397<br>by-right<br>policy? | Description of Site Conditions/Existing Use   | A | В     | C D    | E      | F G                 |
| ECR-10         | 20930048<br>20930049<br>20930050<br>20930044<br>20930045<br>20930046<br>20930047 | 101-105 E El<br>Camino Real,<br>564-566 S<br>Murphy Ave,<br>569-575 S<br>Sunnyvale Ave | 2.00                     | ECRSP                             | ECR-<br>MU42 | 42                      | 56                                      | 112                        | 42                   | 2    | 25%                              | 21             | 13                        | 3                            | 5                                     | YES  | Existing shopping center built in 1947 occupied with retail, fitness gym, and service uses. Parcels are under single ownership. No property owner interest has been received but redevelopment potential later in the planning period.  | A |       |        | E      | F G                 |
| ECR-11         | 21101035<br>21101036<br>21101038<br>21101044<br>21101045                         | 107-161 E El<br>Camino Real  | 13.78                    | ECRSP                             | ECR-<br>MU54 | 54                      | 74                                      | 1,020                      | 54                   | 2    | 25%                              | 186            | 112                       | 28                           | 46                                    | YES  | Large shopping center, built in 1977-1979, occupied by big box retail. Four separate property owners for the five parcels. One of the parcels is for sale as of February 2023. Property owner engaged in specific plan process. Redevelopment potential later in the planning period.           | А | (     | C D    | E      | F G                 |
| ECR-12         | 21117003   | 150-170 E El<br>Camino Real  | 2.04                     | ECRSP                             | ECR-<br>MU42 | 42                      | 56                                      | 114                        | 42                   | 2    | 25%                              | 21             | 13                        | 3                            | 5                                     |  | Existing auto parts and tire shop built in 1995. No property owner interest has been received but redevelopment potential later in the planning period.   | A |       |        |        | F                   |
| ECR-13         | 21101029   | 411-433 E El<br>Camino Real  | 3.76                     | ECRSP                             | ECR-<br>MU54 | 54                      | 74                                      | 278                        | 54                   | 2    | 25%                              | 51             | 30                        | 8                            | 13                                    |  | Shopping center with 10 units built in 1978.  Overhead powerlines cross the site. Directly adjacent to bus stop. No property owner interest has been received but redevelopment potential later in the planning period.   | A |       |        | E      | F                   |
| ECR-14         | 21101039<br>21101040   | 561-595 E El<br>Camino Real  | 2.85                     | ECRSP                             | ECR-<br>MU54 | 54                      | 74                                      | 211                        | 54                   | 2    | 25%                              | 38             | 23                        | 6                            | 9                                     | YES  | Shopping center with 9 units built in 1980. Parcels are under separate ownership. Directly adjacent to VTA Rapid 522 bus stop. Redevelopment potential later in the planning period.  | A |       |        | E      | F G                 |
| ECR-15         | 21120029<br>21120032<br>21120033<br>21120036<br>21120039                         | 556-598 E El<br>Camino Real  | 8.98                     | ECRSP                             | ECR-<br>MU54 | 54                      | 74                                      | 665                        | 54                   | 2    | 25%                              | 121            | 73                        | 18                           | 30                                    | YES  | Shopping center with 8 units built in 1973, including a pharmacy, discount stores, restaurant, bank, and optometry store. Large surface parking lot. Parcels are under common ownership. No property owner interest has been received but redevelopment potential later in the planning period. | А |       |        | E      | F G                 |
| ECR-16         | 21110034   | 725 E El Camino<br>Real  | 0.56                     | ECRSP                             | ECR-<br>MU24 | 24                      | 30                                      | 17                         | 24                   | 2    | 25%                              | 3              |                           | 3                            |                                       |  | Existing auto repair use. Built in 1972. Small site near existing residential with development potential later in the planning period.  | А |       |        | Е      | F G                 |
| ECR-17         | 21115035<br>21115028<br>21115034<br>21115033<br>21115032                         | 751-783 E El<br>Camino Real  | 5.15                     | ECRSP                             | ECR-<br>MU54 | 54                      | 74                                      | 381                        | 54                   | 1    | 100%                             | 279            | 167                       | 42                           | 70                                    |  | Portion of large shopping center built between 1960 and 1995, occupied by a variety of retail, restaurant, and service uses. Five parcels with two property owners. The City has received developer interest for residential redevelopment of the site.   |   |       |        | E      | F G                 |
| ECR-18         | 21116008   | 805 E El Camino<br>Real  | 1.33                     | ECRSP                             | ECR-<br>MU42 | 42                      | 56                                      | 74                         | 42                   | 1    | 100%                             | 56             | 34                        | 8                            | 14                                    |  | Existing hotel built in 1999. Property owner previously expressed interest in residential conversion.   | А | (     | С      |        |                     |
| ECR-19         | 21116026   | 813-819 E El<br>Camino Real  | 2.08                     | ECRSP                             | ECR-<br>MU42 | 42                      | 56                                      | 116                        | 42                   | 2    | 25%                              | 22             | 13                        | 3                            | 6                                     |  | Occupied by auto service uses, built in 1968. Developer owned. Redevelopment potential later in the planning period.  | А | (     | С      | Е      | F G                 |

|                                |   |   |                          |   |              |                         |   |                            |                      |      |                                  |                | Invent                    | oried Units                  |                                       |  |  | ı | lon-v | acant | Site | Facto | ors <sup>2</sup> |
|--------------------------------|---|---|--------------------------|---|--------------|-------------------------|---|----------------------------|----------------------|------|----------------------------------|----------------|---------------------------|------------------------------|---------------------------------------|--|--|---|-------|-------|------|-------|------------------|
| Site<br>Number                 | APN   | Address                                   | Size<br>(Gross<br>Acres) | General Plan<br>Land Use<br>Designation | Zoning       | Max.<br>Base<br>Density | Max. Density w/ Incentives <sup>1</sup> | Max.<br>Potential<br>Units | Realistic<br>Density | Tier | Redevelop-<br>ment<br>Likelihood | Total<br>Units | Lower-<br>Income<br>Units | Moderate-<br>Income<br>Units | Above<br>Moderate-<br>Income<br>Units | Subject to<br>AB 1397<br>by-right<br>policy? | Description of Site Conditions/Existing Use  | А | В     | С     | D    | E F   | G                |
| ECR-20                         | 31304026  | 1040-1060 E El<br>Camino Real             | 2.20                     | ECRSP                                   | ECR-<br>MU24 | 24                      | 30                                      | 66                         | 24                   | 1    | 100%                             | 53             |                           | 53                           |                                       |  | Shopping center built in 1977, including 9 units, one of which is vacant and for lease in 2022. The City has received developer interest for residential redevelopment of the site.  |   |       | С     | D    | E F   | G                |
| ECR-21                         | 31304027  | 1062 E El<br>Camino Real                  | 0.73                     | ECRSP                                   | ECR-<br>MU24 | 24                      | 30                                      | 22                         | 24                   | 2    | 25%                              | 4              |                           | 4                            |                                       |  | A building built in 1978 with auto-repair businesses. Small site with development potential later in the planning period.  | A |       |       |      | E F   | G                |
| ECR-22                         | 31304028<br>31304029                                    | 1066-1080 E El<br>Camino Real             | 1.16                     | ECRSP                                   | ECR-<br>MU24 | 24                      | 30                                      | 35                         | 24                   | 2    | 25%                              | 7              |                           | 7                            |                                       |  | Existing restaurant on APN 31304028 built in 1970. Existing auto repair on APN 31304029 built in 1972. Small site with development potential later in the planning period. Two separate property owners.   | А |       |       |      | E F   | G                |
| ECR-23                         | 198-26-001,<br>198-26-002                               | 610 Grape Ave                             | 2.29                     | ECRSP                                   | ECR-<br>MU42 | 42                      | 56                                      | 128                        | 42                   | 1    | 100%                             | 96             | 58                        | 14                           | 24                                    |  | Existing commercial site (retail, car wash, and auto repair). Developer has submitted plans for residential mixed use project.   | A |       | С     | D    | F     | : G              |
| ECR-24                         | 198-17-023,<br>198-17-039                               | 1100 and 1124<br>W El Camino<br>Real      | 3.56                     | ECRSP                                   | ECR-<br>MU33 | 33                      | 45                                      | 160                        | 33                   | 1    | 100%                             | 117            | 70                        | 18                           | 29                                    |  | Used-car lot. Developer has submitted plans to redevelop car lot with mixed use development.   | А |       | С     | D    | E F   | G                |
| ECR-25                         | 201-36-002  | 777 Sunnyvale-<br>Saratoga Rd             | 5.32                     | ECRSP                                   | ECR-<br>MU54 | 54                      | 74                                      | 394                        | 54                   | 1    | 100%                             | 287            | 172                       | 43                           | 72                                    |  | Commercial structure built in 1972. Developer has submitted plans to construct mixed use development.  | A |       | С     | D    | E F   | G                |
| ECR-26                         | 211-08-004,<br>211-08-005,<br>211-08-031,<br>211-08-032 | 665, 681, 683,<br>685 E El Camino<br>Real | 3.08                     | ECRSP                                   | ECR-<br>MU42 | 42                      | 56                                      | 172                        | 42                   | 1    | 100%                             | 129            | 77                        | 19                           | 32                                    |  | Commercial structures built in 1957-1963. Developer has submitted plans to construct mixed use development.  | A |       | С     | D    | E F   | G                |
|                                |   |   |                          |   |              |                         |   |                            |                      | Fu   | uture Opportu                    | nity Sites     |                           |                              |                                       |  |  |   |       |       |      |       |                  |
| Future<br>Opportu<br>nity Site | 21120006  | 510 E El Camino<br>Real                   | 1.36                     | ECRSP                                   | ECR-<br>MU24 | 24                      | 30                                      | 41                         | 24                   | 3    | 0%                               | 0              |                           |                              |                                       |  | Occupied by United States Postal Service and retail and restaurant uses. Built in 1979. Lease terms reduce the potential for redevelopment within the planning period.   |   |       |       |      |       |                  |
| Future<br>Opportu<br>nity Site | 21338001<br>21338002<br>21338003                        | 1051-1063 E El<br>Camino Real             | 2.00                     | ECRSP                                   | ECR-<br>MU33 | 33                      | 45                                      | 90                         | 33                   | 3    | 0%                               | 0              |                           |                              |                                       |  | Fast food restaurant on APN 21338002 built in 1976. Commercial buildings on APNs 21338001 and 21338003 built in 1966. Located outside of node in a segment. Separate ownership (two owners) and would require lot consolidation. No redevelopment interest received. Unlikely to redevelop within the planning period. |   |       |       |      |       |                  |
| Future<br>Opportu<br>nity Site | 19817028  | 631 Grape Ave                             | 0.93                     | ECRSP                                   | ECR-<br>MU42 | 33                      | 45                                      | 42                         | 33                   | 3    | 0%                               | 0              |                           |                              |                                       |  | Strip commercial center built in 1965. Not included in adjacent redevelopment proposal. Unlikely to redevelop within the planning period.  |   |       |       |      |       |                  |
| Future<br>Opportu<br>nity Site | 19826032  | 690 Grape Ave                             | 1.44                     | ECRSP                                   | ECR-<br>MU42 | 42                      | 56                                      | 81                         | 42                   | 3    | 0%                               | 0              |                           |                              |                                       |  | Self-storage units built in 1999. Not included in adjacent redevelopment proposal. Unlikely to redevelop within the planning period.   |   |       |       |      |       |                  |
| Future<br>Opportu<br>nity Site | 16123002<br>16123003<br>16123004                        | 1169-1195 W El<br>Camino Real             | 2.90                     | ECRSP                                   | ECR-<br>MU42 | 42                      | 56                                      | 162                        | 42                   | 3    | 0%                               | 0              |                           |                              |                                       |  | Commercial building built from 1963-1976. Separate ownership (two owners). City received request for new drive-thru restaurant development. Current tenants and site conditions reduce potential for redevelopment within the planning period.   |   |       |       |      |       |                  |

|                                |                      |  |                          |                                   |              |                         |   |                            |                      |      |                                  |                | Invent                    | oried Units                  |                                       |  |   | N | lon-va | cant S | ite Fa | ctors <sup>2</sup> |
|--------------------------------|----------------------|--|--------------------------|-----------------------------------|--------------|-------------------------|---|----------------------------|----------------------|------|----------------------------------|----------------|---------------------------|------------------------------|---------------------------------------|--|---|---|--------|--------|--------|--------------------|
| Site<br>Number                 | APN                  | Address  | Size<br>(Gross<br>Acres) | General Plan Land Use Designation | Zoning       | Max.<br>Base<br>Density | Max. Density w/ Incentives <sup>1</sup> | Max.<br>Potential<br>Units | Realistic<br>Density | Tier | Redevelop-<br>ment<br>Likelihood | Total<br>Units | Lower-<br>Income<br>Units | Moderate-<br>Income<br>Units | Above<br>Moderate-<br>Income<br>Units | Subject to<br>AB 1397<br>by-right<br>policy? | Description of Site Conditions/Existing Use   | A | В      | C D    | E      | F G                |
| Future<br>Opportu<br>nity Site | 21117004             | 130-170 E El<br>Camino Real,<br>762 Sunnyvale<br>Saratoga Rd | 10.26                    | ECRSP                             | ECR-<br>MU42 | 42                      | 56                                      | 575                        | 42                   | 3    | 0%                               | 0              |                           |                              |                                       |  | Shopping center built in 1995. Currently occupied by big box stores and major grocery. Lease terms reduce the potential for redevelopment within the planning period.                       |   |        |        |        |                    |
| Future<br>Opportu<br>nity Site | 21108007<br>21108008 | 605 E El Camino<br>Real, 734-738 S<br>Fair Oaks Ave          | 0.73                     | ECRSP                             | ECR-<br>MU42 | 42                      | 56                                      | 40                         | 42                   | 3    | 0%                               | 0              |                           |                              |                                       |  | Commercial buildings built in 1972 and 1986. Two small lots under separate ownership would require consolidation. Site size reduces potential for redevelopment within the planning period. |   |        |        |        |                    |
| Future<br>Opportu<br>nity Site | 21116028             | 1021 S Wolfe<br>Rd   | 1.16                     | ECRSP                             | ECR-<br>MU42 | 42                      | 56                                      | 65                         | 42                   | 3    | 0%                               | 0              |                           |                              |                                       |  | Office building constructed in 1980. Occupied by medical uses. Less likely to redevelop within the planning period.   |   |        |        |        |                    |
| TOTAL                          |                      |  | 104.9                    |                                   |              |                         |   |                            |                      |      |                                  | 2,073          | 1,204                     | 367                          | 502                                   |  |   |   |        |        |        |                    |

<sup>&</sup>lt;sup>1</sup>Maximum density with incentives includes density bonus points received through the El Camino Real Specific Plan incentive program but excludes density bonus points available through the City's Green Building Program and the State density bonus.

<sup>&</sup>lt;sup>2</sup> Non-vacant site factors: A) TOD Opportunity, B) Village Center, C) Development Interest, D) Occupancy Status, E) Structure Age and Condition, F) Low FAR, G) Low ILV Ratio (see page 5-6 for more information). Source: City of Sunnyvale 2023, compiled by Ascent in 2022.

# **Additional Sites Outside of Specific Plans**

The General Plan Land Use and Transportation Element (LUTE) designates sites for a range of residential and mixed use development. Table 5-14 shows the General Plan designations for areas outside of specific or area plans, corresponding zoning districts, their density ranges, and the inventoried income level.

Table 5-14: General Plan Designations, Zoning, and Corresponding Income Categories

| General Plan                   | Zoning District                           | Allowed Density<br>(units per acre) | Income Level   |
|--------------------------------|---|-------------------------------------|----------------|
| Low Density Residential        | R-0 and R-1                               | 0-7                                 | Above Moderate |
| Mobile Home Residential        | R-MH                                      | 0-12                                | Moderate       |
| Low-Medium Density Residential | R-1.5; R-2; R-1.7/PD                      | 7-14                                | Above Moderate |
| Medium Density Residential     | R-3                                       | 15-24                               | Moderate       |
| High Density Residential       | R-4; R-5; Lawrence/101 Site Specific Plan | 25-36                               | Lower          |
| Village Mixed Use              | Mixed-Use Village (MU-V)                  | Approx. 18                          | Moderate       |

Source: City of Sunnyvale, General Plan Land Use and Transportation Element, 2017.

#### VILLAGE CENTERS

As part of the update to the LUTE, adopted in 2017, the City identified seven locations throughout Sunnyvale as Village Centers and designated them as Village Mixed Use. The Village Mixed Use designation allows for mixed use developments with commercial components of 10 to 25 percent of the site area (floor area ratio), buildings up to four stories, and an average residential density of up to 18 units per acre for the entire Village Center site. The LUTE identified capacity to accommodate 900 new residential units within the seven Village Centers.

Although the LUTE indicates that a precise plan or master plan will be prepared for each Village Center, the City has determined that, due to legislative changes made to the Housing Accountability Act by SB 330, the City cannot enforce the requirement for a precise plan or master plan because the requirement is not "objective" within the meaning of the Housing Accountability Act. As such, sites are permitted for development consistent with the standards identified in the LUTE. The City has initiated a Village Center Master Plan, anticipated for adoption in early 2023, to further incentivize redevelopment of these centers.

# **Village Center Development Proposals**

The City has received three recent proposals for development within the Village Centers, shown in Table 5-15. These proposals include for-sale townhome-style units and a small commercial component. The proposal for 102 E Fremont Ave (P-14) will redevelop existing restaurant and retail uses on the western end of Fremont Corners Shopping Center into 35 townhomes and replace demolished commercial buildings (previously occupied by restaurant, dry cleaners, bar, and other small retail) with a smaller retail site. The proposal for 166 E Fremont Ave (P-12) will redevelop the eastern end of the same shopping center by demolishing an existing commercial building previously occupied by a kickboxing gym and a convenience store, renovate another existing commercial building, and construct 50 condominiums. The 24-Hour Fitness at the center of the site is not currently proposed for redevelopment (2022) but is suitable for redevelopment and is included in the sites inventory (VC-8). In addition, the City has received a proposal for a 114-unit village center at the 6.14-acre site at 877 W Fremont Ave. The City anticipates that these redevelopment trends will continue to occur at Village Centers throughout the planning period.

# **Realistic Density**

As shown in Table 5-15, the average residential density for recent projects (excluding units achieved through State density bonus) is around 18 units per acre or 98.5 percent of the maximum allowable density. Although the City anticipates development of Village Centers will continue to be built near 18 units per acre, limited development has occurred under the newly identified Village Centers. One of the three projects shown in Table 5-15 is still in the early planning phases and has not yet been approved. Considering the limited information on development trends and the requirement for commercial development within the Village Centers, the sites inventory conservatively applies a realistic density assumption of 14 units per acre, or 80 percent of the maximum allowable density.

**Table 5-15: Recent Development Proposals within Village Centers** 

| Project                            | Site Size     | Proposed         | Proposed          | Gross Residential        | # of Affordable |
|------------------------------------|---------------|------------------|-------------------|--------------------------|-----------------|
|                                    | (Gross Acres) | Commercial Space | Residential Units | Density (units per acre) | Units           |
| 102 E Fremont Ave (approved)       | 1.84          | 8,048 sf         | 35                | 19.02                    | 5               |
| 166-176 E Fremont Ave (approved)   | 2.77          | 8,094 sf         | 50                | 18.05                    | 6               |
| 877 W Fremont Ave (submitted)      | 6.14          | 35,393 sf        | 114               | 18.57                    | 14              |
| Average Residential Density        |               |                  |                   | 18.55                    |                 |
| Average Residential Density (excl. | State density | bonus)¹          |                   | 17.75                    |                 |

<sup>&</sup>lt;sup>1</sup>A buildout density of 18 units per acre (i.e., the maximum allowable density) is assumed for projects with units achieved through the State density bonus.

Source: City of Sunnyvale, 2021.

# **Existing Uses and Redevelopment Potential**

Similar to the Fremont Corners Village Center, the other Village Center sites are currently developed as low-intensity, auto-oriented shopping centers and strip malls. Most sites are made up of multiple parcels and have varying ownership. However, the Village Center Master Plan, currently underway, would incentivize redevelopment by providing flexible development standards and streamlined lot consolidation. The Village Center sites are shown in Figures 5-10a through 5-10c. Table 5-16 lists the Village Center sites, describes existing uses, and determines available residential capacity during the Housing Element planning period.

### **Future Opportunity Sites**

Sites that are currently occupied by gas stations are not expected to redevelop for housing within the planning period and are, therefore, identified as future opportunity sites. In addition, the site at 929 E Duane Avenue is not expected to redevelop for housing during the planning period and is also identified as a future opportunity site. The existing restaurant building was not included in the proposed draft development plans received for the Village Center site at E Duane Ave and San Rafael St and considering the small size of the site (0.3 acres) it is unlikely to redevelop on its own. The site along E Maude Avenue near Borregas Avenue consists of 10 parcels, under separate ownership, and presents challenges for redevelopment. As such, the site is less likely to be redeveloped within the planning period and is identified as a future opportunity site. All other Village Center sites are expected to redevelop for housing within the planning period.

# **Summary of Capacity**

As shown in Table 5-16, the sites inventory identifies capacity for 797 moderate-income units within the City's Village Centers, based on allowed densities, site conditions, and recent development trends. Program H3 includes a commitment to increase densities in the Village Centers to expand housing opportunities for lower-income households, particularly in higher resource areas of the City. Following implementation of Program H3, Village Center sites can be calculated at a higher capacity and reclassified as lower-income housing opportunity sites. Program H3 also includes a commitment to implement the Land Use and Transportation Element action statement LT-4.2b to amend the Zoning Code and Zoning Map to create a new mixed-use zoning designation for Village Centers which will ensure consistency with the General Plan land use designation.

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Table 5-16: City of Sunnyvale, 2023-2031 Housing Element, Village Centers

| Site Number                | Assessor   | Address   | Size             | General Plan            | C1 18 14 15 No Existing De Anza Square Shopping Center built in 1961 and 1963, occupied with retail, services, post office, grocery, and restaurants. Large parking area provides infill opportunity. Both parcels are under common ownership.  C1 18 14 0 No Existing gas station. Redevelopment is unlikely during the planning period. Future opportunity site.  C1 18 14 0 No Existing gas station. Redevelopment is unlikely during the planning period. Future opportunity site.  C1 18 14 15 No Existing gas station. Redevelopment is unlikely during the planning period. Future opportunity site.  C1 18 14 15 No Existing gas station. Redevelopment is unlikely during the planning period. Future opportunity site.  C1 18 14 12 No Existing poet in the planning period. Future opportunity site.  C1 18 14 12 No Existing poet in the planning period. Future opportunity site.  C1 18 14 25 No Pharmacy built in 1963. Property listed for lease in April 2023. Developer submitted preliminary plans for residential mixed use.  Existing poet in the planning period. Future opportunity site.  C1 18 14 12 No Existing De Anza Square Shopping Center built in 1967-1968. Partially for lease.  Pharmacy built in 1996. Infill potential along street frontage on the southern portion of the site (along S Mary Ave). All six parcels are under common ownership.  C1 18 14 11 No Existing commercial center occupied with services (banks), offices, and restaurant.  D1 18 14 11 No Existing commercial center occupied with services (banks), offices, and restaurant.  D1 18 14 14 No Office buildings at 1307-1309 S Mary Ave) and 920 W Fremont Ave currently for lease. All five parcels are under common ownership.  C1 18 14 36 No Located in an existing shopping center built in 1959, occupied by a fitness center and surface parking. Mixed use redevelopments are proposed on adjacent parcels and surface parking. Mixed use redevelopments are proposed on adjacent parcels and surface parking. Mixed use redevelopments are proposed on adjacent parcels and surface parking. Mixed use | N   | lon-vaca   | ant Sit  | e Fac  | cors <sup>1</sup>  |     |    |     |   |     |
|----------------------------|--|---|------------------|-------------------------|--|---|--|--|--|--|-----|----|-----|---|-----|
|                            | Parcel Number (APN)  |   | (Gross<br>Acres) | Land Use<br>Designation |  |   | A  | ВС   | D  | E  | F G |    |     |   |     |
| /illage Center 1: E        | Fremont Avenu  | e and S Mary Avenue   |                  |                         |  |   |  |  |  |  |     |    |     |   |     |
| VC-1A                      | 20224032<br>20224031   | 1211 S MARY AVE<br>1277 S MARY AVE  | 5.85             | VMU                     | C1   | 18  | 14   | 84   | No   | Existing Westmoor Village Shopping Center, built in 1961 and 1963, occupied with retail, services, post office, grocery, and restaurants. Large parking area provides infill opportunity. Both parcels are under common ownership. |     | В  |     | Е | F G |
| Future Opportunity<br>Site | 20224033   | 925 W FREMONT AVE   | 0.32             | VMU                     | C1   | 18  | 14   | 0  | No   | Existing gas station. Redevelopment is unlikely during the planning period. Future opportunity site.   |     | ·  | ·   |   |     |
| VC-1B                      | 202-23-007   | 877 W Fremont Ave   | 6.3              | VMU                     | O  | 18  | 14   | 91   | No   | Single-story medical office complex built in 1963. Property listed for lease in April 2023. Developer submitted preliminary plans for residential mixed use.   |     | ВС | D   | Е | F   |
| Future Opportunity<br>Site | 32301001   | 860 W FREMONT AVE   | 0.33             | VMU                     | C1   | 18  | 14   | 0  | No   | Existing gas station. Redevelopment is unlikely during the planning period.  |     |    |     |   |     |
| VC-1C                      | 32301018   | 1358 S MARY AVE   | 0.74             | VMU                     | C1   | 18  | 14   | 15   | No   | Existing De Anza Square Shopping Center built in 1967-1968. Partially for lease.   |     | В  | D   | Е | F   |
|                            | 32301019   | 1350 S MARY AVE   | 1.71             | VMU                     | C1   | 18  | 14   | · · · · · · · · · · · · · · · · · · ·  |  |  |     |    |     |   |     |
|                            | 32301020   | 1334 S MARY AVE   | 1.38             | VMU                     | C1   | portion of the site (along S Mary Ave). All six parcels are under common ownership. |  |  |  |  |     |    |     |   |     |
|                            | 32301021   | 1310 S MARY AVE   | 0.84             | VMU                     | VMU  |   |  |  |  |  |     |    |     |   |     |
|                            | 32301025   | 1306 S MARY AVE   | 1.03             | VMU                     | C1   |   |  |  |  |  |     |    |     |   |     |
|                            | 32301026   | 1314 S MARY AVE   | 1.74             | VMU                     | C1   | 18  | Sity   Density   Income Units   1397 by-right policy?  |  |  |  |     |    |     |   |     |
| Subtotal                   |  |   | 7.45             |                         |  |   | 1  | 108  | Some nits   1397 by-right policy?  |  |     |    |     |   |     |
| VC-1D                      | 32025057   | 1309 S MARY AVE   | 3.20             | VMU                     | 0  | 18  | 14   |  | No   | Existing commercial center occupied with services (banks), offices, and restaurants.   |     | В  | D   | Е | F   |
| -                          | 32025058   | 920 W FREMONT AVE   | 0.94             |                         | 0  |   |  |  | Sexisting Westmoor Village Shopping Center, built in 1961 and 1963, occupied with retail, services, post office, grocery, and restaurants. Large parking area provides infill opportunity. Both parcels are under common ownership.   B  |  |     |    |     |   |     |
|                            | 32025059   | 1303 S MARY AVE   | 0.95             |                         | _  |   |  |  | 84 No Existing Westmoor Village Shopping Center, built in 1961 and 1963, occupied wit retail, services, post office, grocery, and restaurants. Large parking area provide infill opportunity. Both parcels are under common ownership.  91 No Existing gas station. Redevelopment is unlikely during the planning period. Future opportunity site.  91 No Single-story medical office complex built in 1963. Property listed for lease in Apr 2023. Developer submitted preliminary plans for residential mixed use.  91 No Existing gas station. Redevelopment is unlikely during the planning period.  15 No Existing De Anza Square Shopping Center built in 1967-1968. Partially for lease.  12 No Pharmacy built in 1996. Infill potential along street frontage on the southern portion of the site (along S Mary Ave). All six parcels are under common ownersh No Discovery of the site (along S Mary Ave). All six parcels are under common ownersh No Discovery of the site (along S Mary Ave). All six parcels are under common ownersh No Discovery of the site (along S Mary Ave). All six parcels are under common ownersh No Discovery of the site (along S Mary Ave). All six parcels are under common ownersh No Discovery of the site (along S Mary Ave). All six parcels are under common ownersh No Discovery of the site (along S Mary Ave) and 920 W Fremont Ave currently for lease. All five parcels are under common ownership.  10 No Existing strip mall partially occupied with service, retail, and restaurant uses. Built 1964.  31 No Existing strip mall partially occupied with service, retail, and restaurant uses. Built 1964.  32 No Existing strip mall partially occupied with service, retail, and restaurant uses. Built 1964.  33 No Existing strip mall partially occupied with service, retail, and restaurant uses. The site is surrounded by residential and has good access. All parcels are under common ownership.  |  |     |    |     |   |     |
|                            | 32025060   | 1305 S MARY AVE   | 0.92             | VMU                     | 0  |   | 14   |  | Section   Sect | lease. All five parcels are under common ownership.  |     |    |     |   |     |
|                            | 32025061   | 1307 S MARY AVE   | 1.47             |                         | 0  |   |  | Ricome   1397 by-right policy?   |  |  |     |    |     |   |     |
| Subtotal                   | 32023001   | 1507 5 101 101 101 101  | 7.48             | 71110                   |  |   |  |  | 110  |  |     |    |     |   |     |
| Total                      |  |   | 55.67            |                         |  |   |  |  |  |  |     |    |     |   |     |
|                            | Fremont Avenu  | e and Sunnyvale Saratoga Road   | 33.07            |                         |  |   |  |  |  |  |     |    |     |   |     |
| VC-2A                      | 21134001   | 103 E FREMONT AVE   | 2.19             | \/N/I I                 | C1   | 18  | 14 91 No Existing gas station. Redevelopm  14 91 No Single-story medical office comp 2023. Developer submitted  14 0 No Existing gas station. Redevelopm 2023. Developer submitted  14 15 No Existing De Anza Square Shopping Pharmacy built in 1996. Infill prortion of the site (along S Mary of the site (alo | Existing strip mall partially occupied with service retail and restaurant uses. Built in | ,  | R  |     | Е  | F G |   |     |
|                            |  |   |                  |                         |  |   |  |  |  | 1964.  | '   |    |     |   |     |
| VC-2B                      | 30901009   | 150 E FREMONT AVE   | 2.47             | VMU                     | C1   | 18  | 14   | 36   | No   |  |     | В  |     | E | F G |
| Future Opportunity<br>Site | 21134013   | 1296 SUNNYVALE SARATOGA RD  | 0.51             | VMU                     | C1   | 18  | 14   | 0  | No   | Existing gas station. Redevelopment is unlikely during the planning period.  |     |    |     |   |     |
| Future Opportunity<br>Site | 30901007   | 1300 SUNNYVALE SARATOGA RD  | 0.59             | VMU                     | C1   | 18  | 14   | 0  | No   | Existing gas station. Redevelopment is unlikely during the planning period.  |     |    |     |   |     |
| Village Center 3: 0        | Old San Francisco  | Road and S Wolfe Road   |                  |                         |  |   |  |  |  |  |     |    |     |   |     |
| VC-3B                      | 21105034<br>21105030<br>21105032<br>21105033<br>21105027<br>21005031 | 727 S WOLFE RD 731 OLD SAN FRANCISCO RD 733 OLD SAN FRANCISCO RD 743 OLD SAN FRANCISCO RD 747 OLD SAN FRANCISCO RD 888 OLD SAN FRANCISCO RD | 6.42             | VMU                     | C1   | 18  | 14   | 92   | No   | restaurant uses. The site is surrounded by residential and has good access. All  |     | В  |     | Е | F G |
| VC-3C                      | 21320027   | 720 S WOLFE RD  | 0.89             | VMU                     | C1   | 18  | 14   | 13   | No   |  |     | В  | D   |   | F   |
| Future Opportunity Site    | 21105006   | 703 S WOLFE RD  | 0.50             | VMU                     | C1   | 18  | 14   | 0  | No   | Existing gas station. Redevelopment is unlikely during the planning period.  |     |    |     |   |     |

| Site Number  | Assessor  | Address  | Size   | General Plan   | Zoning | Maximum | Realistic | Moderate-  | Subject to AB   | Description of Existing Use/Status   | N | lon-va | cant Sit | te Fac              | ors |
|--|---|--|--|--|--------|---------|-----------|--|---|--|---|--------|----------|---------------------|-----|
|  | Parcel Number<br>(APN)  |  | (Gross<br>Acres)   | Land Use<br>Designation  |        | Density | Density   | Income<br>Units  | 1397 by-right policy?   |  | A | В      | C D      | E                   | F   |
| /illage Center 4:                                    | N Mathilda Avenue   | e and W Maude Avenue   |  |  |        |         |           |  |   |  |   |        |          |                     |     |
| Village Center 4: N Mathilda Avenue                  | 240 W MAUDE AVE   | 4.14   | VMU  | C1   | 18     | 14      | 60        | No   | Existing Sunnyvale Square Shopping Center, built in 1968, with active grocery, retail | ,  | В |        | E        | F                   |     |
| Ilage Center 4: N Mathilda Avenue                    |   | 492 N MATHILDA AVE   |  |  |        |         |           |  |   | and restaurant uses. Two property owners. Large parking area provides infill   |   |        |          |                     |     |
|  | N Mathilda Avenue and W Maude Avenue  |  |  |  |        |         |           |  | opportunity while preserving existing commercial uses.                                |  |   |        |          |                     |     |
|  | Parcel Number (APN)  S: N Mathilda Avenue and W Maude Avenue and W Maude Avenue 20432002 20432003 492 N MATH 20432004 484 N MATH 20432006 474 N MATH 20432001 498 N MATH 20422056 105 E MAU 20422055 155 E MAU 20422055 155 E MAU 20422050 195 E MAU 20422010 219 E MAU 20422010 219 E MAU 20422007 20422054 20422054 20422057 325 E MAU 20422007 325 E MAU 20429030 501 BORREC 5: E. Duane Avenue and San Rafael Stre 20512002 933 E DUAI 20512004 911 E DUAI 5: Lawrence Expressway and Lakehaven 11023110 1119 LAWRI 11023109 1037 LAKEHA 11023108 1101 N LAWRI 27: Fair Oaks Avenue and Tasman Drive  |  |  |  |        |         |           |  |   |  |   |        |          |                     |     |
|  | Parcel Number (APN)  age Center 4: N Mathilda Avenue a  VC-4A  20432002 20432004 20432005 20432006  aure Opportunity Site  are Opportunity Site  20422056 20422055 20422055 20422050 20422010 20422010 20422010 20422009 2042204 2042207 2042207 20429030  age Center 5: E. Duane Avenue and VC-5  20512002 20512003 20512004  age Center 6: Lawrence Expresswar  VC-6  11023110 11023109 11023108  age Center 7: Fair Oaks Avenue and Comportunity Site  age Center 7: Fair Oaks Avenue and Comportunity Site  age Center 7: Fair Oaks Avenue and Comportunity Site  age Center 7: Fair Oaks Avenue and Comportunity Site  age Center 7: Fair Oaks Avenue and Comportunity Site  age Center 7: Fair Oaks Avenue and Comportunity Site  age Center 7: Fair Oaks Avenue and Comportunity Site  age Center 7: Fair Oaks Avenue and Comportunity Site  | 474 N MATHILDA AVE   |  |  |        |         |           |  |   |  |   |        |          | $\perp \perp \perp$ |     |
|  | 20432001  | 498 N MATHILDA AVE   | 0.44   | VMU  | C1     | 18      | 14        | 0  | No  | Existing gas station. Redevelopment is unlikely during the planning period.  |   |        |          |                     |     |
|  | Parcel Number (APN)   | 105 E MAUDE AVE  | 0.20   | VMU  | C1     | 18      | 14        | 0  | No  | Older strip mall (built 1948 – 1962) with existing restaurant, retail, and auto service  |   |        |          |                     |     |
| Site   | 20429031  | 107 W MAUDE AVE  | Company   Comp | uses. Site contains 11 parcels under separate ownership. Redevelopment is unlikely | ·      |         |           |  |   |  |   |        |          |                     |     |
|  | 20429032  | 117 W MAUDE AVE  | Coross   Land Use   Acres   Designation   Density   Density   Income   Links   Policy?   | during the planning period. Future opportunity site.                               |        |         |           |  |   |  |   |        |          |                     |     |
|  | 20422055  | 155 E MAUDE AVE  | CGross   Land Use   Density   Density   Income   1397 By-right   policy?   |  |        |         |           |  |   |  |   |        |          |                     |     |
|  | 20422050  | 195 E MAUDE AVE  | Coross Acres   Designation   Density   Density   Income Units   Density    |  |        |         |           |  |   |  |   |        |          |                     |     |
|  | 20422011  | Martin   M |  |  |        |         |           |  |   |  |   |        |          |                     |     |
|  | 20422010  | 219 E MAUDE AVE  | Cares   Cares   Designation   Density   Density   Income Units   |  |        |         |           |  |   |  |   |        |          |                     |     |
|  | 20422009  | 225 E MAUDE AVE  | 0.24   | Coross   Land Use   Density   Density   Income   1397 by-right   policy?           |        |         |           |  |   |  |   |        |          |                     |     |
|  | 20422054  | 253 E MAUDE AVE  | Company   Comp |  |        |         |           |  |   |  |   |        |          |                     |     |
|  | 20422007  | 325 E MAUDE AVE  | Coross   Cand Use   Density   Density   Income   Density   Densi |  |        |         |           |  |   |  |   |        |          |                     |     |
|  | 20429030  | 501 BORREGAS AVE   | Carest   Density   Densi |  |        |         |           |  |   |  |   |        |          |                     |     |
| /illage Center 5:                                    | 20432004   20432005   20432006   20432006   20432001   20432001   20422056   20429031   20429032   20422055   20422050   20422010   20422010   20422009   2042207   20429030   2042207   20429030   20512002   20512003   20512004   20512004   20512004   20512004   20512001 | nd San Rafael Street   |  |  |        |         |           | •  |   |  |   |        |          |                     |     |
| VC-5   | ter 4: N Mathilda Avenue and W Maude Av 20432002  | 933 E DUANE AVE  | 1.25   | VMU  | C1     | 18      | 14        | 18   | No  | Existing shopping center under one owner built in 1959 and 1979 with a variety of  |   | В      | ε        | E                   | F   |
|  | 1   | 919 E DUANE AVE  | 1.21   | VMU  | C1     | 18      | 14        | 17   | No  | restaurants, ethnic grocery, and services. Large surface parking lot. The City has   |   |        |          |                     |     |
|  | 20432004   20432005   20432006  | 911 E DUANE AVE  | 1.49   | VMU  | C1     | 18      | 14        | 21   | No  | received residential redevelopment interest for the site.  |   |        |          |                     |     |
| Subtotal   |   |  | 5.75   |  |        |         |           | 56   |   |  |   |        |          |                     |     |
|  | 20512001  | 929 E DUANE AVE  | 0.29   | VMU  | C1     | 18      | 14        | 0  | No  | Restaurant on corner lot is under separate ownership and not included in draft redevelopment proposal. Redevelopment is unlikely during the planning period.   |   |        |          |                     |     |
| 20429030   | Lawrence Expressy   | vay and Lakehaven Drive  |  |  |        |         |           |  |   |  |   |        |          |                     |     |
| VC-6   | 20429031 107 W MAUDE AVE 0.34 20429032 117 W MAUDE AVE 0.47 20422055 155 E MAUDE AVE 0.29 20422050 195 E MAUDE AVE 0.17 20422011 211 E MAUDE AVE 0.23 20422010 219 E MAUDE AVE 0.21 20422009 225 E MAUDE AVE 0.24 20422054 253 E MAUDE AVE 0.41 20422007 325 E MAUDE AVE 0.41 20429030 501 BORREGAS AVE 0.14  enter 5: E. Duane Avenue and San Rafael Street  C-5 20512002 933 E DUANE AVE 1.25 VMU 20512003 919 E DUANE AVE 1.21 VMU 20512004 911 E DUANE AVE 1.49 VMU 5.75  poportunity 1023100 1119 LAWRENCE EX 4.50 VMU 11023109 1037 LAKEHAVEN DR 0.48 VMU 11023108 1051 LAKEHAVEN DR 0.37 VMU enter 7: Fair Oaks Avenue and Tasman Drive  | VMU  | C1   | 18   | 14     | 65      | No        | Existing Lakewood Shopping Center including restaurants, grocery, and auto uses. |   | В  |   | E      | F        |                     |     |
|  | 20429031  | 1037 LAKEHAVEN DR  | 0.48   | VMU  | C1     | 18      | 14        | 7  | No  | Three parcels under common ownership. Large surface parking lot. Built in 1959   |   |        |          |                     |     |
|  | 20429030  age Center 5: E. Duane Avenue and Sa VC-5  20512002  20512004  total  ture Opportunity Site  20512001  20512001  20512001  1023110  11023109  11023108  total  ture Opportunity Site  11023053  | 1051 LAKEHAVEN DR  | 0.37   | VMU  | C1     | 18      | 14        | 5  | No  | and 1967.  |   |        |          |                     |     |
| Site   |   |  | 5.75   |  |        |         |           | 77   |   |  |   |        |          |                     |     |
| 11023108  sibtotal  future Opportunity Site 11023053 | 11023053  | 1101 N LAWRENCE EX   | 0.40   | VMU  | C1     | 18      | 14        | 0  | No  | Existing gas station. Redevelopment is unlikely during the planning period.  |   |        |          |                     |     |
| /illage Center 7:                                    | ototal ture Opportunity Site  age Center 7: Fair Oaks Avenue and 1  | and Tasman Drive   |  |  |        |         |           |  |   |  |   |        |          |                     |     |
| VC-7A  | 11029040  | 1161 FAIR OAKS AVE   | 2.78   | VMU  | C1     | 18      | 14        | 40   | No  | Existing single-story industrial building with large surface parking lot, built in 1974, is available for lease. Owner expressed interest in potential housing redevelopment Adjacent to Fair Oaks Station (light rail). |   | В      | C D      | E                   | F   |

<sup>&</sup>lt;sup>1</sup>Non-vacant site factors: A) TOD Opportunity, B) Village Center, C) Development Interest, D) Occupancy Status, E) Structure Age and Condition, F) Low FAR, G) Low ILV Ratio (see page 5-6 for more information). Source: Ascent, 2021.

Figure 5-10a: Village Center Sites (1)



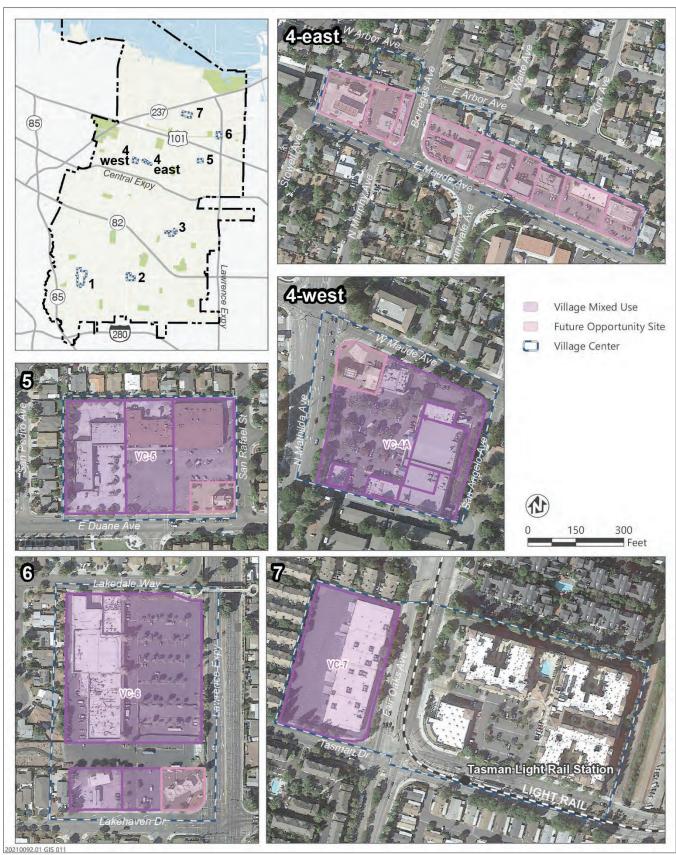
Source: Adapted by Ascent in 2021 from data received by the City of Sunnyvale in 2021.

Figure 5-10b: Village Center Sites (2-3)



Source: Adapted by Ascent in 2021 from data received by the City of Sunnyvale in 2021.

Figure 5-10c: Village Center Sites (4-7)



Source: Adapted by Ascent in 2021 from data received by the City of Sunnyvale in 2021.

#### **ADDITIONAL SITES**

The City has development on nearly every property and only a few small vacant parcels exist. Vacant parcels zoned for residential are primarily low-density zoning. Vacant sites which are not remnant right of way owned by government agencies are less than 10,000 square feet in size and were previously developed or are owned by the adjacent property owner; effectively there is no land for greenfield residential development. As discussed above, most redevelopment is focused within the specific or area plans. However, the City has seen a substantial amount of residential redevelopment throughout Sunnyvale, including areas outside of specific and area plans. Redevelopment ranges from replacement of individual single family homes with duplexes, expansions and renovations of existing multifamily housing, and redevelopment of non-residential uses into residential and mixed use developments. The City has a long history, since the early 1980s of identifying and rezoning non-residential sites for redevelopment to residential uses. To identify sites for residential redevelopment outside of specific plan areas, the City reviewed its fifth cycle Housing Element residential sites inventory to determine which sites are suitable for housing redevelopment within the sixth cycle. All sites developed during the fifth cycle were removed from the inventory. In addition, sites with existing educational uses or residences that appeared occupied and well maintained were removed. Only sites with existing residences on large lots with infill potential were preserved for further analysis. The remaining sites were then further analyzed to consider building age, site conditions (aerial review), lease and/or ownership information (when available), and market trends. The sites are shown in Table 5-19 below along with a description of existing uses and site characteristics. Several sites are in the Industrial-to-Residential (ITR) combining district which allows industrial, commercial, and office uses to continue as conforming uses while an area transitions to residential uses. Consistent with several policies and actions in the LUTE, nonresidential uses are prohibited once the property converts to residential with housing or 75 percent of ITR sites in an area have converted. The zoning and the general plan are entirely consistent as the sites all have combining districts that acknowledge the additional or transitional nature of the uses.

### **Development of Medical Office Uses**

Five sites (LUTE-5, LUTE-7, LUTE-8, LUTE-13, and LUTE-20) identified in the inventory are occupied by medical/dental office uses. Although this use is generally in high demand, the City anticipates redevelopment of medical office uses based on recent project applications. For example, a proposal is currently under review (2022) to approve redevelopment of an existing medical office center at the W. Fremont Ave. and S. Mary Ave Village Center (VC-12). The project proposed 114 residential units and would redevelop 27,000 square feet of medical office space. The five sites identified in the inventory are all designated and zoned for residential. In addition, site conditions (e.g., building age, ownership, access) and surrounding uses indicate the sites are suitable for redevelopment within the planning period. As such, based on site conditions and recent development trends, the City anticipates redevelopment of these uses.

#### **Future Opportunity Sites**

Several sites identified in the inventory contain existing residences. These sites are occupied by low density residential uses but are designated and zoned for higher density development. Although redevelopment is possible, it is unsure whether redevelopment would occur within the planning period and how many net new units would be developed. For this reason, these sites are identified as future opportunity sites and no capacity for housing within the planning period is identified.

### **Realistic Density**

To calculate capacity for housing on each of the sites, recent developments were reviewed to determine a realistic density assumption for the sites. Table 5-17 and Table 5-18 below present several recent developments approved within the City's residential designations and the buildout densities of each. Recent developments within the Medium Density Residential designation were built at densities averaging 85 percent of the maximum allowable density of 24 units per acre. None of the developments used State density bonus.

For developments within the High Density Residential designation, buildout densities averaged even higher with many developments receiving units through the City's Green Building Program and the State density bonus. Only one project, 460 Persian Drive, was 100 percent affordable, and only two projects (1101 N. Fair Oaks Ave. and 470 Persian Dr.) included zero lower-income units. The remaining projects were mixed income and included some affordable units through the City's Below Market Rate Housing Program. Excluding units achieved through the State density bonus, project densities still averaged 103 percent of the maximum allowable density. Although the City anticipates these trends will continue, the inventory assumes a conservative buildout density of 85 percent of the maximum allowable density for sites located outside of Village Centers or specific plans.

Table 5-17: Typical Built Densities for Medium Density Residential Sites

| Project Address             | Site Size (Gross<br>Acres) | Proposed<br>Residential Units | Gross Residential<br>Density (units per<br>acre) | Percentage of Max<br>Density (24 units per<br>acre) |
|-----------------------------|----------------------------|-------------------------------|--|---|
| 1044 E Duane Ave            | 7.3                        | 132                           | 18   | 75%   |
| 628 E Taylor Ave            | 0.45                       | 10                            | 22   | 92%   |
| 425 N Fair Oaks Ave         | 0.41                       | 8                             | 20   | 82%   |
| 822 E Evelyn Ave            | 1.71                       | 31                            | 18   | 75%   |
| 617 E Arques Ave            | 4.06                       | 85                            | 21   | 87%   |
| 915 De Guigne Dr            | 25.2                       | 450                           | 18   | 74%   |
| 680 E Taylor Ave            | 2.8                        | 67                            | 24   | 100%  |
| 1071 Noriega Ave            | 0.46                       | 10                            | 22   | 90%   |
| 845 Maria Ln                | 0.24                       | 5                             | 21   | 87%   |
| 625 E Taylor Ave            | 0.9                        | 20                            | 22   | 93%   |
| 423 E Maude Ave             | 0.59                       | 11                            | 19   | 78%   |
| 755 E Evelyn Ave            | 2.05                       | 42                            | 20   | 85%   |
| 711 E Evelyn Ave            | 11.41                      | 215                           | 19   | 79%   |
| 1 AMD Place (Townhomes)     | 6.05                       | 107                           | 18   | 74%   |
| 617 E Evelyn Ave            | 3.26                       | 62                            | 19   | 79%   |
| 669 Old San Francisco Rd    | 0.34                       | 6                             | 18   | 74%   |
| 925 S Wolfe Rd              | 5.35                       | 128                           | 24   | 100%  |
| 475 N Fair Oaks Ave         | 0.82                       | 18                            | 22   | 91%   |
| Average Percentage of Maxir | num Density                | •                             |  | 85%   |

Source: City of Sunnyvale, 2021.

Table 5-18: Typical Built Densities for High Density Residential Sites (R4 Zoning District)

| Project Address             | Site<br>Size<br>(Gross<br>Acres) | Proposed<br>Residential<br>Units | Gross<br>Residential<br>Density<br>(units per<br>acre) | Percentage of<br>Max Density<br>(36 units per<br>acre) | Sunnyvale<br>Green<br>Building<br>Program<br>Units | State<br>Density<br>Bonus<br>Units | Percentage of<br>Max Density<br>excl. State<br>Density<br>Bonus |
|-----------------------------|----------------------------------|----------------------------------|--|--|--|------------------------------------|---|
| 1101 N Fair Oaks<br>Ave     | 2.56                             | 97                               | 38   | 105%   | 4  | 0                                  | 105%  |
| 470 Persian Dr              | 1.75                             | 47                               | 27   | 75%  | 0  | 0                                  | 75%   |
| 610 Weddell Dr              | 4.04                             | 205                              | 51   | 141%   | 7  | 52                                 | 105%  |
| 620 E Maude Ave             | 2.35                             | 117                              | 50   | 138%   | 4  | 29                                 | 104%  |
| 460 Persian Dr <sup>1</sup> | 1.3                              | 66                               | 51   | 141%   | 2  | 16                                 | 107%  |
| 1 AMD Place<br>(Apartments) | 20.67                            | 944                              | 46   | 127%   | 32   | 168                                | 104%  |
| Average Percentag           | e of Maxin                       | num Density                      |  | 125%   |  | •                                  | 103%  |

<sup>&</sup>lt;sup>1</sup>100 percent affordable development. Includes 46 very low-income units, 19 low-income units, and 1 manager unit. *Source: City of Sunnyvale, 2021.* 

### **Summary of Capacity**

As shown in Table 5-19 below, sites outside of plan areas include capacity for 621 units, including 299 lower-income units, 316 moderate-income units, and 6 above-moderate income units.

Table 5-19: City of Sunnyvale, 2023-2031 Housing Element, Additional Sites

|         |                                 |                               | Size             |             |                  |                |                  |                      |                       | Lower-          | Moderate-       | Above<br>Moderate- | Subject to<br>AB 1397 |   |   | Non-vaca | nt Site | Facto | rs <sup>1</sup> |
|---------|---------------------------------|-------------------------------|------------------|-------------|------------------|----------------|------------------|----------------------|-----------------------|-----------------|-----------------|--------------------|-----------------------|---|---|----------|---------|-------|-----------------|
| Site #  | Assessor Parcel<br>Number (APN) | Address                       | (Gross<br>Acres) | Land<br>Use | Zoning           | Max<br>Density | Max.<br>Capacity | Realistic<br>Density | Realistic<br>Capacity | Income<br>Units | Income<br>Units | Income<br>Units    | by-right policy?      | Existing Use/Site Conditions  | A | ВС       | D       | E     | F               |
| LUTE-1  | 20930058                        | 558 S MURPHY AVE              | 0.34             | OF          | R2/O             | 12             | 4                | 10.2                 | 3                     |                 | 3               |                    | No                    | Commercial structure built in 1954 occupied by grocery store, salon, and restaurant.  | А |          |         | Е     | F               |
| LUTE-2  | 20930052                        | 530 S MURPHY AVE              | 0.52             | OF          | R2/O             | 12             | 6                | 10.2                 | 5                     |                 | 5               |                    | No                    | Commercial structure built in 1954; currently occupied by multiple users including salon, acupuncture, massage, and art school.   | Α |          |         | Е     | F               |
| LUTE-3  | 20930059                        | 548 S MURPHY AVE              | 0.19             | OF          | R2/O             | 12             | 2                | 10.2                 | 2                     |                 | 2               |                    | No                    | Commercial structure built in 1957; currently occupied by martial arts studio and lace museum.  | А |          |         |       | F               |
| LUTE-4  | 20930007                        | 555 S MURPHY AVE              | 0.32             | OF          | R2/O             | 12             | 4                | 10.2                 | 3                     |                 | 3               |                    | No                    | Commercial building built in 1959; currently occupied by a locksmith.   | Α |          |         | E     | F               |
| LUTE-5  | 21120045                        | 697 E REMINGTON DR            | 0.48             | RHI         | R4               | 36             | 17               | 30.6                 | 15                    | 15              |                 |                    | Yes                   | Medical office center built in 1967 and 1970s.  | Α |          |         | E     | F               |
|         | 21120046                        | 685 E REMINGTON DR            | 0.38             | RHI         | R4               | 36             | 14               | 30.6                 | 12                    | 12              |                 |                    | Yes                   |   |   |          |         |       |                 |
|         | 21120047                        | 693 E REMINGTON DR            | 0.74             | RHI         | R4               | 36             | 27               | 30.6                 | 23                    | 23              |                 |                    | Yes                   |   |   |          |         |       |                 |
| Total   |                                 |                               | 1.61             |             |                  |                | 58               |                      | 50                    | 50              |                 |                    |                       |   |   |          |         |       |                 |
| LUTE-6  | 11012077                        | 105 W WEDDELL DR              | 0.24             | RHI         | R4               | 36             | 9                | 30.6                 | 7                     |                 | 7               |                    | No                    | Auto repair shop built in 1953 surrounded by multifamily residential.   | Α |          |         | E     | F               |
| LUTE-7  | 21123019                        | 500 E REMINGTON DR            | 2.41             | RHI         | R4               | 36             | 87               | 30.6                 | 74                    | 74              |                 |                    | Yes                   | Medical Office center built in 1975; units are available.   | Α |          |         | Е     | F               |
| LUTE-8  | 21135003                        | 1118 SUNNYVALE<br>SARATOGA RD | 0.29             | RHI         | R4               | 36             | 11               | 30.6                 | 9                     |                 | 9               |                    | Yes                   | Single family residence built in 1948. Currently unoccupied and dilapidated. Last sold in 1989.   | Α |          |         | E     | F               |
|         | 21135033                        | 1110 SUNNYVALE<br>SARATOGA RD | 0.32             |             |                  |                | 12               |                      | 10                    |                 | 10              |                    |                       | Adjacent commercial built in 1975. Occupied by daycare center and dental office. Counted as moderate income because site is too small to achieve at least 50 units with state density bonus.  |   |          |         |       |                 |
| Total   |                                 |                               | 0.62             |             |                  |                | 23               |                      | 19                    |                 | 19              |                    |                       |   |   |          |         |       |                 |
| LUTE-9  | 11029008                        | 420 PERSIAN DR                | 3.27             | RHI         | R4               | 36             | 118              | 30.6                 | 100                   | 100             |                 |                    | Yes                   | Existing Hindu Temple and Community Center built in 1972. Owner-occupied. Large parking area provides infill opportunity within ½ mile of light rail station. City has experienced recent redevelopments of church properties, likely driven by high land values. | A |          |         | E     | F               |
| LUTE-10 | 11029005                        | 425 TASMAN DR                 | 1.23             | RHI         | R4               | 36             | 44               | 30.6                 | 38                    | 38              |                 |                    | Yes                   | Daesung Korean Presbyterian Church built in 1976. Owner-occupied. Parking area provides infill opportunity within ½ mile of light rail station. City has experienced recent redevelopments of church properties, likely driven by high land values.               | A |          |         | E     | F               |
| LUTE-11 | 11029006                        | 415 TASMAN DR                 | 1.22             | RHI         | R4               | 36             | 44               | 30.6                 | 37                    | 37              |                 |                    | Yes                   | Industrial building constructed in 1978, occupied by electronic parts supplier.   | Α |          |         | E     | F               |
| LUTE-12 | 16516034                        | 840 MUENDER AVE               | 0.44             | RLM         | R2               | 14             | 6                | 11.9                 | 5                     |                 | 5               |                    | No                    | Industrial use within residential neighborhood. Low market value indicates opportunity for redevelopment.   | А |          |         |       | F               |
| LUTE-13 | 20204004                        | 516 W REMINGTON DR            | 1.17             | RLM         | R2               | 14             | 16               | 11.9                 | 14                    |                 | 14              |                    | No                    | Medical Offices built in 1968. Currently for sale (01/2022).  | А |          | D       | Е     | F               |
| LUTE-14 | 20131001                        | 525 W REMINGTON DR            | 0.93             | RLO         | R2               | 7              | 6                | 5.95                 | 6                     |                 |                 | 6                  | No                    | Building constructed in 1970. Occupied by insurance and law offices.  | Α |          |         | Е     | F               |
| LUTE-15 | 20914010                        | 848 E EVELYN AVE              | 0.53             | RMED        | MS/ITR/R<br>3/PD | 24             | 13               | 20.4                 | 11                    |                 | 11              |                    | No                    | Corner lot commercial building constructed in 1988. Occupied by convenience store, restaurant, and laundromat.  | А |          |         |       | F               |

|                           |                                 |                                  | <b>.</b> .               |             |                  |                |                  |                      |                       |                           |                              | Above                        | Subject to                     |  |   | Non-vaca | nt Site  | e Facto | rs <sup>1</sup> |
|---------------------------|---------------------------------|----------------------------------|--------------------------|-------------|------------------|----------------|------------------|----------------------|-----------------------|---------------------------|------------------------------|------------------------------|--------------------------------|--|---|----------|----------|---------|-----------------|
| Site #                    | Assessor Parcel<br>Number (APN) | Address                          | Size<br>(Gross<br>Acres) | Land<br>Use | Zoning           | Max<br>Density | Max.<br>Capacity | Realistic<br>Density | Realistic<br>Capacity | Lower-<br>Income<br>Units | Moderate-<br>Income<br>Units | Moderate-<br>Income<br>Units | AB 1397<br>by-right<br>policy? | Existing Use/Site Conditions   | A | ВС       | D        | E       | F G             |
| LUTE-16                   | 20902002                        | 208 S FAIR OAKS AVE              | 0.31                     | RMED        | R3               | 24             | 8                | 20.4                 | 6                     |                           | 6                            |                              | No                             | Corner lot sports bar built in 1940. Building is poorly maintained and surrounded by recent residential redevelopment.                                       | A |          |          | E       | F G             |
| LUTE-17                   | 20438005                        | 560 E MAUDE AVE                  | 0.22                     | RMED        | R3               | 24             | 5                | 20.4                 | 4                     |                           | 4                            |                              | No                             | Vacant residential lot.  |   |          |          |         |                 |
| LUTE-18                   | 20438021                        | 510 E MAUDE AVE                  | 0.20                     | RMED        | R3               | 24             | 5                | 20.4                 | 4                     |                           | 4                            |                              | No                             | Office building constructed in 1953. Adjacent to existing multifamily residential.   | А |          |          | E       | F G             |
| LUTE-19                   | 20913058                        | 612 E EVELYN AVE                 | 1.01                     | RMED        | C1/ITR/R<br>3/PD | 24             | 24               | 20.4                 | 21                    |                           | 21                           |                              | No                             | Commercial building constructed in 1965. Occupied by restaurant and retail uses. Large parking area.  Directly adjacent to bus stop.                         | А |          |          | Е       | F G             |
| LUTE-20                   | 32335003                        | 633 W HOMESTEAD RD               | 0.29                     | RMED        | R3               | 24             | 7                | 20.4                 | 6                     |                           | 6                            |                              | No                             | Dental office built in 1968, surrounded by residences.   | А |          |          | E       | F G             |
| LUTE-21                   | 21302004                        | 895 E EVELYN AVE                 | 7.08                     | RMED        | M3/ITR/R<br>3/PD | 24             | 170              | 20.4                 | 144                   |                           | 144                          |                              | No                             | Existing lumber yard. Building constructed in 1970.<br>Large lot with outdoor storage areas.   | А |          |          | E       | F               |
| LUTE-22                   | 20529001                        | 465 WOLFE RD                     | 0.29                     | RMED        | MS/ITR/R<br>3/PD | 24             | 7                | 20.4                 | 6                     |                           | 6                            |                              | No                             | Commercial building constructed in 1983. Currently occupied with retail use.   | А |          |          |         | F G             |
| LUTE-23                   | 20529002                        | 695 TAYLOR AVE                   | 0.65                     | RMED        | MS/ITR/R<br>3/PD | 24             | 16               | 20.4                 | 13                    |                           | 13                           |                              | No                             | Industrial/warehouse building constructed in 1961.   | А |          |          | E       | F               |
| LUTE-24                   | 204-38-006                      | 582 E. Maude Ave.                | 0.73                     | RMED        | R2               | 24             | 18               | 20.4                 | 15                    |                           | 13                           |                              | No                             | City received preliminary application to demolish 2 existing residential structures (built in 1930) and redevelop site with 15 townhouse style condominiums. | A | С        |          | E       | F G             |
| LUTE-25                   | 211-01-031                      | 444 Old San<br>Francisco Rd      | 0.42                     | RHI         | R4               | 36             | 44               | 30.6                 | 13                    |                           | 13                           |                              | No                             | Existing single-family home built in 1950.<br>Development project under review for townhomes.  | А | С        |          | E       | F G             |
| LUTE-26                   | 21135008;<br>21135009           | 148 Crescent Ave                 | 0.85                     | RMED        | R3               | 24             | 20               | 20.4                 | 17                    |                           | 17                           |                              | No                             | Two existing single-family residences built in 1927 and 1953. City received preliminary application for condominium construction.                            | А | С        |          | E       | F               |
| <b>Future Opportunity</b> | y Sites (not include            | ed in Housing Element I          | nventory)                | )           |                  |                |                  |                      |                       |                           |                              |                              |                                |  |   |          |          |         |                 |
| Future Opportunity Site   | 11014200                        | 444 TOYAMA DR                    | 2.26                     | RHI         | MS/ITR/R<br>3    | 24             | 81               | 30.6                 | 0                     |                           | 0                            |                              |                                | Office (Data Center)   |   |          |          |         |                 |
| Future Opportunity Site   |                                 | 184 N SUNNYVALE AVE              | 0.44                     | RLM         | R2               | 14             | 6                | 11.9                 | 0                     |                           | 0                            |                              |                                | Single Family Residence and Mortuary   |   |          |          |         |                 |
|                           | 20448036                        | 174 N SUNNYVALE AVE              | 0.82                     | RLM         | R2               | 14             | 11               | 11.9                 | 0                     |                           | 0                            |                              |                                |  |   |          |          |         |                 |
| Total                     | 20204000                        | 4050 TH TON DD                   | 1.26                     | 51.54       | 52               |                | 17               | 44.0                 | 0                     |                           | 0                            |                              |                                |  |   |          | $\vdash$ |         | _               |
| Future Opportunity Site   | 20204008                        | 1050 TILTON DR<br>1054 TILTON DR | 0.42                     | RLM<br>RLM  | R2<br>R2         | 14<br>14       | 8                | 11.9<br>11.9         | 0                     |                           | 0                            |                              |                                | Single Family Residences and School  |   |          |          |         | _               |
|                           | 20204013                        | 1055 SUNNYVALE<br>SARATOGA RD    | 1.01                     | RLM         | R2               | 14             | 14               | 11.9                 | 0                     |                           | 0                            |                              |                                |  |   |          |          |         |                 |
| Total                     |                                 |                                  | 1.99                     |             |                  |                | 28               |                      | 0                     |                           | 0                            |                              |                                |  |   |          |          |         |                 |
| Future Opportunity Site   | 20449010                        | 155 N SUNNYVALE AVE              | 0.30                     | RLM         | R2               | 14             | 4                | 11.9                 | 0                     |                           | 0                            |                              |                                | Single Family Residence; surrounded by multi-<br>family  |   |          |          |         |                 |
| Future Opportunity Site   | 20216008                        | 784 EDALE DR                     | 0.38                     | RLM         | R2               | 14             | 5                | 11.9                 | 0                     |                           | 0                            |                              |                                | Single Family Residence - large lot, surrounded by redeveloped small lot single family   |   |          |          |         |                 |
| Future Opportunity Site   | 20924073                        | 460 CARROLL ST                   | 0.63                     | RLO         | RO               | 7              | 4                | 5.95                 | 0                     |                           |                              | 0                            |                                | Single Family Residence - large lot, rear access available on Flora Vista Ave  |   |          |          |         |                 |
| Future Opportunity Site   | 30951026                        | 841 E HOMESTEAD RD               | 0.65                     | RLO         | RO               | 7              | 5                | 5.95                 | 0                     |                           |                              | 0                            |                                | Single Family Residence - large lot, appears vacant, rear access available on Londonderry Dr   |   |          |          |         |                 |
| Future Opportunity Site   | 21105009                        | 781 S WOLFE RD                   | 0.72                     | RLO         | R0               | 7              | 5                | 5.95                 | 0                     |                           |                              | 0                            |                                | Single Family Residence - large lot, surrounding parcels have been subdivided and redeveloped  |   |          |          |         |                 |

|                         |                                 |                    |                          |             |                  |                |                  |                      |                       |                           |                              | Above                        | Subject to                     |   |   | Non-vaca | nt Site | Facto | rs <sup>1</sup> |
|-------------------------|---------------------------------|--------------------|--------------------------|-------------|------------------|----------------|------------------|----------------------|-----------------------|---------------------------|------------------------------|------------------------------|--------------------------------|---|---|----------|---------|-------|-----------------|
| Site #                  | Assessor Parcel<br>Number (APN) | Address            | Size<br>(Gross<br>Acres) | Land<br>Use | Zoning           | Max<br>Density | Max.<br>Capacity | Realistic<br>Density | Realistic<br>Capacity | Lower-<br>Income<br>Units | Moderate-<br>Income<br>Units | Moderate-<br>Income<br>Units | AB 1397<br>by-right<br>policy? | Existing Use/Site Conditions  | A | ВС       | D       | E     | F G             |
| Future Opportunity Site | 21107023                        | 691 IRIS AVE       | 0.38                     | RMED        | R3               | 24             | 9                | 20.4                 | 0                     |                           | 0                            |                              |                                | Duplex - adjacent to apartments   |   |          |         |       |                 |
|                         | 21107022                        | 697 IRIS AVE       | 0.38                     | RMED        | R3               | 24             | 9                | 20.4                 | 0                     |                           | 0                            |                              |                                |   |   |          |         |       |                 |
| Total                   |                                 |                    | 0.76                     |             |                  |                | 18               |                      | 0                     |                           | 0                            |                              |                                |   |   |          |         |       |                 |
| Future Opportunity Site | 20920021                        | 693 ARBUTUS AVE    | 0.27                     | RMED        | R3               | 24             | 7                | 20.4                 | 0                     |                           | 0                            |                              |                                | Duplex - adjacent to small multi-family                                     |   |          |         |       |                 |
| Future Opportunity Site | 21116042                        | 1001 S WOLFE RD    | 0.32                     | RMED        | R3               | 24             | 8                | 20.4                 | 0                     |                           | 0                            |                              |                                | Single Family - large lot, adjacent to townhomes                            |   |          |         |       |                 |
| Future Opportunity Site | 21135030                        | 434 CRESCENT AVE   | 0.27                     | RMED        | R3               | 24             | 7                | 20.4                 | 0                     |                           | 0                            |                              |                                | Single Family - large lot, adjacent to multifamily                          |   |          |         |       |                 |
| Future Opportunity Site | 20438004                        | 552 E MAUDE AVE    | 0.24                     | RMED        | R3               | 24             | 6                | 20.4                 | 0                     |                           | 0                            |                              |                                | Single Family - adjacent to vacant lot                                      |   |          |         |       |                 |
| Future Opportunity Site | 21325036                        | 960 S WOLFE RD     | 0.19                     | RMED        | R3               | 24             | 4                | 20.4                 | 0                     |                           | 0                            |                              |                                | Single Family - adjacent to small multi-family                              |   |          |         |       |                 |
| Future Opportunity Site | 20920031                        | 415 FIRLOCH AVE    | 0.34                     | RMED        | R3               | 24             | 8                | 20.4                 | 0                     |                           | 0                            |                              |                                | Single Family - adjacent to small multifamily                               |   |          |         |       |                 |
| Future Opportunity Site | 21116004                        | 985 BELLOMO AVE    | 0.24                     | RMED        | R3               | 24             | 6                | 20.4                 | 0                     |                           | 0                            |                              |                                | Duplex - adjacent to condos   |   |          |         |       |                 |
| Future Opportunity Site | 30946063                        | 725 E HOMESTEAD RD | 0.48                     | RMED        | R3               | 24             | 12               | 20.4                 | 0                     |                           | 0                            |                              |                                | Fourplex - rear access, surrounded by redevelopment, adjacent to apartments |   |          |         |       |                 |
| Future Opportunity Site | 21116013                        | 856 MARIA LN       | 0.34                     | RMED        | R3               | 24             | 8                | 20.4                 | 0                     |                           | 0                            |                              |                                | Single Family - large lot, adjacent to townhomes                            |   |          |         |       |                 |
|                         | 21116012                        | 850 MARIA LN       | 0.33                     | RMED        | R3               | 24             | 8                | 20.4                 | 0                     |                           | 0                            |                              |                                |   |   |          |         |       |                 |
| Total                   |                                 |                    | 0.67                     |             |                  |                | 16               |                      | 0                     |                           | 0                            |                              |                                |   |   |          |         |       |                 |
| Future Opportunity Site | 21344018                        | 1236 VALERIAN CT   | 0.26                     | RMED        | R3               | 24             | 6                | 20.4                 | 0                     |                           | 0                            |                              |                                | Duplex - adjacent to fourplex   |   |          |         |       |                 |
|                         | 21344017                        | 1246 VALERIAN CT   | 0.22                     | RMED        | R3               | 24             | 5                | 20.4                 | 0                     |                           | 0                            |                              |                                |   |   |          |         |       |                 |
| Total                   |                                 |                    | 0.47                     |             |                  |                | 11               |                      | 0                     |                           | 0                            |                              |                                |   |   |          |         |       |                 |
| Future Opportunity Site | 20521007                        | 835 STEWART DR     | 0.7                      | RMED        | MS/ITR/R<br>3/PD | 24             | 17               | 20.4                 | 0                     |                           | 0                            |                              |                                | Office  |   |          |         |       |                 |
|                         | 20521008                        | 825 STEWART DR     | 4.3                      | RMED        | MS/ITR/R<br>3/PD | 24             | 103              | 20.4                 | 0                     |                           | 0                            |                              |                                | Office  |   |          |         |       |                 |
|                         | 20521009                        | 455 DE GUIGNE DR   | 2.98                     | RMED        | MS/ITR/R<br>3/PD | 24             | 72               | 20.4                 | 0                     |                           | 0                            |                              |                                | Office  |   |          |         |       |                 |
|                         | 20521010                        | 845 STEWART DR     | 1.1                      | RMED        | MS/ITR/R<br>3/PD | 24             | 26               | 20.4                 | 0                     |                           | 0                            |                              |                                | Restaurant and office   |   |          |         |       |                 |
| Total                   |                                 |                    | 9.08                     |             |                  |                | 218              |                      | 0                     |                           | 0                            |                              |                                |   |   |          |         |       |                 |
| Future Opportunity Site | 20521022                        | 920 DE GUIGNE DR   | 10.33                    | RMED        | MS/ITR/R<br>3/PD | 24             | 248              | 20.4                 | 0                     |                           | 0                            |                              |                                | Office  |   |          |         |       |                 |
|                         | 20521023                        | 935 STEWART DR     | 10.21                    | RMED        | MS/ITR/R<br>3/PD | 24             | 245              | 20.4                 | 0                     |                           | 0                            |                              |                                | Office/Manufacturing  |   |          |         |       |                 |
| Total                   |                                 |                    | 20.54                    |             |                  |                | 493              |                      | 0                     |                           | 0                            |                              |                                |   |   |          |         |       |                 |
| <br>Total               |                                 |                    | 67.14                    |             |                  | l              | 1,727            |                      | 621                   | 299                       | 316                          | 6                            |                                | I.  |   |          |         |       | +               |

<sup>&</sup>lt;sup>1</sup> Non-vacant site factors: A) TOD Opportunity, B) Village Center, C) Development Interest, D) Occupancy Status, E) Structure Age and Condition, F) Low FAR, G) Low ILV Ratio (see page 5-6 for more information). Source: Ascent, 2023.

## **Accessory Dwelling Units**

Per State law, a projection of the number of ADUs expected to be built within the eight-year planning period can also be considered as part of the inventory. The City has seen a dramatic increase in ADU production in recent years, particularly since 2018 when the State passed several bills to facilitate ADUs statewide. In 2020, the City adopted an ADU ordinance consistent with the requirements under State law. Table 5-20 shows the total number of ADU building permits issued by year.

Table 5-20: ADU Building Permits Issued from 2015 through 2021

| Year              | ADU Building Permits Issued |
|-------------------|-----------------------------|
| 2015              | 3                           |
| 2016              | 4                           |
| 2017              | 6                           |
| 2018              | 30                          |
| 2019              | 48                          |
| 2020              | 59                          |
| 2021              | 79                          |
| 2022              | 59                          |
| 2015-2017 Average | 4                           |
| 2018-2022 Average | 55                          |

Source: City of Sunnyvale, 2022

The City anticipates that ADU production will continue at the same pace experienced since 2018, with an average of 55 ADUs per year, resulting in 440 ADUs produced within the 2023-2031 projection period. ABAG prepared the *Affordability of Accessory Dwelling Units* in September 2021 to provide jurisdictions a foundation for housing element assumptions. The report is based on a statewide survey conducted by the University of California, Berkley's Center for Community Innovation, in collaboration with Baird + Driskell Community Planning in 2020. ABAG analyzed the raw survey data for Bay Area ADUs constructed in 2018 or 2019 to determine affordability. According to the ABAG report, 38 percent of ADUs are assumed to be used as short-term rentals, home offices, or other non-residential uses. As such, of the 440 ADUs expected to be produced, only 62 percent, or 273 ADUs are assumed to be available on the market as rental housing or housing for family and friends. It is estimated that 34 percent of ADUs produced provide discounted rate or no rent housing to friends and family of the primary residence and are categorized as lower-income housing.

Although ADUs are an important source of housing for these individuals, when ADUs are not advertised on the open market and are only made available to those with connections to existing residents, segregation patterns can be exacerbated. While family and friends receive discounted rates, other community members are not provided housing opportunities. Table 5-21 shows the difference in estimated affordability for all ADUs, including those rented to family and friends, and the recommended affordability levels which excludes units rented to family and friends at discounted rates in order to affirmatively further fair housing. To account for the fact that units available to family and friends at a discounted rate create a potential fair housing issue, the sites inventory applies the affirmatively further fair housing ADU affordability estimates recommended in the ABAG report and shown in Table 5-21.

Table 5-21: Estimated ADU Affordability within Santa Clara and San Mateo Counties

| Туре  | Very Low Income | Low Income | Moderate Income | Above Moderate<br>Income |
|---|-----------------|------------|-----------------|--------------------------|
| All ADUs (including market and discounted rate)                                   | 31%             | 39%        | 23%             | 7%                       |
| AFFH Recommendation (excludes units rented at discounted rates to friends/family) | 5%              | 30%        | 50%             | 15%                      |

AFFH = Affirmatively Furthering Fair Housing

Source: Association of Bay Area Governments, Affordability of Accessory Dwelling Units, 2021.

As such, the sites inventory includes a projection of 14 ADUs affordable to very low-income households, 82 ADUs affordable to low-income households, 136 ADUs affordable to moderate-income households, and 41 ADUs affordable to above-moderate income households.

## Summary of Capacity to Accommodate the RHNA

Sunnyvale's RHNA for the 2023-2031 planning period is 11,966 units. The sites inventory identifies housing opportunities for a total of 7,533 units under approved projects, specific plans, planned Village Centers, land designated for residential uses, and through projected ADUs. As shown in Table 5-22, the City currently (2023) has sites to provide capacity for 3,142 lower-income units, resulting in a 1,535 unit shortfall towards meeting the lower-income RHNA. The City has sufficient capacity for 2,329 moderate-income units, exceeding the moderate-income RHNA. The City currently (2023) has capacity for 1,977 above moderate-income units, falling short of the above moderate-income RHNA by 3,280 units.

Table 5-22: City of Sunnyvale, 2023-2031 Housing Capacity

|                              | Lower-             | Income     | Moderate- | Above               | Total  |
|------------------------------|--------------------|------------|-----------|---------------------|--------|
|                              | Very Low<br>Income | Low Income | Income    | Moderate-<br>Income |        |
| 2023-2031 RHNA               | 2,968              | 1,709      | 2,032     | 5,257               | 11,966 |
|                              | 4,6                | 577        |           |                     |        |
| Approved Projects            | 220                | 101        | 522       | 999                 | 1,842  |
| Lawrence Station Area Plan   | 1,0                | )96        | 227       | 379                 | 1,702  |
| Downtown Specific Plan       | 12                 | 26         | 48        | 50                  | 224    |
| El Camino Real Specific Plan | 1,2                | 204        | 367       | 502                 | 2,073  |
| Village Centers              |                    | )          | 797       | 0                   | 797    |
| Additional Sites             | 29                 | 99         | 316       | 6                   | 621    |
| Accessory Dwelling Units     | 14                 | 82         | 136       | 41                  | 273    |
| Total Capacity <sup>1</sup>  | 3,1                | L42        | 2,413     | 1,977               | 7,532  |
| Shortfall                    | -1,                | 535        | +381      | -3,280              | -4,433 |

<sup>1</sup>In compliance with AB 725, approximately 97 percent of the moderate-income capacity is accommodated on sites permitting at least 4 units per site and no more than 100 units per acre and approximately 96 percent of above-moderate income capacity is accommodated on sites permitting at least 4 units per site.

Source: Ascent, 2023.

# Strategy to meet RHNA Shortfall

As shown in Table 5-23, the City had a shortfall of 1,535 units in the lower-income RHNA category and a shortfall of 3,280 units in the above moderate-income RHNA category at the start of the planning period. In July 2023, the City adopted the Moffett Park Specific Plan (MPSP), which increased the City's housing capacity and addressed the RHNA shortfall. This Housing Element includes a program to approve the specific plan to accommodate the City's RHNA shortfall by January 31, 2024. The following describes how the MPSP addresses the RHNA shortfall.

#### MOFFETT PARK SPECIFIC PLAN OVERVIEW

About 70 percent of the land within the MPSP area is collectively owned by Google Inc., Lockheed Martin, and Jay Paul Company. As part of the land use plan development process, the City held multiple discussions with landowners and developers in the plan area to ensure suitable land is designated for both residential and non-residential needs. The plan is expected to designate land for Office, Mixed Employment, Activity Center, Mixed Use, Residential, Public, and Institutional. Residential uses would be permitted in the Activity Center, Mixed Use, and Residential designations based on the development standards shown in Table 5-23. The plan will include policies to ensure residential uses are built concurrently with office uses to counterbalance the market demand for office development in the plan area and ensure housing is provided for the workforce.

Table 5-23: Moffett Park Specific Plan Residential Land Use Designations

| Land Use/<br>Zoning | Allowed Uses   | Non-<br>Residential<br>FAR Range <sup>1</sup> | Maximum<br>Floor Area<br>Ratio (FAR) | Minimum<br>Density<br>(units/acre) | Maximum Achievable Density (units/acre) based on FAR | Realistic Density<br>Assumed in<br>Housing Element<br>Inventory |
|---------------------|--|---|--------------------------------------|------------------------------------|--|---|
| Activity<br>Center  | Allows office, residential, and commercial uses and requires a minimum residential component.                                | 0.35 to 0.75                                  | 450%                                 | 40                                 | 180  | 40 units/acre<br>(minimum<br>density)                           |
| Mixed Use           | Allows dense residential or office development and permits standalone office, standalone residential, or mixed use projects. | 0.35 to 1.0                                   | 350%                                 | 36                                 | 150  | 37.5 units/acre<br>(25% of<br>maximum<br>achievable<br>density) |
| Residential         | Allows for high density residential.   | None  | 400%                                 | 70                                 | 150  | 105 units/acre<br>(70% of<br>maximum<br>achievable<br>density)  |

Source: City of Sunnyvale, 2022

### **Realistic Density**

The comprehensive update to the MPSP introduces residential as a new permitted use in the plan area. As such, the City has not yet experienced residential development in this area and no residential project applications have been received. However, there is generally high demand for high density residential development throughout the

<sup>&</sup>lt;sup>1</sup> The FAR applies only to non-residential development. It does not apply to standalone residential or the residential portion of mixed-use developments.

city and property owners within the plan area have expressed interest in developing residential. In addition, the City consulted with property owners and developers during the preparation of the plan's density standards.

The Specific Plan sets minimum densities for two of the three zones where residential is allowed but does not establish maximum densities. Instead, residential development is regulated through form-based standards including setbacks, lot coverage, height, FAR, and required publicly accessible open space. Based on these standards, maximum achievable densities are estimated, as shown in Table 5-24. The plan would allow densities much higher than maximum densities permitted in any other area of the city. In other parts of Sunnyvale, namely the Lawrence Station area, the City has experienced development at buildout densities near 100 units per acre and even approved one affordable residential development proposal with a density of 140 units per acre (see Table 5-9 above). These densities were achieved through local incentive programs and the State density bonus. While the proposed Moffett Park Specific Plan would allow much higher densities than any other area of Sunnyvale, based on recent development trends within the Lawrence Station Area Plan and conversations with the development community, the City conservatively estimates a realistic buildout density of 105 units per acre in the Residential designation, which is about 70 percent of the maximum achievable density.

The Mixed Use designation in the MPSP would allow for standalone residential up to an estimated 150 dwelling units per acre, standalone office, or a mix of residential and office uses. To ensure sufficient land is available for residential uses and considering the market demand for offices, the specific plan would limit total non-residential development for the entire plan area. In consideration of the market demand for non-residential uses in the plan area and the lack of residential requirements in the Mixed Use designation, the City conservatively estimates a realistic buildout density of only 25 percent of the maximum achievable density, or 37.5 units per acre, in the Mixed Use designation. This is only slightly higher than the minimum required residential of 36 units per acre. Property owners of the two parcels with Mixed Use (residential and office) zoning designation (MP-20 and MP-21) have expressed interest in developing residential at higher densities than the realistic density of 36 units per acre.

The Activity Center designation in the MPSP is expected to allow for a mix of office, residential (between 40 and an estimated 180 dwelling units per acre), and commercial uses. The plan update requires a residential component be built within the Activity Center designation. Considering the market demand for non-residential uses in the plan area, the City estimates a realistic buildout density equal to the minimum residential density requirement of 40 units per acre in the Activity Center designation.

### **Redevelopment Potential**

The update to the MPSP is developer driven and the City has held multiple conversations with landowners in the plan area during the update process. Based on these conversations, the City has selectively identified sites within the plan area that are anticipated for development within the planning period as candidate rezone sites. As shown in Figure 5-11 below, there are multiple sites designated and suitable for residential development that are not identified as candidate rezone sites to meet the sixth cycle RHNA. These additional sites were not identified in the first phases of residential development but will provide future opportunities for residential development in the plan area. The sites identified as candidate rezone sites have been identified by landowners for redevelopment within the June 30, 2022 – December 15, 2030, RHNA projection period. They were selected for inclusion in the Housing Element in consultation with property owner representatives and based on phasing plans provided by the property owners or developers. Approximately one-third of the selected sites consist of buildings that are being held vacant. Property owners are holding these buildings for redevelopment upon adoption of the plan rather than advertising them for new leases. Of the remaining sites, three do not have structures, as the buildings have previously been demolished or the site consists of parking area. Additionally, over one-half of the sites include buildings that are over 35 years old.

#### CHAPTER 5 | SITES INVENTORY AND FUNDING RESOURCES

Sites MP-1 and MP-2 (see Table 5-24) are both in APN 11044007, a parcel totaling 25 acres. MP-1 totals 10.27 acres and is expected to be designated as Activity Center. MP-2 totals 14.75 acres and is expected to be designated as Residential. Together, the MP-1 and MP-2 sites could accommodate 1,959 residential units, consistent with development concepts shared with the City by the property owner. While all of the sites in Moffett Park meet the lower-income default density of 30 units per acre, it is generally assumed that only 50 percent of the capacity would accommodate the lower-income allocation and the remaining 50 percent is assumed to accommodate the above moderate-income allocation. The assumptions for site MP-2 have been further reduced to 25 percent lower-income and 75 percent above moderate-income, reflective of the large size of the site.

Figure 5-11: Moffett Park Specific Plan Sites



Source: Adapted by Ascent in 2022 from data received by the City of Sunnyvale in 2022.

Table 5-24: City of Sunnyvale, 2023-2031 Housing Element, Moffett Park Specific Plan

|                |               |   |                          |   |                    |                    |                                  |                      |                             |                |                           |                              | Above                        | Subject to                     |  | N | on-vaca | ant Sit | te Fac | tors <sup>1</sup> |
|----------------|---------------|---|--------------------------|---|--------------------|--------------------|----------------------------------|----------------------|-----------------------------|----------------|---------------------------|------------------------------|------------------------------|--------------------------------|--|---|---------|---------|--------|-------------------|
| Site<br>Number | APN           | Address                                       | Size<br>(Gross<br>Acres) | General Plan<br>Land Use<br>Designation | Zoning             | Minimum<br>Density | Maximum<br>Achievable<br>Density | Realistic<br>Density | Redevelopment<br>Likelihood | Total<br>Units | Lower-<br>Income<br>Units | Moderate-<br>Income<br>Units | Moderate-<br>Income<br>Units | AB 1397<br>by-right<br>policy? | Description of Site Conditions/Existing Use  |   | ВС      | D       | E      | F G               |
| MP-1           | 11044007      | 1111 LOCKHEED<br>MARTIN WY BLDG<br>159        | 10.27                    | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 411            | 205                       | 0                            | 206                          | No                             | Existing industrial/R&D building. Sites MP-1 and MP-2 are expected to develop concurrently. Preliminary master plan by Lockheed Martin shows 2,000 units on MP-1 and MP-2.   | A | С       |         | f      |                   |
| MP-2           | 11044007      | 1111 LOCKHEED<br>MARTIN WY BLDG<br>159        | 14.75                    | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 1,548          | 387                       | 0                            | 1,161                        | No                             | Existing industrial/R&D building. Sites MP-1 and MP-2 are expected to develop concurrently. Preliminary master plan by Lockheed Martin shows 2,000 units on MP-1 and MP-2. Lower-income unit assumptions are reduced to 25 percent because of site size. |   | С       |         | F      |                   |
| MP-3           | 11027047      | 1120<br>INNOVATION WY                         | 1.64                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 172            | 86                        | 0                            | 86                           | No                             | Building demolished / vacant lot ready for development. Initial concept plan prepared by property owner for 231 units in 9-story residential building (140 u/a).   |   | С       |         |        |                   |
| MP-4           | 11026052      | 140 CASPIAN CT                                | 5.93                     | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 237            | 118                       | 0                            | 119                          | No                             | One-story office building constructed in 1985. Identified for redevelopment in 2023-2030 by property owner's preliminary phasing plan.   | A | С       |         | F      | G                 |
| MP-5           | 11026042      | 169 JAVA DR 535                               | 3.04                     | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 122            | 61                        | 0                            | 61                           | No                             | One-story office building constructed in 1985. Identified for redevelopment in 2023-2030 by property owner's preliminary phasing plan.   | A | С       |         | F      | G                 |
| MP-6           | 11026053      | 111 JAVA DR                                   | 3.55                     | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 142            | 71                        | 0                            | 71                           | No                             | Five-story office building constructed in 2009. Identified for redevelopment in 2023-2030 by property owner's preliminary phasing plan.  | A | С       |         | F      |                   |
| MP-7           | 11033035      | 241 JAVA DR                                   | 3.00                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 315            | 157                       | 0                            | 158                          | No                             | Building, constructed in 1980, being held vacant (mothballed). Identified for redevelopment in 2023-2028 by property owner's preliminary phasing plan.   | A | С       | D       | F      | G                 |
| MP-8           | 11033031      | 1313 GENEVA DR                                | 3.47                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 365            | 182                       | 0                            | 183                          | No                             | One-story industrial/R&D building constructed in 1977. Identified for redevelopment in 2023-2028 by property owner's preliminary phasing plan.   | A | С       |         | E      | G                 |
| MP-9           | 11033033      | 1272 BORREGAS<br>AV                           | 5.23                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 549            | 274                       | 0                            | 275                          | No                             | Two-story industrial/R&D building constructed in 1978.   | А | С       |         | E f    |                   |
| MP-10          | 11033002      | 275 GIBRALTAR<br>DR                           | 2.32                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 244            | 122                       | 0                            | 122                          | No                             | Building demolished / parking lot  | Α | С       |         | ı      | G                 |
| MP-11          | 11034024      | 352 JAVA DR                                   | 1.98                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 208            | 104                       | 0                            | 104                          | No                             | One-story industrial building constructed in 1981.   | А | С       |         | E      | G                 |
| MP-12          | Not Available | Not Available -<br>Moffett Gateway<br>Project | 3.03                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 319            | 159                       | 0                            | 160                          | No                             | Portion of existing parking lot. Initial concept plan prepared by property owner for 270 units in 8-story residential building (88 u/a).   | A | С       | D       | F      |                   |

|                |          |                           |                          |   |                    |                    |                                  |                      |                             |                |                           |                              | Above                        | Subject to                     |   | N | on-vaca |   |     | ors <sup>1</sup> |
|----------------|----------|---------------------------|--------------------------|---|--------------------|--------------------|----------------------------------|----------------------|-----------------------------|----------------|---------------------------|------------------------------|------------------------------|--------------------------------|---|---|---------|---|-----|------------------|
| Site<br>Number | APN      | Address                   | Size<br>(Gross<br>Acres) | General Plan<br>Land Use<br>Designation | Zoning             | Minimum<br>Density | Maximum<br>Achievable<br>Density | Realistic<br>Density | Redevelopment<br>Likelihood | Total<br>Units | Lower-<br>Income<br>Units | Moderate-<br>Income<br>Units | Moderate-<br>Income<br>Units | AB 1397<br>by-right<br>policy? | Description of Site Conditions/Existing Use   | A | в с     | D | E   | F G              |
| MP-13          | 11036004 | 526 BALTIC WY             | 5.76                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 604            | 302                       | 0                            | 302                          | No                             | Two-story industrial/R&D building constructed in 1984.Building being held vacant (mothballed).  | A | С       | D | F   |                  |
| MP-14          | 11036003 | 1322 CROSSMAN<br>AV       | 3.49                     | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 140            | 70                        | 0                            | 70                           | No                             | One-story industrial/R&D building constructed in 1983.Building being held vacant (mothballed).  | А | С       | D | F   | G                |
| MP-15          | 11036002 | 1312 CROSSMAN<br>AV       | 3.83                     | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 153            | 76                        | 0                            | 77                           | No                             | One-story industrial/R&D building constructed in 1980.Building being held vacant (mothballed).  | A | С       | D | E F |                  |
| MP-16          | 11036018 | 1341 ORLEANS DR           | 2.95                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 309            | 154                       | 0                            | 155                          | No                             | One-story industrial/R&D building constructed in 1984. Building being held vacant (mothballed). | А | С       | D | F   | G                |
| MP-17          | 11036019 | 1327 ORLEANS DR           | 2.96                     | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 118            | 59                        | 0                            | 59                           | No                             | One-story industrial/R&D building constructed in 1984. Building being held vacant (mothballed). | А | С       | D | F   | G                |
| MP-18          | 11036006 | 1311 ORLEANS DR           | 3.88                     | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 155            | 77                        | 0                            | 78                           | No                             | One-story industrial/R&D building constructed in 1979. Building being held vacant (mothballed). | А | С       | D | E F |                  |
| MP-19          | 11036007 | 1299 ORLEANS DR           | 3.07                     | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 123            | 61                        | 0                            | 62                           | No                             | One-story industrial/R&D building constructed in 1981.  | А | С       |   | E F | G                |
| MP-20          | 11036008 | 1277 ORLEANS DR           | 3.04                     | Moffett Park                            | Mixed Use          |                    | 150                              | 37.5<br>(25% of max) | 100%                        | 114            | 57                        | 0                            | 57                           | No                             | One-story industrial/R&D building constructed in 1979.  | А | С       |   | E F |                  |
| MP-21          | 11036015 | 641 BALTIC WY             | 6.22                     | Moffett Park                            | Mixed Use          |                    | 150                              | 37.5<br>(25% of max) | 100%                        | 233            | 116                       | 0                            | 117                          | No                             | One-story industrial/R&D building constructed in 1979.  | А | С       |   | E F | G                |
| MP-22          | 11036013 | 1330 ORLEANS DR           | 1.77                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 186            | 93                        | 0                            | 93                           | No                             | One-story industrial/R&D building constructed in 1981. Building being held vacant (mothballed). | А | С       | D | E F | G                |
| MP-23          | 11036012 | 1320 ORLEANS DR           | 2.75                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 289            | 144                       | 0                            | 145                          | No                             | Building, built in 1980, being held vacant (mothballed)   | А | С       | D | E F | G                |
| MP-24          | 11036011 | 1310 ORLEANS DR           | 3.30                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 347            | 173                       | 0                            | 174                          | No                             | Partially for lease. One-story industrial/R&D building constructed in 1981.                     | А | С       |   | E   | F G              |
| MP-25          | 11036010 | 1252 ORLEANS DR           | 1.75                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 184            | 92                        | 0                            | 92                           | No                             | One-story industrial/R&D building constructed in 1979.  | А | С       |   | E F | G                |
| MP-26          | 11037006 | 1319 MOFFETT<br>PARK DR   | 2.92                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 307            | 153                       | 0                            | 154                          | No                             | One-story industrial/warehouse building constructed in 1970                                     | А | С       |   | E F | G                |
| MP-27          | 11037014 | 1315<br>CHESAPEAKE TR     | 2.34                     | Moffett Park                            | Activity<br>Center | 40                 | 180                              | 40<br>(22% of max)   | 100%                        | 94             | 47                        | 0                            | 47                           | No                             | Two-story office building constructed in 1990   | А | С       |   | F   | G                |
| MP-28          | 11037014 | 1315<br>CHESAPEAKE TR     | 4.83                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 507            | 253                       | 0                            | 254                          | No                             | Two-story office building constructed in 1991   | А | С       |   | F   | G                |
| MP-29          | 11037008 | 1308 E MOFFETT<br>PARK DR | 2.81                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 295            | 147                       | 0                            | 148                          | No                             | One-story building constructed in 1979  | А | С       |   | E F | G                |
| MP-30          | 11037016 | 1310<br>CHESAPEAKE TR     | 7.96                     | Moffett Park                            | Residential        | 70                 | 150                              | 105<br>(70% of max)  | 100%                        | 836            | 418                       | 0                            | 418                          | No                             | Two-story office building constructed in 1990   | Α | С       |   | F   | G                |
| TOTAL          |          |                           | 123.85                   |   |                    |                    |                                  |                      | tion Fllow FAR GIL          | 9,626          | 4,418                     | 0                            | 5,208                        |                                |   |   |         |   |     |                  |

<sup>&</sup>lt;sup>1</sup> Non-vacant site factors: A) TOD Opportunity, B) Village Center, C) Development Interest, D) Occupancy Status, E) Structure Age and Condition, F) Low FAR, G) Low ILV Ratio (see page 5-6 for more information). Source: City of Sunnyvale 2023, compiled by Ascent in 2023.

#### **Income Distribution**

Assembly Bill 725 (2021) requires that at least 25 percent of the above moderate-income RHNA be accommodated on sites that allow at least four (4) units of housing, and at least 25 percent of the moderate-income RHNA be accommodated on sites that allow at least four (4) units of housing, but no more than 100 units per acre. Consistent with this new State law requirement, no moderate-income capacity is identified within the MPSP which allows densities over 100 units per acre. Capacity is only identified for lower-income and above moderate-income units in the MPSP. It is assumed that 50 percent of the capacity in the MPSP would be able to accommodate lower-income need and 50 percent would be able to accommodate the above moderate-income need.

### **Summary of Capacity**

As shown in Figure 5-11 and Table 5-25 below, the identified candidate rezone sites provide capacity for 9,626 units; including 4,418 lower-income units and 5,208 above moderate-income units. This resulting capacity is generally consistent with the redevelopment concepts described by the property owners. The assumed capacity by 2030 represents 48 percent of the total 20,000 units expected at full buildout by 2040.

In addition, these sites will meet State law requirements to address the lower-income RHNA shortfall. The MPSP sites will allow for densities of at least 30 dwelling units per acre, with a minimum density of at least 20 dwelling units per acre. More than 50 percent of the lower-income RHNA shortfall will be accommodated on parcels designated exclusively for residential uses. The MPSP plans for sufficient water, sewer, dry utilities, and other infrastructure to accommodate housing growth. The City will also permit multifamily uses for developments in which potentially 20 percent of the units would be affordable to lower-income households.

# **Total Residential Capacity Including Moffett Park Specific Plan**

Upon adoption of the MPSP, the City will have sufficient capacity to accommodate 17,158 residential units, accommodating the RHNA in all income categories. As shown in Table 5-25, upon adoption of the Moffett Park Specific Plan, the City will have capacity to accommodate 7,560 lower-income units, 2,413 moderate income-units, and 7,185 above moderate-income units. The City will have a lower-income surplus of 2,883 units, or 62 percent.

Table 5-25: Anticipated 2023-2031 Housing Capacity Upon Adoption of Moffett Park Specific Plan

|                              | Lower-             | Income     | Moderate- | Above               | Total  |
|------------------------------|--------------------|------------|-----------|---------------------|--------|
|                              | Very Low<br>Income | Low Income | Income    | Moderate-<br>Income | 1000.  |
| 2023-2031 RHNA               | 2,968              | 1,709      | 2,032     | 5,257               | 11,966 |
|                              | 4,6                | 577        |           |                     |        |
| Approved Projects            | 220                | 101        | 522       | 999                 | 1,842  |
| Lawrence Station Area Plan   | 1,0                | 096        | 227       | 379                 | 1,702  |
| Downtown Specific Plan       | 1:                 | 26         | 48        | 50                  | 224    |
| El Camino Real Specific Plan | 1,2                | 204        | 367       | 502                 | 2,073  |
| Village Centers              |                    | 0          | 797       | 0                   | 797    |
| Additional Sites             | 2:                 | 99         | 316       | 6                   | 621    |
| Accessory Dwelling Units     | 14                 | 82         | 136       | 41                  | 273    |
| Moffett Park Specific Plan   | 4,4                | 118        | 0         | 5,208               | 9,626  |
| Total Capacity after Rezone  | 7,5                | 560        | 2,413     | 7,185               | 17,158 |
| Surplus                      | +2,                | 883        | +381      | +5,192              |        |

Source: Ascent, 2022.

# **Availability of Infrastructure and Public Services**

All of the identified housing sites are surrounded by developed land and have the necessary existing or planned infrastructure and services in place to support development. The City's 2020 Urban Water Management Plan confirms that the City has sufficient water supply to serve projected growth through 2040. The Plan projects that City population will increase from 156,503 in 2020 to 174,880 in 2030 and 195,414 in 2040. Water supply and demand will be managed to account for climate change impacts including drought and water quality concerns. The City has sufficient water supply and infrastructure to serve the capacity assumed on the sites in the inventory.

Sunnyvale also has sufficient wastewater capacity within its collection system and treatment plant to serve all development included in the General Plan build-out projections. Planned infrastructure improvements have been previously identified by the City as implementation of the El Camino Real Specific Plan and Lawrence Station Area Plan. As part of the Moffett Park Specific Plan Update process, the City will identify and plan for infrastructure improvements needed to serve anticipated growth in Moffett Park. The City continues to maintain its wastewater collection system to reduce risks from infiltration, stormwater inflow, and grease/dirt build-up. The City's existing and planned system and operations are sufficient to serve all sites identified in the inventory.

Senate Bill 1087, which took effect in January 2006, requires water and sewer providers to grant priority for service allocations to proposed developments that include units affordable to lower income households. The City provides water and sewer service to the Sunnyvale community directly and is its own local water and sewer provider. Pursuant to SB 1087, the Housing Element will be available to the City's Environmental Services Department upon adoption, along with a summary of the RHNA.

Pacific Gas and Electric (PG&E) provides electricity and natural gas to Sunnyvale. Telecommunication, cable, and internet services are provided by AT&T, Xfinity, T-Mobile and other private companies. Sunnyvale is developed and no greenfield sites are included in the inventory. Infrastructure and services are available to all sites identified in the inventory.

### **Environmental Constraints**

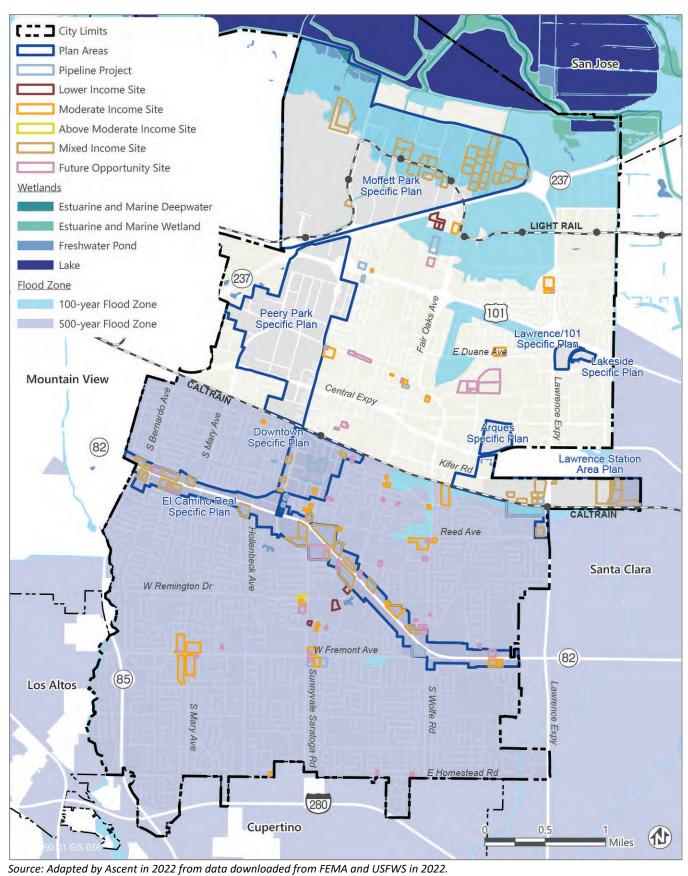
All parcels (or portions of parcels) identified in the inventory were considered by City staff and were reviewed to determine possible environmental constraints such as parcel shapes, flood zones or wetlands, easements, and contamination. All previously zoned sites included in the 2017 LUTE, Downtown Specific Plan, Lawrence Station Area Plan, and El Camino Real Specific Plan have undergone a certified environmental review process and did not prove to have detrimental significant and unavoidable environmental constraints. Parcel shapes for the parcels included in the inventory have been determined sufficient to allow for residential development. As shown in Figure 5-12, sites identified in south of the Caltrain rail line, including the ECRSP and DSP, as well as portions of the LSAP are located within the 500-year flood plain. In addition, portions of the LSAP and the MPSP, sites near Fair Oaks Avenue just south of Tasman Drive, and sites along S Wolfe between Caltrain and Reed Avenue, are located within the 100-year flood plan. These sites would address any applicable flooding constraints during the site design. The site design would be reviewed to ensure the first habitable floor is raised to one foot above the base flood elevation. While there is an added cost, flood constraints can be mitigated through design and all of the sites in the inventory have been deemed suitable for residential development. No additional environmental hazards related to wildfire risk, slope, or wetlands impact any of the sites included in the inventory. No known easements exist on any of the parcels in the inventory. Additionally, there are no known contamination issues on any of the sites in the inventory. Any applicable contamination issues on-site have been successfully abated in the past and have not hindered residential development. All sites in the Moffett Park Specific Plan area have been analyzed in the Environmental Impact Report (EIR). As part of the EIR, an investigation was completed to identify existing and known sources of contamination. No significant contamination issues have been identified at residentially designated sites that would prohibit residential development. All future residential projects, per Specific Plan requirements, would be subject to site-specific investigations (including sampling) and remediation as necessary to reduce impacts to less than significant. Recent examples of successful abatement of environmental contamination are shown in Table 5-26 below.

Table 5-26: Residential Projects with Environmental Contamination Abatement

| Project             | Units | Remediation  | Year Built         |  |  |
|---------------------|-------|--|--------------------|--|--|
| 1044 E Duane Ave    | 132   | Soil and groundwater contamination                 | 2014               |  |  |
| 915 DeGuigne Dr     | 450   | Soil and groundwater contamination (EPA Superfund) | 2019               |  |  |
| 1120 Kifer Rd       | 520   | Soil contamination                                 | 2020               |  |  |
| 1 AMD PI            | 1,051 | Soil and groundwater contamination                 | Under construction |  |  |
| 475 N Fair Oaks Ave | 18    | Soil and groundwater contamination                 | Under construction |  |  |
| 1139 Karlstad Dr    | 135   | Soil and groundwater contamination                 | Entitled 2021      |  |  |
| Total               | 2,306 |  |                    |  |  |

Source: City of Sunnyvale, 2022.

Figure 5-12: Sites Inventory and Environmental Constraints



Source: Adupted by Ascent in 2022 from data downloaded from Lewis drid Ost WS in 2022.

# 5.3 Financial Resources

Sunnyvale has access to a variety of existing and potential funding sources available for affordable housing activities. They include programs from local, state, federal, and private resources. The following section describes the primary local and county housing funding sources to be available in Sunnyvale during the planning period. These include Housing Mitigation Funds, Community Development Block Grants (CDBG) and HOME grants, BMR in-lieu fees, and others described below. Table 5-27 below provides a more comprehensive inventory of potential federal, State, County, and private funding sources.

### **HOUSING MITIGATION FUND**

Since 1983, the City has collected a Housing Mitigation fee from specified industrial and commercial developments as a means of mitigating the impact of job-producing development on the demand for affordable housing. As of fiscal year 2021-22, the Housing Mitigation fee for office/industrial/research and development projects is \$9.30 per square foot for the first 25,000 net new square feet of the project, and \$18.50 per square foot for any additional square footage. The fee for retail/lodging projects is \$9.30 per square foot for all new square footage of the project. The City will complete a nexus study in summer 2022 to determine if a revised fee schedule is justifiable. Funds may be used for acquisition, rehabilitation, new construction, preservation of at-risk housing, down payment assistance, and related activities. The fund revenue varies between \$2 million to \$10 million per year, dependent upon development activity, with a current balance of approximately \$25 million. Housing units assisted with these funds are deed-restricted as affordable to very low-, low-, and moderate-income households, although the emphasis is on subsidizing rental housing affordable to very low-income households. This funding source is the City's largest revenue source for supporting affordable housing.

### REDEVELOPMENT AGENCY LOW/MODERATE INCOME HOUSING FUND

The former Sunnyvale Redevelopment Agency was created in 1975 to guide redevelopment in the central core of the city. State redevelopment law, prior to dissolution of redevelopment agencies in 2011, used to require these agencies to set aside 20 percent of the tax increment funds they collected to increase and improve housing for low and moderate-income households. These funds were deposited into a separate account known as the housing fund. Because Sunnyvale's former redevelopment agency was created before 1976, it was allowed to defer payments into this fund as long as its pre-1986 debt service payments exceeded the tax increment collected by the agency. The former Redevelopment Agency accounted for the amounts deferred from the housing fund each year and must repay the deficit in the fund when any tax increment funds ever become available.

The dissolution of redevelopment agencies throughout California eliminated a significant source of funding for affordable housing. Due to pre-existing debt obligations, the Sunnyvale Redevelopment Agency deferred payments into the Low and Moderate Income Housing Asset Fund (LMIHAF) until 2020-21. At the end of the 2021-22 fiscal year (FY) the balance in the LMIHAF was \$4 million. The Housing Successor Agency spends \$250,000 annually on the Homeless Prevention and Rapid Re-Housing Program and allocates excess funding on a competitive basis towards new development, such as the \$4 million loan for Sunnyvale Block 15. No more revenue is expected into this fund however loans will continue to be awarded for affordable housing and homeless prevention until the funds are depleted.

# **BELOW MARKET RATE (BMR) HOUSING IN-LIEU FEES**

Sunnyvale's Below Market Rate (BMR) Home Ownership Program requires that 15 percent of homes developed in ownership housing developments over seven (7) units be sold as BMR units, at prices affordable to moderate-income home buyers. Developers of such projects may seek City Council approval to pay a fee in lieu of providing

the BMR homes (the BMR in-lieu fee). The ownership housing BMR in-lieu fee is equal to seven (7) percent of the contract sales price of all units in the development. If the developer is paying an in-lieu fee for a fractional unit only, the minimum fee rate may be adjusted proportionately.

The BMR Rental Housing Program requires that rental housing projects with more than three units provide affordable units, with at least 10 percent of rental units provided at rents affordable to low-income households and at least 5 percent of rental units provided at rents affordable to very-low income households. Developers of small rental housing projects (three to six units) may pay an in-lieu fee without City Council approval. For large rental housing projects (seven or more units), developers may pay an in-lieu fee at the discretion of City Council. The in-lieu fee for both small and large rental housing projects is updated annually. For the 2021-2022 FY, the small rental housing project in-lieu fee is \$13.50 per net new habitable square foot and the large rental housing project in-lieu fee is \$27 per net new habitable square foot.

The current balance of the BMR sub-fund is approximately \$7 million, which includes more recent fractional in-lieu fee revenues and BMR administrative (transaction processing) fees. These funds are combined with Housing Mitigation Funds to develop additional affordable units and support administration of the BMR program. The City recently approved funds to support the land purchase of 1178 Sonora Court, Sunnyvale Block 15, and Orchard Gardens (245 W Weddell Drive) for affordable housing development.

### **HOME INVESTMENT PARTNERSHIP ACT (HOME)**

As a HOME entitlement jurisdiction, Sunnyvale receives an annual HOME grant directly from HUD. HOME funds may be used for the construction, rehabilitation, and acquisition of housing affordable to lower-income households, as well as for tenant-based rental assistance, which is similar to the Section 8 voucher program. The amount of these annual grants has declined dramatically since 2010, due to congressional efforts to cut back on domestic discretionary programs. The HOME grant awarded to the City for fiscal year 2021-22 is slightly over \$400,000, compared to grants of nearly \$800,000 in the years just prior to 2010. Given the very small amount of the grant at this time, these funds are no longer planned for use for major housing developments. In the last two years, the City has budgeted all of its new HOME grant funds for tenant-based rental assistance for homeless households. The City also receives several large HOME loan repayments from time to time, which are used to expand the City's Tenant Based Rental Assistance program. Such loan payments are received sporadically, so it is difficult to project how much income of this type will be received during the 2023-2031 planning period.

## **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

The CDBG program provides funding for housing and housing-related activities such as: property acquisition, housing rehabilitation, accessibility improvements, fair housing services, and public services benefiting lower income households. Because CDBG funds cannot be used for new construction, Sunnyvale has historically used most of its CDBG funds for public services, ADA accessible improvements, and housing rehabilitation and home improvement programs. In the last several years the City has begun using CDBG for employment development services for homeless people, as part of an effort to help them obtain jobs and housing. Sunnyvale receives a CDBG grant as an entitlement city, but the amount varies annually depending on how much is allocated to the program in the federal budget. While the federal allocations for CDBG have also been declining in recent years, the allocations during the 2015-2023 planning period remained fairly stable. The City has been allocated a CDBG grant of slightly over \$1 million for FY 2022-23, a significant decline compared to the grant of over \$1.3 million received in FY 2009-10. However, the City continues to receive program income from the repayment of CDBG loans funded in prior years. These program income revenues typically range from \$150,000 to \$250,000 per year.

In June 2020, the City adopted a 2020-2025 Consolidated Plan to assess housing and community development needs, identify goals, and develop strategies for the continued implementation of the City's CDBG and HOME programs. The plan determined that funds should continue to benefit the entire city as there are no blighted areas or high-poverty/unemployment rate concentrations. As such, providing services across the entire city will support the City's goal of affirmatively furthering fair housing to prevent concentrations of poverty. The City will continue to target funding for affordable housing, homelessness, and other community development efforts such as human services for special needs populations. The plan identifies \$700,000 in funding for affordable housing (rental unit construction), \$600,000 in funding for rapid rehousing homelessness prevention, as well as additional funding for ADA curb ramp improvements and the WorkFirst program which provides job resources for those experiencing or at risk of homelessness.

### **HOUSING TRUST OF SILICON VALLEY (HTSV)**

HTSV is a non-profit organization created in 2000 through a cooperative effort of the private and public sectors, including the Collaborative on Homelessness and Affordable Housing, the Silicon Valley Manufacturing Group, Santa Clara County, Community Foundation Silicon Valley, and all 15 Santa Clara towns and cities. The purpose of the Trust is to increase the supply of affordable housing in Santa Clara County within three program areas: first-time homebuyer assistance, multi-family rental housing, and programs for homeless people with special needs. Funds are available for acquisition, rehabilitation, new construction, predevelopment costs, and supportive housing services. Since the Trust's inception in 2000, it has invested \$446.8 million in affordable housing and leveraged over \$6.6 billion to create more than 24,263 housing opportunities. During that time, the Trust has provided funding for 618 homes in Sunnyvale and provided development financing to four affordable housing projects in Sunnyvale.

### SUMMARY OF FEDERAL, STATE, AND LOCAL FUNDING PROGRAMS

Table 5-27 provides a comprehensive summary of Federal, State, and local funding programs and resources potentially available to support housing development.

**Table 5-27: Financial Resources Available for Housing Activities** 

| Program Name                                   | Description   | Eligible Activities   |
|--|---|---|
| Federal Programs                               |   |   |
| Community<br>Development Block<br>Grant (CDBG) | Block grants awarded to the City on a formula basis for housing and community development activities benefiting lower income households, eliminating blight, and creating jobs. | <ul> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ Home Buyer Assistance</li> <li>✓ Economic Development</li> <li>✓ Homeless Assistance</li> <li>✓ Public Services</li> <li>✓ Public Facilities</li> </ul> |
| HOME   | Funding can be used to support a variety of low income housing activities.  | <ul> <li>✓ New Construction</li> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ Home Buyer Assistance</li> <li>✓ Rental Assistance</li> </ul>   |
| Section 8 Rental Assistance Program            | Rental assistance payments to owners of private market rate units on behalf of very low income tenants.   | ✓ Rental Assistance   |
| HUD Section 202                                | Grants to non-profit developers of supportive housing for the elderly.  | <ul><li>✓ Acquisition</li><li>✓ Rehabilitation</li><li>✓ New Construction</li></ul>   |

| Program Name  | Description   | Eligible Activities   |
|---|---|---|
| HUD Section 811   | Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities. | <ul> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ New Construction</li> <li>✓ Rental Assistance</li> </ul>  |
| Continuum of Care<br>(CoC)                                | Provides funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families.                                  | <ul> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ New Construction</li> <li>✓ Rental Assistance</li> <li>✓ Supportive Services</li> <li>✓ Operating Costs</li> </ul>  |
| Housing Opportunities<br>for Persons with AIDS<br>(HOPWA) | Funds are made available countywide for supportive social services, affordable housing development, and rental assistance to persons living with HIV/AIDS.                  | <ul> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ New Construction</li> <li>✓ Facility Operations</li> <li>✓ Rental Assistance</li> <li>✓ Homelessness Prevention</li> </ul>  |
| Mortgage Credit<br>Certificate (MCC)<br>Program           | Provides income tax credits to first-time homebuyers to buy new or existing homes.  | <ul><li>✓ Home Buyer Assistance</li><li>✓</li></ul>   |
| Federal Emergency<br>Shelter Grant Program<br>(FESG)      | Provides grants to jurisdictions to implement a broad range of activities that serve the homeless.  | <ul> <li>✓ Emergency shelter construction</li> <li>✓ Operation costs</li> <li>✓ Social services</li> <li>✓ Homeless prevention</li> </ul>   |
| State Programs  |   |   |
| Low-income Housing<br>Tax Credit (LIHTC)                  | Tax credits are available to persons and corporations that invest in low-income rental housing. Proceeds from the sale are typically used to create housing.                | ✓ Construction of Housing   |
| Multi-Family Housing<br>Program (MHP)                     | Deferred payment loans to local governments and developers for new construction, rehabilitation and preservation of rental housing.   | <ul> <li>✓ New Construction</li> <li>✓ Rehabilitation</li> <li>✓ Preservation</li> <li>✓ Conversion of nonresidential to rental</li> </ul>  |
| Multi-Family Housing<br>Program –Supportive<br>Housing    | Deferred payment loans for rental housing with supportive services for the disabled who are homeless or at risk of homelessness.  | <ul> <li>✓ New Construction</li> <li>✓ Rehabilitation</li> <li>✓ Preservation</li> <li>✓ Conversion of nonresidential to rental</li> </ul>  |
| Affordable Housing Innovation Fund                        | Funding for pilot programs to demonstrate innovative, cost-saving ways to create or preserve affordable housing.  | ✓ Regulations pending   |
| Infill Incentive Grant<br>Program                         | Funding of public infrastructure (water, sewer, traffic, parks, site clean-up, etc.) to facilitate infill housing development.  | <ul> <li>✓ Development of parks and open space</li> <li>✓ Water, sewer, or other utility service improvements</li> <li>✓ Streets, roads, parking structures, transit linkages, transit shelters</li> <li>✓ Traffic mitigation features</li> <li>✓ Sidewalks and streetscape improvements</li> </ul> |

| Program Name   | Description  | Eligible Activities   |
|--|--|---|
| CalHFA Homebuyer<br>Down payment<br>Assistance Program                 | CalHFA makes below market loans to first-time homebuyers of up to 3% of sales price. Program operates through participating lenders who originate loans for CalHFA. Funds available upon request to qualified borrowers.   | ✓ Homebuyer Assistance  |
| Affordable Housing and<br>Sustainable<br>Communities Program<br>(AHSC) | Funds land use, housing, transportation, and land preservation projects that support infill and compact development and reduce greenhouse gas emissions.  Loans and/or grants are provided for Transit Oriented Development Project Areas and Integrated Connectivity Project Areas. | <ul> <li>✓ Planning</li> <li>✓ Acquisition</li> <li>✓ New Construction</li> <li>✓ Rehabilitation</li> <li>✓ Infrastructure</li> </ul> |
| CalHOME  | Provides grants to local governments and non-profit agencies to assist first-time homebuyers become or remain homeowners through deferred-payment loans. Funds can also be used to assist in the development of multiple-ownership projects.   | <ul><li>✓ Homebuyer Assistance</li><li>✓ Construction</li></ul>   |
| California Emergency<br>Solutions and Housing<br>(CESH)                | Provides grant funds to assist persons experiencing or at-risk of homelessness.  | ✓ Homelessness Prevention   |
| California Self-Help<br>Housing Program<br>(CSHHP)                     | Provides grants for sponsor organizations that provide technical assistance for low- and moderate-income families to build their homes with their own labor.   | ✓ Construction  |
| Golden State<br>Acquisition Fund (GSAF)                                | Provides a flexible source of capital for the development and preservation of affordable housing properties.  Developers can access acquisition financing for rental housing and homeownership opportunities at favorable terms for urban and rural projects statewide.              | <ul><li>✓ Acquisition</li><li>✓ Construction</li><li>✓ Preservation</li></ul>   |
| Housing for a Healthy<br>California                                    | Provides funding to deliver supportive housing opportunities for individuals who are recipients of or eligible for health care provided through the California Department of Health Care Services, Medi-Cal program.   | ✓ Supportive housing  |
| Infill Infrastructure<br>Grant Program (IIG)                           | Provides grants to assist in the new construction and rehabilitation of infrastructure that supports higher-density affordable and mixed-income housing in locations designated as infill.   | ✓ Infrastructure construction and rehabilitation  |
| Local Early Action Planning (LEAP) Grants                              | Assists cities and counties to plan for housing through providing over-the-counter, non-competitive planning grants.   | ✓ Planning  |
| Local Housing Trust<br>Fund Program (LHTF)                             | Provides matching funds to local housing trust funds to provide loans for construction of rental housing that is deed-restricted for at least 55 years to very low-income households, and for down-payment assistance to qualified first-time homebuyers.                            | <ul><li>✓ New Construction</li><li>✓ Home Buyer Assistance</li></ul>  |
| Mobile Home Park<br>Resident Ownership<br>Program (MPROP)              | Provides loans to mobile home park resident organizations, non-profit entities, and local public agencies to finance the preservation of affordable mobile home parks by conversion to ownership control.  | ✓ Mobile home park preservation   |

| Program Name   | Description  | Eligible Activities  |
|--|--|--|
| Multifamily Housing<br>Program (MHP)                                       | Provides low-interest, long-term, deferred-payment loans for the new construction, rehabilitation, and preservation of rental housing, supportive housing, and housing for homeless youth.   | <ul><li>✓ New Construction</li><li>✓ Rehabilitation</li><li>✓ Preservation</li></ul>   |
| No Place Like Home<br>Program  | Provides funding to invest in the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness.   | ✓ Permanent supportive housing   |
| Permanent Local<br>Housing Allocation<br>(PLHA)                            | Provides a permanent source of funding for the predevelopment, development, acquisition, rehabilitation, and preservation of affordable housing, including multifamily, residential live-work, and Accessory Dwelling Units (ADUs).  | <ul><li>✓ New Construction</li><li>✓ Acquisition</li><li>✓ Rehabilitation</li><li>✓ Preservation</li></ul>                         |
| Predevelopment Loan<br>Program (PDLP)                                      | Provides short-term predevelopment loans to finance the continued preservation, construction, rehabilitation, or conversion of assisted housing primarily for low-income households.   | <ul> <li>✓ New Construction</li> <li>✓ Preservation</li> <li>✓ Rehabilitation</li> <li>✓ Conversion of assisted housing</li> </ul> |
| Regional Early Action<br>Planning (REAP) Grants                            | Provides funding for council of governments (COGs) and other regional entities to collaborate on projects that have a broader regional impact on housing. Grant funding is intended to help regional governments and entities facilitate local housing production that will assist local governments in meeting their Regional Housing Need Allocation (RHNA). | ✓ RHNA Planning  |
| Senate Bill (SB) 2<br>Planning Grants<br>Program                           | Provides one-time non-competitive/over the counter funding and technical assistance to all eligible local governments in California to adopt and implement plans and process improvements that streamline housing approvals and accelerate housing production.   | <ul><li>✓ Planning</li><li>✓ Technical assistance</li></ul>  |
| Supportive Housing<br>Multifamily Housing<br>Program (SHMHP)               | Provides low-interest loans to developers of permanent affordable rental housing that contain supportive housing units. Loans have a 55-year term at three percent simple annual interest.   | <ul><li>✓ New Construction</li><li>✓ Rehabilitation</li><li>✓ Conversion</li></ul>   |
| TOD Housing Program  | Provides low-interest grants and/or loans for the development and construction of mixed use and rental housing development projects, homeownership mortgage assistance, and infrastructure necessary for the development of housing near transit stations.   | <ul><li>✓ New Construction</li><li>✓ Home Buyer Assistance</li><li>✓ Infrastructure</li></ul>                                      |
| Veterans Housing and<br>Homelessness<br>Prevention Program<br>(VHHP)       | Provides long-term loans for development or preservation of rental housing for very low- and low-income veterans and their families.   | <ul><li>✓ New Construction</li><li>✓ Preservation</li><li>✓</li></ul>  |
| Local Programs   |  |  |
| Sunnyvale Successor<br>Agency Housing Fund<br>(former RDA Housing<br>Fund) | Sunnyvale's current financial projections indicate that funds may begin accruing into this fund by 2017, depending on redevelopment in the downtown.   | <ul><li>✓ Acquisition</li><li>✓ Rehabilitation</li><li>✓ New Construction</li></ul>  |

| Program Name  | Description   | Eligible Activities   |
|---|---|---|
| Silicon Valley Housing<br>Trust                                 | Housing trust fund created by private and public sector organizations. Sunnyvale has contributed funds to this fund almost every year since its inception. These funds are leveraged with Trust Fund resources to increase the amount of affordable housing that can be assisted. | <ul> <li>✓ Multi-family Rental Housing</li> <li>✓ Homebuyer Assistance</li> <li>✓ Special Needs Facilities</li> </ul>           |
| Sunnyvale Housing<br>Mitigation Fund                            | A fund that receives linkage fee payments from large development projects in the City to offset the impacts of projected job creation. The revenues received support various City housing projects, programs and activities.  | <ul> <li>✓ New Construction</li> <li>✓ Rehabilitation</li> <li>✓ Acquisition/Preservation</li> <li>✓ Homebuyer Loans</li> </ul> |
| Sunnyvale BMR In-Lieu<br>Fees                                   | Fees paid by residential developers in lieu of providing affordable units in new developments.  | <ul><li>✓ New Construction</li><li>✓ Rehabilitation</li><li>✓ Acquisition/Preservation</li></ul>                                |
| Bay Area Transit-<br>Oriented Affordable<br>Housing (TOAH) Fund | Financing for the development of affordable housing and other neighborhood assets in Priority Development Areas or Transit Priority Areas as designated by ABAG/MTC   | <ul><li>✓ Acquisition</li><li>✓ Predevelopment</li></ul>  |
| Private Resources/Finan   | cing Programs   |   |
| Federal National<br>Mortgage Association                        | Fixed rate mortgages issued by private mortgage insurers.   | ✓ Home Buyer Assistance   |
| (Fannie Mae)  | Mortgages that fund the purchase and rehabilitation of a home.  | <ul><li>✓ Home Buyer Assistance</li><li>✓ Rehabilitation</li></ul>  |
|   | Low Down-Payment Mortgages for Single-Family Homes in under-served low-income and minority cities.  | ✓ Home Buyer Assistance   |
| Federal Home Loan<br>Bank Affordable<br>Housing Program         | Direct Subsidies to non-profit and for profit developers and public agencies for affordable low-income ownership and rental projects.   | ✓ New Construction  |

Source: Ascent, 2021.

# 5.4 Administrative Resources

Described below are several agencies active in providing affordable housing in Sunnyvale. These agencies serve as resources in meeting the housing needs of the community.

MidPen Housing Corporation (MidPen) is a regional non-profit organization involved in the development, and acquisition and rehabilitation of affordable rental housing. MidPen also provides professional management services and on-site coordination of services to residents. MidPen has developed, acquired/rehabilitated and preserved numerous affordable housing projects in Sunnyvale and is currently planning two affordable housing projects on Sonora Court in the LSAP.

Charities Housing Development Corporation (CDHC) is a non-profit affordable housing developer based in San Jose. CHDC developed 23 apartments for developmentally disabled tenants, the Stoney Pine Apartments, in 2001, and Parkside Studios, in 2015, which provides 59 studios for very low income individuals, including homeless applicants.

Christian Church Homes of Northern California develops and preserves affordable housing for seniors, and provides property management services and social service coordination. The City worked with Christian Church Homes in the acquisition and preservation of Plaza Las Flores as long-term affordable housing.

### CHAPTER 5 | SITES INVENTORY AND FUNDING RESOURCES

**First Community Housing** designs, develops and manages affordable housing. Located in San Jose, First Community focuses on providing sustainable housing, locating projects adjacent to transit corridors and providing free bus and light rail "Eco Passes" to tenants. Sunnyvale worked with First Community Housing in the development of Orchard Gardens Apartments and is currently working with them to redevelop and expand the same apartment complex.

**Related CA** is a market rate and affordable housing developer. Related recently broke ground on a new 90 unit affordable housing development in Downtown Sunnyvale which sets aside 25% of the units for those with developmental disabilities.

### CHAPTER 5 | SITES INVENTORY AND FUNDING RESOURCES

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# **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<br>Programs  | Description of Programs and Objectives  |
|---|---|---|
| <b>Governmental Constraints</b>   |   |   |
| Land Use Controls   |   |   |
| ECRSP Commercial requirement may constrain affordable housing development   | H17. El Camino Real<br>Specific Plan<br>Commercial<br>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 in the Downtown could be reduced. | H23. Zoning Code<br>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 Downtown 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<br>Space<br>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<br>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<br>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<br>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<br>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  |

| Identified Issue   | Implementation<br>Programs  | Description of Programs and Objectives  |
|--|---|---|
| including the following housing types: - Group homes - SROs - Supportive Housing - Emergency shelters - Low Barrier Navigation Centers - Residential care facilities   |   | promote objectivity; revising SRO maximum occupancy restrictions to comply with California Building Code, removing the minimum parking requirement for SROs, and allowing SROs 'by right' in specific zoning districts and select mixed-use zoning districts in specific plans including the El Camino Real Specific Plan; allowing supportive housing units and Low Barrier Navigation Centers Review 'by right' in multi-family and mixed use zoning districts; and identifying explicit parking requirements emergency shelters and residential care homes in compliance with State law. |
| Zoning code may constrain some missing middle housing types in low-density, single family zoning districts   | H21. Missing<br>Middle Housing  | Establish zoning modifications to encourage construction of missing middle housing unit types in lower-density, single family neighborhoods and implement regulatory modifications and/or financing opportunities to increase development of missing middle housing units.  |
| Zoning code may constrain the adaptive reuse of existing structures in industrial zoning districts   | H22. Adaptive<br>Reuse  | Evaluate review and approval processes to determine if they are a constraint on adaptive or interim reuse. Modify processes as appropriate to remove barriers   |
| Affordable housing and other higher density residential developments may be constrained by zoning regulations in Higher Opportunity Areas in southern Sunnyvale  | H3. Increase<br>Affordable Housing<br>Resources in High<br>Opportunity Areas  | Rezone sites in Higher Opportunity areas, including southern Village Centers, to increase allowed densities to 30 units per acre to create more opportunities for affordable housing.   |
| Processing and Permitting Procedures   | S   |   |
| No established program to process<br>SB 35 applications  | H23. Zoning Code<br>Amendments  | Establish written procedure to implement streamlined approval for applications submitted under SB 35.   |
| Residential planning permit procedures may lack clarity, increase processing times, and do not identify objective design standards   | H16. Complete the "Retooling the Zoning Code" Project. H20 Housing Development Plan Review Permit. H43. Objective Design Standards. | Complete a comprehensive update of the zoning code to provide clarity of processing and permitting procedures for the community. Streamline housing development by establishing a new, non-discretionary permit type (Plan Review Permit) for all residential development and implement objective design standards for all residential and mixed use projects. Adopt new objective design standards for multifamily and residential mixed-use development to establish clear, objective design standards and streamline residential development.  |
| Fees and Exactions   | 1   |   |
| Some development impact fees may<br>be higher than other jurisdictions,<br>which may increase overall<br>residential development costs   | H19. Review Park Dedication Requirements. H44. Review Development Fees.   | Establish reduced Park Dedication in-lieu fees for multifamily developments and Dual Urban Opportunity projects with a lot split, and review and potentially modify other development impact fees to reduce housing development costs.  |
| Park dedication in-lieu fees for Dual Urban Opportunity units with an urban lot split may be higher than other jurisdictions, which may act as a barrier to SB 9 projects  Housing for Persons with Disabilities | H19. Review Park<br>Dedication<br>Requirements.   | Establish reduced Park Dedication in-lieu fees for Dual Urban Opportunity projects that include an urban lot split and multifamily developments.  |

| Identified Issue   | Implementation<br>Programs   | Description of Programs and Objectives  |
|--|--|---|
| Zoning Code's definition of "family" may cause constraints on housing for persons with disabilities.   | H23. Zoning Code<br>Amendments   | Amend the zoning code's definition of a "family" to remove language about possession of the entire unit.  |
| Reasonable accommodation findings may be a constraint on the development of housing for persons with disabilities  | H31. Reasonable<br>Accommodations  | Review and revise findings for reasonable accommodations to provide a streamlined, objective process for requesting modifications to any policy or procedure to remove any constraints to housing for persons with disabilities.  |
| Non-governmental Constraints   |  |   |
| Lack of financing for affordable<br>housing development severely<br>constrains the creation of deed-<br>restricted housing that is affordable<br>for lower-income households | H7. Local Funding Assistance for Affordable Housing. H8. New Funding Mechanisms and Partnerships for Affordable Housing. | Continue to provide local and federal funding for the development, acquisition, predevelopment, and rehabilitation of affordable housing through biannual NOFAs. Identify new mechanisms and partnerships with public and private institutions to leverage additional funding resources to increase the development of affordable housing units |
| Lack of affordable financing is a<br>barrier to homeownership for low-<br>to moderate-income households  | H9. First-Time<br>Home Buyer<br>Program  | Continue to implement the First-Time Home Buyer Program to provide loans for low- to moderate-income households and identify new sources of funding to expand the program to workforce-income households.   |
| Lack of affordable financing prevents many lower-income homeowners from completing needed accessibility improvements and repairs   | H11. Home<br>Improvement<br>Program  | Continue to operate and expand the Home Improvement Program to assist lower-income households with funding for rehabilitation and minor improvements. Use new funding sources and expand promotion of the program to increase households served.  |

# 6.1 Governmental Constraints

Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and various other issues may present constraints to the maintenance, development, and improvement of housing. This section discusses each of these potential governmental constraints and their impact on housing development in Sunnyvale.

### **Land Use Controls**

The City's General Plan, specific plans, and zoning code establish policies, standards, and guidelines for development within the city. These regulations establish the amount and distribution of land allocated for residential development and affect the construction of new housing throughout the city. All adopted land use controls, including the General Plan, Zoning, Specific Plans and other standards or guidelines are posted on the City website in conformance with the provisions of Government Code Section 65940.1(a)(1)(B).

### **GENERAL PLAN**

The Land Use and Transportation Element of the Sunnyvale General Plan sets forth the City's policies for guiding local development. These policies, together with zoning regulations, establish the amount and distribution of land allocated for different uses. The General Plan provides for a mix of residential developments with densities ranging from less than seven (7) dwelling units per acre up to 45 dwelling units per acre. In addition, higher density residential development is permitted within the City's mixed-use designations, as outlined by the City's specific

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plans, described below. Table 6-2 below presents the General Plan land use categories permitting residential uses, and correlates these with the associated implementing zoning categories.

Table 6-2: General Plan Land Use Categories Permitting Residential Use

| General Plan<br>Land Use Designation                                  | Density<br>(Units per Gross Acre)      | Residential Use Types                                   | Corresponding<br>Zoning District(s)  |
|---|--|---|--|
| Low Density Residential   | < 7                                    | Single family   | R-0; R-1   |
| Mobile Home Residential   | < 12                                   | Existing mobile home parks                              | R-MH   |
| Low-Medium Density<br>Residential                                     | 7-14                                   | Single family, duplexes, smaller multi-family uses      | R-1.5; R-2; R-1.7/PD   |
| Medium Density Residential  | 15-24                                  | Townhomes, apartments                                   | R-3  |
| High Density Residential  | 25-36                                  | Apartments, condominiums, mixed-use                     | R-4;   |
| Very High Density<br>Residential                                      | 36-45                                  | Large-scale apartments or condominiums                  | R-5; Lawrence/101 Site Specific<br>Plan; Lakeside Specific Plan                  |
| Transit Mixed-Use -Downtown Specific Plan -Lawrence Station Area Plan | Up to 65*                              | Mix of residential uses at various densities            | DSP: Blocks 4 through 20, and<br>23; LSAP: MXD I, MXD II, MXD III<br>and MXD IV; |
| El Camino Real Specific Plan  | 24-54                                  | Mix of residential uses at various densities; mixed-use | ECR-C; ECR-MU; ECR-O; ECR-PF;<br>ECR-R3; ECR-R4                                  |
| Village Mixed-Use   | 18 (average density over entire site)* | Mix of residential uses at various densities            | MU-V; LSP Lakeside<br>Specific Plan  |

<sup>\*</sup>Specific densities and intensities determined by Specific Plan or Area Plan.

Source: City of Sunnyvale General Plan, Land Use and Transportation Element, April 2017.

### **ZONING**

The City's Zoning Code is adopted as Title 19 of the Sunnyvale Municipal Code and is intended to implement the General Plan and various specific plans. The Zoning Code is listed on the City's website and is available to the public at: <a href="https://www.sunnyvale.ca.gov/business-and-development/planning-and-building/zoning">https://www.sunnyvale.ca.gov/business-and-development/planning-and-building/zoning</a>. Table 6-3 below presents residential use types from the Zoning Code as allowed by zoning district.

Single family housing is a permitted use in the R-0, R-1, R-1.5, and R-2 districts, and requires a Special Development Permit in R-1.7/PD, and requires approval of a use permit in the R-3, R-4, R-5, and C-2 districts. Small multi-family housing developments of 50 units or fewer are permitted in the R-2, R-3, R-4, and R-5 districts; large multi-family housing developments of more than 50 units require a use permit in the same districts. Very little or no vacant land remains in these districts and the City anticipates limited new large multi-family housing developments in these districts. If a large multi-family housing development is proposed, the use permit process would include a design review (discussed in the "Processing and Permitting Procedures" section below). If the project is within a Planned Development combining district, the design review would be included with a Special Development Permit; no separate design review permit is required. However, almost all new multi-family housing development occurs and is anticipated to continue to occur within the City's specific plans, which were established to incentivize redevelopment in key areas. As such, this requirement for large multi-family housing has not acted as a constraint on housing development.

The City regulates the type, location, density, and scale of residential development primarily through the Zoning Code. Zoning regulations are designed to implement the policies of the City's General Plan and protect and promote health, safety, and general welfare of residents. The Code sets forth the City's specific residential development standards, which are summarized in Table 6-4. A summary of the City's residential zoning standards is also provided on the City website. The City will continue to comply with all State housing and land use laws. In the event that State laws may conflict with prohibited land uses identified in the City's Zoning Code, State law shall supersede the Zoning Code.

Table 6-3: Residential Use Types Allowed by Zoning District (see Specific Plans for Additional Residential Zoning Districts)

|   | •                |                  | •                | 1                             | 1                |                  |                  |                  |     |     | 1           |             |    |
|---|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|------------------|-----|-----|-------------|-------------|----|
| Use   | R-0/R-1          | R-1.5            | R-1.7/<br>PD     | R-2                           | R-3              | R-4              | R-5              | R-MH             | C-2 | C-3 | M-S/<br>M-3 | M-S/<br>POA | 0  |
| Single-family dwellings                                     | Р                | Р                | SDP              | Р                             | UP               | UP               | UP               | P <sup>1</sup>   | UP  | N   | N           | N           | UP |
| Two-family dwelling (duplex)                                | N                | UP               | SDP              | Р                             | Р                | Р                | UP               | P <sup>1</sup>   | UP  | N   | N           | N           | UP |
| Multiple-family dwellings (3 to 50 units)                   | N                | N                | N                | Р                             | Р                | Р                | Р                | Р                | UP  | N   | N           | N           | UP |
| Multiple-family dwellings (over 50 units)                   | N                | N                | N                | UP                            | UP               | UP               | UP               | UP               | UP  | N   | N           | N           | UP |
| Accessory dwelling units                                    | See Ch.<br>19.79 | See Ch.<br>19.79 | See Ch.<br>19.79 | See Ch.<br>19.79 <sup>2</sup> | See Ch.<br>19.79 | See Ch.<br>19.79 | See Ch.<br>19.79 | See Ch.<br>19.79 | UP  | N   | N           | N           | UP |
| Single room occupancy (SRO) facilities                      | N                | N                | N                | N                             | N                | UP               | UP               | N                | UP  | UP  | UP          | UP          | UP |
| Boarding for less than 3 persons                            | Р                | Р                | Р                | Р                             | Р                | Р                | Р                | Р                | UP  | N   | N           | N           | UP |
| Licensed Residential Care Facilities (6 or fewer persons)   | Р                | Р                | SDP              | Р                             | UP               | UP               | UP               | Р                | UP  | N   | N           | N           | UP |
| Unlicensed Residential Care Facilities (6 or fewer persons) | UP               | UP               | UP               | UP                            | UP               | UP               | UP               | UP               | UP  | N   | N           | N           | UP |
| Licensed Residential Care Facilities (7 or more persons)    | UP               | UP               | UP               | UP                            | UP               | UP               | UP               | UP               | UP  | UP  | UP          | UP          | UP |
| Unlicensed Residential Care Facilities (7 or more persons)  | N                | N                | N                | N                             | UP               | UP               | UP               | UP               | UP  | N   | N           | N           | UP |
| Residential mobile home park site                           | N                | N                | N                | N                             | N                | N                | N                | Р                | UP  | N   | N           | N           | UP |
| Agricultural homes, buildings and uses                      | UP               | UP               | SDP              | UP                            | UP               | UP               | UP               | UP               | N   | N   | N           | N           | N  |
| Transitional and Supportive Housing                         | Р                | Р                | Р                | Р                             | Р                | Р                | Р                | Р                | UP  | N   | N           | N           | UP |
| Emergency Shelters  | N                | N                | N                | N                             | N                | N                | N                | N                | N   | N   | UP          | Р           | N  |

Notes: P = Permitted use. SDP = Special development permit required. UP = Use permit required. N = Not permitted, prohibited.

Source: Sunnyvale Municipal Code, Title 19 Zoning. 2021.

<sup>&</sup>lt;sup>1</sup> For use by owner and/or operator only.

<sup>&</sup>lt;sup>2</sup> Only as allowed by Chapter 19.79 of the Zoning Code in conjunction with an existing or proposed single-family dwelling or an existing multi-family dwelling structure.

These development standards serve to preserve the character and integrity of existing neighborhoods and at the same time offer flexibility in providing a wide range of residential opportunities and dwelling unit types.

#### Lot Size

Density in single-family zones is driven by the minimum lot area requirements. The lot size requirements in single family zones typically reflect the development pattern of the surrounding subdivision. There are no vacant single-family zoned sites left in Sunnyvale. In single-family zoning districts, new residential development during the planning period is anticipated to occur through ADUs and SB 9 Urban Lot Splits and Urban Housing Developments. These development types are not required to observe minimum lot size requirements for the underlying zoning district, but instead have specific smaller lot size allowances consistent with State law.

### Height

Height limitations are intended to allow projects to achieve the maximum allowable density, while also being responsive to community character. Building heights range from 30 feet in the single-family and duplex zones where two stories are allowed (R-0, R-1, R-1.5, R-1.7, R-2) to 35 feet in R-3 where three stories are allowed, to 55 feet in R-4 and R-5 where four stories are permitted. The height limitations are sufficient to allow the number of permitted stories and do not hinder development from achieving the maximum densities in these zones. Most new development in Sunnyvale is expected to occur with the specific plan areas, which allow for much taller buildings, as described later in this section. Specific plan areas allow more height in higher density areas.

#### Floor Area Ratio

The City regulates building sizes through floor area ratio (FAR) for the lower density zoning districts (R-0, R-1, and R-2), allowing 45 percent FAR (or 3,600 square feet, whichever is less) for single family homes, and 55 percent FAR for duplexes. Dwellings that exceed the FAR requirements in lower density zoning districts must be considered by the Planning Commission as a Design Review. The higher density R-3, R-4 and R-5 zoning districts do not have an FAR requirement, allowing greater flexibility in unit sizes.

### **Setbacks**

Second-story building setbacks require that either the entire two-story building meet the front and side setback requirement, or the building is designed in a wedding cake form with a greater front and side setback on the second floor.

### Summary

Sunnyvale has two zoning districts that expressly provide for small lot single-family home developments. The R-1.5 zoning category allows lots ranging from 4,200 to 6,000 square feet in size, and the R-1.7/PD allows lots from 2,600 to 4,000 square feet in size. Both zoning districts allow a maximum FAR of up to 50 percent. By providing greater development flexibility and allowing smaller lot sizes, the City's zoning provides for opportunities for development of lower cost single-family homes. Small lot single-family development has also been approved in the R-2/PD zoning district. Due to the limited remaining developable land in the R-3, R-4, and R-5 zoning districts, very little new multifamily development is anticipated in these areas. The City has adopted specific plans, described below, to incentivize multifamily redevelopment in key areas.

The City works closely with developers during the development review process and has not experienced any issues in meeting its development standards. The development standards listed below in Table 6-4 along with the parking requirements described later in Table 6-15 allow development to achieve the maximum residential density provided for under the City's General Plan and Zoning Code. As such, the standards have not acted as a constraint on development.

Table 6-4: Residential Development Standards<sup>1</sup> (see Specific Plans Discussion for Additional Residential Zoning Districts)

| •                                    | •  | •  |       |                       | •  | •     |       |       |
|--------------------------------------|--|--|-------|-----------------------|--|-------|-------|-------|
| Residential Zones                    | R-0  | R-1  | R-1.5 | R-1.7/ PD             | R-2  | R-3   | R-4   | R-5   |
| Minimum Setbacks (1st story/2nd stor | v)   |  |       |                       |  |       |       |       |
| Front (ft.)                          | 20/25  | 20/25  | 20    | 20                    | 20/25  | 20    | 20    | 20    |
| Side (ft.)                           | 4/7  | 6/9  | 4/7   | 4/7                   | 4/7  | 6/9   | 9/20  | 9/20  |
| Side total (ft.) <sup>2</sup>        | 20% of lot width but not less than 10/ add 6 to 1st story req.                 | 20% of lot<br>width but not<br>less than 15/<br>add 6 to 1st<br>story req.     | 12/18 | 12/18                 | 20% of lot width<br>but not less<br>than 10/ add 6<br>to 1st story req.  | 15/21 |       |       |
| Rear (ft.)                           | 20   | 20   | 20    | 20                    | 20   | 20    | 20    | 20    |
| Max. Height (ft.)                    | 30   | 30   | 30    | 30                    | 30   | 35    | 55    | 55    |
| Number of Building Stories           | 2  | 2  | 2     | 2                     | 2  | 3     | 4     | 4     |
| Lot Coverage                         | 45% (single-<br>story) / 40%<br>(two-story)                                    | 45% (single-<br>story) / 40%<br>(two-story)                                    | 40%   | 40%                   | 45% (single-<br>story) / 40%<br>(two-story)  | 40%   | 40%   | 40%   |
| Max. FAR (%)                         | 45% FAR or<br>3,600 sq. ft. of<br>gross floor<br>area,<br>whichever is<br>less | 45% FAR or<br>3,600 sq. ft. of<br>gross floor<br>area,<br>whichever is<br>less | 50%   | 50%                   | 45 (single<br>family); 55 (all<br>other uses); or<br>3,600 sq. ft. of<br>gross floor area,<br>whichever is<br>less | None  | None  | None  |
| Min. Lot Area for Development        | 6,000  | 8,000  | 4,200 | 2 acres               | 8,000  | 8,000 | 8,000 | 8,000 |
| Min. Lot Area per Dwelling Unit      | 6,000  | 8,000  | 4,200 | 2,600 (4,000<br>max.) | 3,600  | 1,800 | 1,200 | 950   |
| Max. Density (du/ac)                 | 7  | 7  | 10    | 14                    | 12   | 24    | 36    | 45    |

Notes: ft. = feet; req. = requirement; min. = minimum; max. = maximum

Source: City of Sunnyvale, Municipal Code, 2021.

<sup>1</sup> Accessory dwelling units, dual urban opportunity dwelling units, and urban lot splits are subject to standards in Chapter 19.78 and 19.79 of the Sunnyvale Municipal Code.

<sup>&</sup>lt;sup>2</sup> Side total represents the combined total of the two side yards added together.

The Zoning Code also includes several combining districts to permit additional regulations in combination with basic regulations to provide for unique development of land. The following combining districts are included in the Zoning Code:

- Planned Development (PD), which provides for modifications, additions, and limitations to other zoning
  districts to meet special conditions and situations concerning properties within such zoning districts that
  cannot otherwise be handled satisfactorily.
- Office (O), which may be combined with any residential district to allow office uses with approval of a use permit.
- Heritage Housing (HH), which may be combined with any residential zoning district designated as a heritage
  resource district to preserve, protect, enhance, and perpetuate the appearance of certain historic
  residential neighborhoods that contribute to the cultural or aesthetic heritage of Sunnyvale.
- Industrial to Residential (ITR), which may be used in conjunction with certain industrial, commercial, or office zoning districts to allow industrial, office, commercial, and residential uses to exist within the same zoning district, and to allow industrial, office, or commercial uses to gradually convert to residential use.
- Residential Single-Story (S), which may be combined with the R-0, R-1, and R-2 residential zoning districts to modify the site development regulations of the R-0, R-1, and R-2 residential zoning districts, to preserve and maintain single-family neighborhoods of predominantly single-story character.
- Places of Assembly (POA), which may be combined with the M-S zoning districts to allow uses that may
  include sensitive populations which are otherwise not permitted in the M-S zoning district. Emergency
  shelters are a permitted use within the POA combining district.
- Mixed Use (MU), which may be combined with the R-3, R-4, and R-5 residential zoning districts to modify the site development regulations of those zoning districts to require the development of commercial/office uses on appropriately situated residential sites. Mixed use developments should only be considered if they are located adjacent (within one-half mile) to a major expressway or public transit stop (VTA Light Rail or Cal Train).

The Planned Development combining district is applied to several residential areas throughout the City (including R-2, R-3, R-4, and R-5 zoning districts). This combining district is applied to provide modifications, additions, and limitations to other zoning districts to meet special conditions and situations concerning properties within such zoning districts that cannot otherwise be handled satisfactorily. This district is also intended to provide opportunities for creative development approaches and standards that will achieve superior community design, environmental preservation, and public benefit, such as, but not limited to:

- Facilitating development or redevelopment of a site to improve the neighborhood;
- Allowing a proposed use that is compatible with the neighborhood but requires deviations from development standards for a successful project;
- Facilitating desirable development of properties at significant intersections; or
- Allowing development and creation of lots that are less than the minimum size required in the base zoning district.

Developments proposed within Planned Development combining districts are processed through a Special Development Permit, described under "Processing and Permitting Procedures" below. This permit does not result in more stringent permitting requirements or processes and does not limit or constrain any development proposal that meets the basic regulations of the underlying zoning district. Rather, the Planned Development combining

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district is a tool that allows applicants to request deviations from the requirements of the code without needing to request separate waivers or variances or use permits; the findings for a variance are very strict and require demonstration of a hardship whereas a deviation can be considered in the overall context of a development to enable flexibility in design. Consistent with the Housing Accountability Act, if the project meets adopted standards, the City cannot and does not deny the project.

### **SPECIFIC PLANS**

The City has adopted several area and specific plans to promote unique land use districts or guide redevelopment of older industrial neighborhoods throughout the city. Most of the future housing development, as described in Chapter 5, "Sites Inventory and Funding Resources," is anticipated to occur within specific plan areas, specifically the Downtown Specific Plan, Lawrence Station Area Plan, El Camino Real Specific Plan, Moffett Park Specific Plan, and Village Center Master Plan. Specific plans have proven to be successful tools for facilitating new infill housing development. The following provides a description of land use controls under each plan.

## **Downtown Specific Plan**

The Downtown Specific Plan (DSP) was initially adopted in 1993 and comprehensively updated in 2003 to provide more housing opportunities. The DSP was most recently updated in September 2020. The DSP establishes a variety of land use designations to promote a pedestrian-friendly, traditional Downtown. The 2020 update focused on increasing residential and office capacity in the Commercial Core and North of Washington districts. The General Plan designates the plan area as Transit Mixed Use and the DSP contains land uses to implement the Transit Mixed Use designation.

Although each DSP land use designation identifies an approximate density range, the allowed residential density is defined by total units per block, see Table 6-6 below. The expression of residential density by number of dwelling units per block, as opposed to units per acre, is another way to express the allowable densities in the DSP area. Each property is entitled to an allocation of the total units for the block based on a pro rata share determined by the size of the property compared to the total block size. Each properties' share of the total block buildout is included in Appendix A.

Most of the capacity in the DSP is within the Downtown Mixed-Use and Downtown Very High Density Residential designations, because these are the areas with larger sites presenting more significant redevelopment opportunities. The Downtown also contains several existing low-medium density neighborhoods that have experienced and are expected to continue to experience infill housing providing a greater variety of housing types. For example, the entire Block 12, designated low-medium density residential, was redeveloped with cottage court homes, providing two single family homes for what had previously been one single-family lot. Likewise, the Paloma Place project located in Block 13 (and discussed in more detail in on page 5-11) was developed on the site of a former office building and achieved densities similar to a cottage court development. The Downtown Specific Plan facilitates this type of neighborhood-scale infill housing; however, identifying individual parcels where this type of infill might happen is difficult, which is why the sites inventory does not include all of the sites with infill housing potential.

The land use diagram for the DSP is shown in Figure 6-1 below. Table 6-5 shows the DSP land use designations and typical maximum densities. The City's Zoning Code establishes the DSP district and identifies permitted uses by DSP block, as shown in Table 6-6 below. In addition, the Zoning Code establishes development standards by DSP block in Chapter 19.28 of the Zoning Code. Minimum front setbacks generally vary between 0 feet and 18 feet, with one

front setback along El Camino Real in Block 20 at 30 feet. Minimum interior setbacks (side/rear) range from 0 feet to 20 feet. Total allowed density and maximum height is shown in Table 6-6.

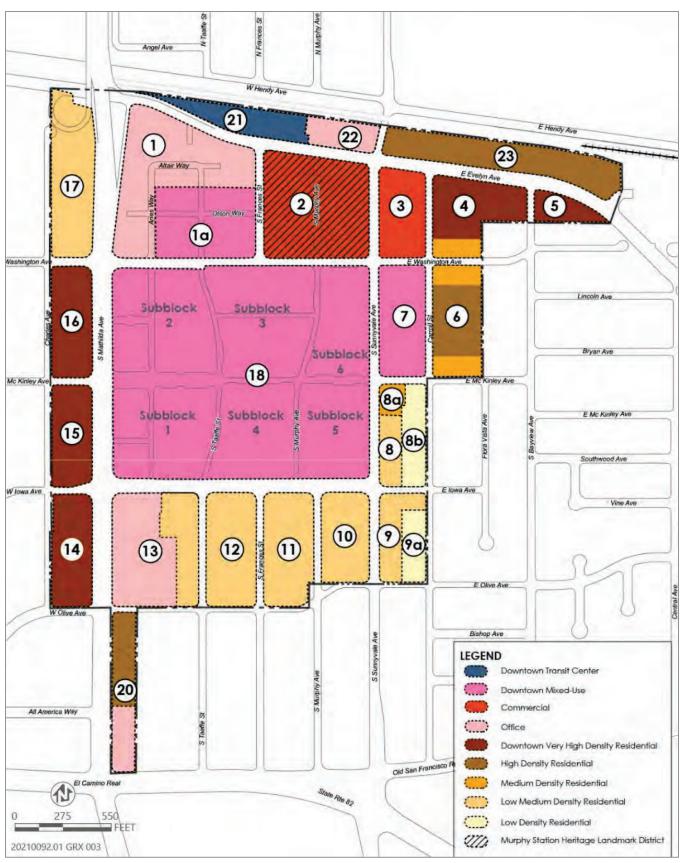
**Table 6-5: Downtown Specific Plan Land Use Categories Permitting Residential Use** 

| Land Use Designation                      | Typical Maximum Density* | Residential Use Types                              |
|---|--------------------------|--|
| Low Density Residential                   | 7 units per gross acre   | Single family                                      |
| Low-Medium Density Residential            | 14 units per gross acre  | Single family, duplexes, smaller multi-family uses |
| Medium Density Residential                | 24 units per gross acre  | Townhomes, apartments, condominiums                |
| High Density Residential                  | 36 units per gross acre  | Apartments, condominiums, mixed-use                |
| Downtown Very High Density<br>Residential | 58 units per gross acre  | Large-scale apartments or condominiums             |
| Downtown Mixed-Use                        | Varies by block          | Mix of residential uses at various densities       |

<sup>\*</sup>The allowed residential density is defined by units per block indicated in Table 6-1 of the Downtown Specific Plan.

Source: City of Sunnyvale Downtown Specific Plan, 2020.

Figure 6-1: Downtown Specific Plan Land Use Plan



Source: City of Sunnyvale, Downtown Specific Plan, September 2020.

Table 6-6: Downtown Specific Plan Residential Use Types and Development Standards by Block

| Commerc<br>-         | cial, and C                | Office Blo                   | cks  |   |  |   | Resi  | dential Bl  | locks   |   |
|----------------------|----------------------------|------------------------------|--|---|--|---|---|---|---|---|
|                      |                            |                              |  |   |  | Residential Blocks  |   |   |   |   |
| 7                    | 13                         | 18                           | 20   | 21  | 22   | 4, 5, 14,<br>15, 16,<br>23  | 6   | 8, 9, 10,<br>11, 12,<br>17  | 8a  | 8b, 9a  |
|                      |                            |                              |  |   |  |   |   |   |   |   |
| N                    | SDP                        | N                            | SDP  | N   | N  | Р   | Р   | Р   | Р   | Р   |
| N                    | N                          | N                            | N  | N   | N  | N   | N   | Р   | N   | N   |
| SDP                  | N                          | SDP                          | N  | N   | N  | SDP   | SDP   | SDP   | SDP   | SDP   |
| SDP                  | N                          | SDP                          | N  | N   | N  | SDP   | N   | N   | N   | N   |
| Р                    | Р                          | Р                            | Р  | N   | N  | Р   | Р   | Р   | Р   | Р   |
| See Ch.<br>19.79     | See Ch.<br>19.79           | See Ch.<br>19.79             | See Ch.<br>19.79                                   | See Ch.<br>19.79  | See Ch.<br>19.79   | See Ch.<br>19.79  | See Ch.<br>19.79  | See Ch.<br>19.79  | See Ch.<br>19.79  | See Ch.<br>19.79  |
| N                    | N                          | N                            | N  | N   | N  | N   | N   | N   | N   | N   |
| evelopment Standards |                            |                              |  |   |  |   |   |   |   |   |
| 100                  | 25                         | 817                          | 51   | -   | -  | 908   | 112   | 230   | 12  | 20  |
| 50                   | EU/2U3                     | 75 4                         | 40/20  | <b>0</b> E 5  | 00   | 20 50 6   | 40. <sup>7</sup>  | 30  | 30  | 30  |
|                      | P<br>See Ch.<br>19.79<br>N | P P See Ch. 19.79 N N 100 25 | P P P See Ch. See Ch. 19.79 19.79 N N N 100 25 817 | P P P P P See Ch. See Ch. 19.79 19.79 N N N N N 100 25 817 51 | P P P P P N  See Ch. See Ch. See Ch. 19.79 19.79 19.79  N N N N N N N  100 25 817 51 - | P         P         P         P         N         N           See Ch. 19.79         19.79 | P         P         P         P         N         N         P           See Ch. 19.79         N | P         P         P         P         N         N         P         P           See Ch. 19.79         19.79 | P         P         P         P         N         N         P         P         P           See Ch. 19.79         19.79 | P         P         P         P         N         N         P         P         P         P         P           See Ch. 19.79         < |

Notes: P = Permitted use. SDP = Special development permit required. UP = Use permit required. N = Not permitted, prohibited.

Source: Sunnyvale Municipal Code, Title 19 Zoning, Table 19.28.070 and Table 19.28.080. 2021.

<sup>&</sup>lt;sup>1</sup> Single-family uses on existing, legally created lots are allowed per Section 19.28.060 of the Zoning Code.

<sup>&</sup>lt;sup>2</sup> Dwelling units per parcel is described in Appendix A of the Downtown Specific Plan. Density bonuses on any one site do not affect the allowable density on another site.

<sup>&</sup>lt;sup>3</sup> 50 ft. for Office and Commercial; 30 ft. for Low-Medium Density Residential

<sup>&</sup>lt;sup>4</sup> except 80 ft. for movie theater

<sup>&</sup>lt;sup>5</sup> 40 ft. for High Density Residential; 50 ft. for Office and Commercial

<sup>&</sup>lt;sup>6</sup> for Blocks 4 and 5, 40 ft. except 30 ft. on Washington and McKinley; for Blocks 14, 15, and 16, 30 ft. on Charles and 50 ft. on Mathilda; for Block 23, 50 ft.

<sup>&</sup>lt;sup>7</sup> except 30 ft. on Washington and McKinley

#### **Lawrence Station Area Plan**

The Lawrence Station Area Plan (LSAP) was adopted in 2016 and amended in September 2021 to increase residential development opportunities and to slightly enlarge the boundaries. The LSAP envisions a mixed-use transit-oriented district within a one-half-mile radius of the Lawrence Caltrain Station encompassing approximately 229 acres. The area is largely developed but is anticipated to be redeveloped with residential and other transit-oriented uses to promote greater use of the station.

The plan outlines an incentive program to encourage redevelopment projects that provide community benefits such as public open space, mixed use, and additional affordable housing. In exchange for providing community benefits, the incentive program allows properties to be developed beyond the base maximum density. Several residential redevelopment projects have recently been approved and several more are in the planning process. Most projects to date have utilized the incentive program as well as the State affordable housing density bonus program.

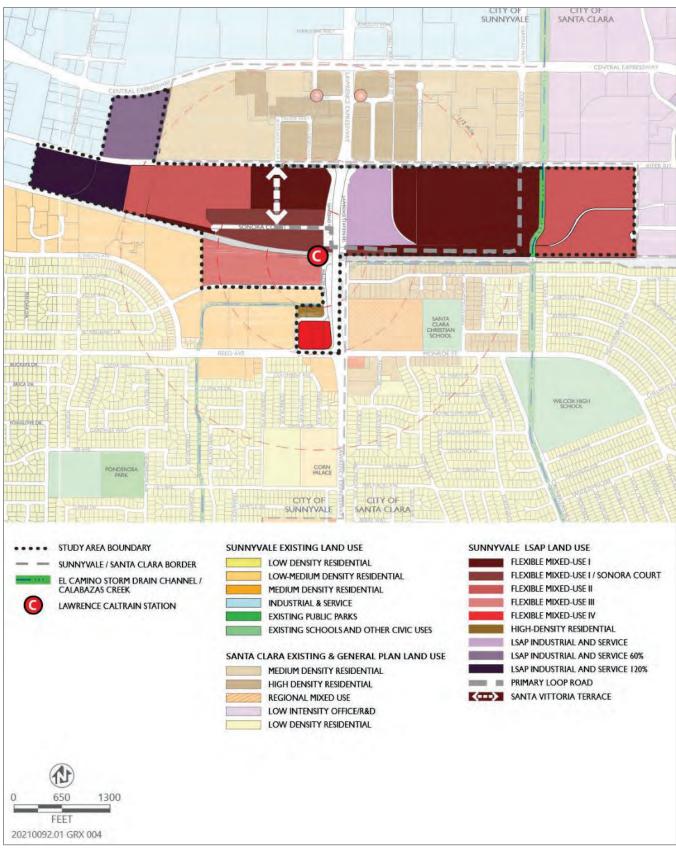
Figure 6-2 below shows the land use diagram for the LSAP. Table 6-7 outlines the LSAP land use designations and corresponding zoning districts. For each designation, the table also shows the base density and total number of additional units per acre provided through the incentive program (not including State density bonus). For projects requesting a State density bonus, the bonus percentage is applied to the maximum density achieved through the LSAP incentive program and/or Green Building program. For example, if a project is proposed in the Flexible Mixed-Use I designation and the project achieves all LSAP incentive points, resulting in a maximum density of 80 units per acre, the State density bonus percentage is applied to the 80 units per acre.

Permitted uses by zoning district are described in Table 6-8 and development standards are described in Table 6-9. As demonstrated by the many projects in the pipeline that are approved at or close to the maximum allowed density with incentives, the development standards do not preclude development from achieving the maximum allowed densities. Residential and mixed-use developments in the pipeline range from five to eight stories. The City's SDP process allows developers to request deviations from adopted standards without having to request a variance.

All of the sites in the sites inventory (included in Chapter 5) exceed the minimum lot size requirement of 22,500 square feet and the minimum lot width requirements ranging from 100 to 200 feet. Even if the sites did not comply with the lot size requirements, they would not be a constraint on development since the Zoning Code would consider them to be legal, non-conforming and would allow them to develop with the prescribed use.

The LSAP allows up to 80 percent lot coverage in all zones. The required setbacks vary by zone and the street on which the development is fronting. In many cases there is no required setback, but sometimes the setback is 10 feet and up to 25 feet in a couple of specific locations (e.g., adjacent to Calabazas Creek to protect the creek). The setback and lot coverage requirements do not preclude development from achieving maximum densities. Project examples are included below to demonstrate how recent developments have complied with the standards.

Figure 6-2: Lawrence Station Area Plan Land Use Plan



Source: City of Sunnyvale, Lawrence Station Area Plan, September 2021.

Table 6-7: Lawrence Station Area Plan Land Use and Zoning Districts

| Specific Plan Land Use<br>Designation   | Corresponding<br>Zoning District(s) | Base Density<br>(Units per Gross<br>Acre)       | Total unit per acre incentive points available | Maximum<br>Density w/ LSAP<br>Incentive<br>Program | Residential Use<br>Types                          |
|---|-------------------------------------|---|--|--|---|
| Flexible Mixed-Use I  | MXD-I                               | 45  | 35   | 80   | Allows for<br>horizontal or<br>vertical mixed use |
| Flexible Mixed-Use I/<br>Sonora Court   | MXD-I/S                             | 54  | 26   | 80   | Allows for<br>horizontal or<br>vertical mixed use |
| Flexible Mixed-Use II   | MXD-II                              | 36  | 32   | 68   | Allows for horizontal or vertical mixed use       |
| Flexible Mixed-Use III  | MXD-III                             | 28  | 17   | 45   | Allows for<br>horizontal or<br>vertical mixed use |
| Flexible Mixed-Use IV   | MXD-IV                              | 28  | 17   | 45   | Allows for horizontal or vertical mixed use       |
| High Density Residential  | R5                                  | Based on lot<br>area per SMC<br>Table 19.30.040 | N/A  | Up to 45   |   |
| Lawrence Station Area Plan Industrial and Service Zoning District             | M-S/LSAP                            | -   | N/A  | -  | Prohibits residential uses.                       |
| Lawrence Station Area Plan Industrial and Service Zoning District 60 Percent  | M-S/LSAP 60%                        | -   | N/A  | -  | Prohibits residential uses.                       |
| Lawrence Station Area Plan Industrial and Service Zoning District 120 percent | M-S/LSAP 120%                       | -   | N/A  | -  | Prohibits residential uses.                       |

<sup>&</sup>lt;sup>1</sup> New residential development in the LSAP is required to build to at least 85 percent of the zoning district's base maximum zoning density.

Source: City of Sunnyvale, Lawrence Station Area Plan, September 2021.

<sup>&</sup>lt;sup>2</sup> Additional densities may be achieved above the base maximum density or density obtained through the City's Green Building Program and/or the LSAP Incentives Program by providing affordable housing consistent with State Density Bonus Law. Additional densities above the base maximum density are calculated in the following order: apply the density bonus percentage through the City's Green Building Program, add the incentive points gained through the LSAP Development Incentives Program, then apply the State Density Bonus percentage achieved by the project. R-5 properties are not eligible for additional densities in the LSAP Incentives Program.

Table 6-8: Residential Use Types allowed within the LSAP District

| Use  | MXD-I<br>and MXD-<br>I/S | MXD-II           | MXD-III<br>and MXD-<br>IV | R-5              | M-S/LSAP | M-S/LSAP<br>60% and<br>120% |
|--|--------------------------|------------------|---------------------------|------------------|----------|-----------------------------|
| Single-family dwelling                                   | N                        | N                | N                         | N                | N        | N                           |
| Two-family dwelling (duplex)                             | N                        | N                | N                         | N                | N        | N                           |
| Multiple-family dwellings (3 or more units) <sup>1</sup> | Р                        | Р                | Р                         | Р                | N        | N                           |
| Mobile home park   | N                        | N                | N                         | N                | N        | N                           |
| Single room occupancy (SRO) facilities                   | SDP                      | SDP              | SDP                       | SDP              | N        | N                           |
| Live/work unit   | SDP                      | SDP              | SDP                       | SDP              | N        | N                           |
| Facilities caring for 6 or fewer persons                 | Р                        | Р                | Р                         | Р                | N        | N                           |
| Accessory dwelling units                                 | See Ch.<br>19.79         | See Ch.<br>19.79 | See Ch.<br>19.79          | See Ch.<br>19.79 | N        | N                           |
| Emergency shelter  | N                        | N                | N                         | N                | SDP      | SDP                         |

Notes: P = Permitted use. SDP = Special development permit required. N = Not permitted, prohibited.

Source: Sunnyvale Municipal Code, Title 19 Zoning. 2021.

Table 6-9: Residential Development Standards within the LSAP District

| Use                                   | MXD-I    | MXD-I/S | MXD-II | MXD-III | MXD-IV | R-5    | M-S/<br>LSAP | M-S/LSAP<br>60% and<br>120% |
|---------------------------------------|----------|---------|--------|---------|--------|--------|--------------|-----------------------------|
| Maximum Height (ft.)                  | 100      | 100     | 100    | 55      | 55     | 55     | 85           | 85                          |
| Parcel Size                           |          |         |        |         |        |        |              |                             |
| Minimum Lot Size (sq. ft.)            | 22,500   | 22,500  | 22,500 | 22,500  | 22,500 | 20,000 | 22,500       | 22,500                      |
| Minimum Lot Width (ft.)               | 200      | 200     | 200    | 200     | 100    | 135    | 100          | 100                         |
| Lot Coverage                          |          |         |        |         |        |        |              |                             |
| Maximum lot coverage                  | 80%      | 80%     | 80%    | 80%     | 80%    | 80%    | 80%          | 80%                         |
| <b>Minimum Front Yard Setback</b>     | ks (ft.) |         |        |         |        |        |              |                             |
| Kifer Road                            | 15       | N/A     | 15     | N/A     | N/A    | N/A    | 15           | 15                          |
| Sonora Court                          | N/A      | 25      | 15     | N/A     | N/A    | N/A    | N/A          | N/A                         |
| San Zeno Way                          | 15       | 15      | N/A    | N/A     | N/A    | N/A    | N/A          | N/A                         |
| Aster Avenue                          | N/A      | N/A     | N/A    | 15      | N/A    | N/A    | N/A          | N/A                         |
| Willow Avenue                         | N/A      | N/A     | N/A    | 10      | 10     | 15     | N/A          | N/A                         |
| Reed Avenue                           | N/A      | N/A     | N/A    | N/A     | 15     | N/A    | N/A          | N/A                         |
| Loop Road                             | 10       | 10      | 10     | N/A     | N/A    | N/A    | 10           | N/A                         |
| Internal Streets                      | 10       | 10      | 10     | 10      | 10     | 10     | 10           | 10                          |
| Primary or secondary shared-use paths | 10       | 10      | 10     | N/A     | 10     | 10     | 10           | 10                          |
| Calabazas Creek                       | 25       | N/A     | 25     | N/A     | N/A    | N/A    | N/A          | N/A                         |
| Lawrence Station Road                 | 15       | N/A     | N/A    | N/A     | N/A    | N/A    | 15           | N/A                         |
| Lawrence Expressway                   | 15       | 15      | N/A    | N/A     | 15     | N/A    | 15           | N/A                         |
| Uranium Drive                         | N/A      | N/A     | 15     | N/A     | N/A    | N/A    | N/A          | N/A                         |

<sup>&</sup>lt;sup>1</sup> Major changes to the exterior of a building for either approved or permitted uses, new construction, site improvements, or additions to an existing building (other than a single-family home) shall require a special development permit as set forth in Section 19.90.020 of the Sunnyvale Municipal Code.

| Use   | MXD-I       | MXD-I/S  | MXD-II | MXD-III | MXD-IV | R-5 | M-S/<br>LSAP | M-S/LSAP<br>60% and<br>120% |
|---|-------------|----------|--------|---------|--------|-----|--------------|-----------------------------|
| Side Yard Setback   |             |          |        |         |        |     |              |                             |
| Minimum (ft.)   | 10          | 10       | 10     | 10      | None   | 10  | 10           | 10                          |
| Minimum adjacent to residential uses (ft.)                    | 20          | 10       | 20     | 20      | None   | 10  | 20           | 20                          |
| Rear Yard Setback   |             |          |        |         |        |     |              |                             |
| Minimum (ft.)   | 10          | 10       | 10     | 10      | None   | 10  | None         | 10                          |
| Setback between Main Build                                    | ings on the | same lot |        |         |        |     |              |                             |
| Minimum distance at ground level, regardless of stories (ft.) | 20          | 10       | 20     | 20      | 20     | 20  | 20           | 20                          |

<sup>&</sup>lt;sup>1</sup> Dependent on location of existing redwood trees

Source: Sunnyvale Municipal Code, Title 19 Zoning. 2021.

Tables 6-10 and 6-11 below illustrate how two recent projects complied with the standards in the LSAP. The first example (1120 Kifer Road) was approved under the 2016 LSAP Plan, which differed slightly from the 2021 updated Plan. Footnotes to the table explain the differences between the two plans. The project was a mixed use development with 520 multifamily units and ground floor retail built at 65 units per acre in the MXD-1 zone where the base maximum density was 45 units/acre and the maximum with incentives was 68 units/acre under the 2016 LSAP. The project complied with all standards in the plan. It met or exceeded the setback standards, provided nearly four times the required usable open space and close to double the required landscaped area, was well under the 80 percent lot coverage maximum, and greatly exceeded the residential and retail parking minimums. This example demonstrates that a project built at the maximum allowed density can comply with the LSAP development standards.



Rendering of Example Project #1: approved five-story, 520-unit development at 1120 Kifer Road.

<sup>&</sup>lt;sup>2</sup> Subject to streamside development review criteria pursuant to Chapter 19.81.

<sup>&</sup>lt;sup>3</sup> Per LSAP Guideline SP-UDG3, retail uses may have a primary building façade at the street right-of-way/property line (zero foot setback), with up to a ten foot maximum setback from the property line.

## Table 6-10: Example Project #1 in LSAP Area

Address: 1120 Kifer Road

Zoning Designation: Flexible Mixed Use I (MXD-I)

**Project Description:** Demolition of a partially occupied office/R&D building and construction of a new mixed-use development in the Lawrence Station Area Plan. The project includes two five-story buildings with 520 multi-family units and approximately 7,400 square feet of ground floor retail. As part of the LSAP Incentives program, the project qualifies for increased residential density by providing a publicly accessible road and park in the middle of the site.

| Development Standard   | Required                 | Prototype                                       |
|--|--------------------------|---|
| Minimum Lot Size   | 22,500 sf                | 348,066 sf                                      |
| Minimum Lot Width  | 200′                     | 600'  |
| Minimum Front Yard Setback (Kifer Road)  | 15′                      | 15′   |
| Minimum Side Yard Setback<br>(not adjacent to residential uses)                                    | 10′                      | 30'-3" (Eastern side)<br>15'-10" (Western side) |
| Minimum Rear Yard Setback  | 10'                      | 31'-11"   |
| Minimum Loop Road Setback  | 10'                      | 10'-11" (Closest point)                         |
| Maximum Height*  | 85'                      | 65'   |
| Usable Open Space<br>50 sf per unit  | 26,000 sf                | 100,880 sf                                      |
| Landscaped Area<br>20% of lot area   | 69,614 sf                | 116,000 sf                                      |
| Maximum Lot Coverage   | 80%<br>(278,453 sq. ft.) | 66%<br>(231,679 sq. ft.)                        |
| Residential Parking Minimum 1 per 1BR Unit x 326 Units 1.25 per 2BR Unit x 194 Units               | 569 spaces               | 766 spaces                                      |
| Retail Parking Minimum 2 per 1,000 sf x 7,400 sf retail  | 15 spaces                | 30 spaces                                       |
| Short-term (Class II) Bicycle Parking Requirement 1 space per 15 units 1 space per 6,000 retail sf | 37 spaces                | 38 spaces                                       |
| Long-term Bicycle (Class I) Parking Requirement 1 space per 4 units 1 space per 30 employees       | 131 spaces               | 131 spaces                                      |
| Base Maximum Density (du/acre)   | 45 du/acre               | 65 du/acre<br>+ LSAP Incentive Points           |
| Maximum Density with Incentives (du/ac)  | 68 du/acre**             |   |
| Maximum Units (Base Max Density x 7.99 acres)  | 359 units                | 520 units                                       |

Notes: \*Maximum height was increased from 85 feet in the 2016 LSAP to 100 feet in the 2021 LSAP.

<sup>\*\*</sup>The maximum density with incentives was increased from 68 du/acre to 80 du/acre in the 2021 LSAP.



Rendering of Example Project #2: 225-unit mixed-income development at 1150-1170 Kifer Road.

The second example (1150-1170 Kifer Road) was a 225-unit mixed-income project that used State density bonus to request waivers for certain standards, specifically related to lot width and stepbacks. The project also used the allowable parking reductions under State density bonus law. Even though the project used density bonus to greatly exceed the maximum allowed densities, the project still complied with the lot coverage, height, open space, and landscaping standards, and only deviated slightly from the lot width, setback, and stepback standards. This is a good example of how State density bonus can be used to support projects at much higher densities than what would otherwise be allowed. It also demonstrates that the LSAP development standards are not a constraint to housing development.

Table 6-11: Example Project #2 in LSAP Area

Address: 1150-1170 Kifer Road

Zoning Designation: Flexible Mixed Use I (MXD-I)

**Project Description:** Redevelopment of an existing parking lot for adjacent office building to create an 8-story apartment building containing 225 housing units. The development applies the State Density Bonus by reserving 24% (36 units) of

the base units as affordable for lower-income households.

| Development Standard   | Required   | Prototype   |
|--|------------|---|
| Minimum Lot Size   | 22,500 sf  | 87,156 sf   |
| Minimum Lot Width  | 200′       | 188' *State Density Bonus Waiver  |
| Maximum Lot Coverage   | 80%        | 65%   |
| Minimum Front Yard Setback<br>(San Zeno Way)   | 15′        | 15′   |
| Minimum Side Yard Setback (not adjacent to residential uses)   | 10'        | 10' on north side <10' on south side due to 22' shared use path *State Density Bonus Waiver |
| Minimum Rear Yard Setback  | 10'        | 10′   |
| Maximum Height   | 100′       | 92'-2"  |
| Stepback (above 50')   | 30′        | 28' (Stories 5-7)<br>32' (Story 8)<br>*State Density Bonus Waiver                           |
| <b>Usable Open Space</b><br>50 sf per unit   | 11,200 sf  | 19,335 sf   |
| Landscaped Area<br>20% of lot area   | 17,431 sf  | 35,312 sf<br>*Qualifies for LSAP Incentive for<br>35% Landscaped Area                       |
| Residential Parking Minimum  1 per Studio and 1BR Unit x 155 Units  1.25 per 2BR Unit x 62 Units  1.7 per 3BR Unit x 8 Units | 247 spaces | 113 spaces *State Density Bonus Waiver  |
| Office Parking Requirement (for adjacent 104,498 sf office) 2.75 per 1,000 sf  | 287 spaces | 301 spaces  |
| Short-term Bicycle Parking Requirement 1 space per 15 units  | 15 spaces  | 22 spaces   |
| Long-term Bicycle Parking Requirement 1 spaces per 4 units   | 57 spaces  | 357 spaces  |
| Base Maximum Density (du/acre)   | 45 du/acre | 112.5 du/acre<br>Proposed LSAP Incentives: 30   |
| Maximum Density with Incentives (du/acre)  | 80 du/acre | points  |
| Maximum Units (Max Density w/ Incentives x 2 acres)  | 150 units  | 225 units<br>*State Density Bonus   |

## **El Camino Real Specific Plan**

The El Camino Real Specific Plan (ECRSP) was adopted by City Council on June 28, 2022, and replaces the 2007 Precise Plan for El Camino Real. The ECRSP designates the El Camino Real corridor largely as mixed use "nodes" connected by commercial "segments." Nodes are planned as high-density mixed-use, pedestrian-oriented, transit

supported neighborhoods. Segments are planned to remain primarily commercial with some opportunity for residential mixed-use development. The proposed land use plan for the ECRSP is shown in Figure 6-3. The plan is estimated to accommodate 6,900 net new housing units over the next 20 to 30 years (i.e., through 2050).

Similar to the LSAP, the ECRSP provides an incentive program (ECRSP Community Benefits Program) to encourage redevelopment projects that provide community benefits such as sustainability and transportation provisions, additional retail space, and additional affordable housing (very low income units). In exchange for providing community benefits, the incentive program allows properties to be developed beyond the base maximum density.

Table 6-12 outlines the ECRSP land use designations and corresponding zoning districts. For each designation, the table also shows the base density and total number of additional units per acre provided through the incentive program (not including the City's Green Building Program or applicable State density bonuses). Like the LSAP, for projects requesting a State density bonus, the bonus percentage is applied to the maximum density achieved through the ECRSP Community Benefits Program and/or Green Building program.

Permitted uses by zoning district are described in Table 6-13.

Table 6-12: El Camino Real Specific Plan Land Use and Zoning Districts

|   | •                                      |  |   |  |   |
|---|--|--|---|--|---|
| ECRSP Land Use Type                             | Corresponding<br>Zoning<br>District(s) | Base<br>Density<br>(Units per<br>Gross Acre) | Total unit per<br>acre incentive<br>points<br>available | Maximum Density w/ ECR Incentive Program | Residential Use Types   |
| El Camino Real Mixed-                           | ECR-MU24                               | 24   | 6   | 30                                       | Higher-density residential  |
| Use   | ECR-MU28                               | 28   | 10  | 38                                       | uses. Requires ground-  |
|   | ECR-MU33                               | 33   | 12  | 45                                       | floor commercial use on El  Camino Real.                                    |
|   | ECR-MU42                               | 42   | 14  | 56                                       | Cumino Neui.  |
|   | ECR-MU54                               | 54   | 20  | 74                                       |   |
| El Camino Real<br>Medium Density<br>Residential | ECR-R3                                 | 15-24  | N/A   | -  | Townhomes, apartments, and condominiums.                                    |
| El Camino Real High<br>Density Residential      | ECR-R4                                 | 25-36  | N/A   | -  | Higher density residential and mixed-use development.                       |
| El Camino Real<br>Corridor Commercial           | ECR-C                                  | -  | -   | -  | Prohibits residential uses,<br>except as allowed under<br>AB 2011 and SB 6. |
| El Camino Real Office                           | ECR-O                                  | -  | -   | -  | Prohibits residential uses,<br>except as allowed under<br>AB 2011 and SB 6. |
| El Camino Real Public<br>Facilities             | ECR-PF                                 | -  | -   | -  | Prohibits residential uses,<br>except as allowed under<br>AB 2011 and SB 6. |

<sup>&</sup>lt;sup>1</sup> New residential development in the El Camino Real Specific Plan is required to build to at least 85 percent of the zoning district base maximum density.

Source: City of Sunnyvale, El Camino Real Specific Plan, 2022.

Additional densities may be achieved above the base maximum density or density obtained through the City's Green Building Program and/or the El Camino Real Specific Plan Community Benefits/Incentives Program by providing affordable housing consistent with State Density Bonus Law. Additional densities above the base maximum density are calculated in the following order: 1) apply the density bonus percentage through the City's Green Building Program; 2) add the incentive points gained through the El Camino Real Specific Plan Community Benefits/Incentives Program; 3) apply the State Density Bonus percentage achieved by the project.

Table 6-13: Residential Use Types allowed within the El Camino Real Specific Plan Zoning Districts

| Use  | ECR-C | ECR-MU           | ECR-O | ECR-PF | ECR-R3         | ECR-R4         |
|--|-------|------------------|-------|--------|----------------|----------------|
| Single -family dwelling                                | N     | N                | N     | N      | UP             | UP             |
| Two-family dwelling                                    | N     | N                | N     | N      | Р              | Р              |
| Multiple-family dwelling & accessory building and uses | N     | SDP <sup>1</sup> | N     | N      | P <sup>3</sup> | P <sup>3</sup> |
| Mobile home park                                       | N     | N                | N     | N      | N              | N              |
| Single room occupancy (SRO) facilities                 | N     | SDP <sup>2</sup> | N     | N      | N              | UP             |
| Residential care facility, 6 or fewer                  | N     | SDP              | N     | N      | UP             | UP             |
| Emergency shelter                                      | N     | N                | N     | N      | N              | N              |

Notes: P = Permitted use. SDP = Special development permit required. UP = Use permit required. N = Not permitted, prohibited.

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

Currently the ECRSP area is a primarily commercial corridor. The ECRSP establishes a framework for the area to transition to a more mixed-use with residential neighborhood while still maintaining community-serving businesses. The ECRSP requires residential mixed-use developments to provide a commercial/retail component, either on the ground floor of a vertical mixed-use development or in a standalone commercial building as part of a horizontal mixed-use development. Existing retail FARs in the plan area average approximately 25 percent, whereas future commercial FARs will range from 10 percent to 20 percent and are based on property size and frontage. As the ECRSP area transitions from a commercial corridor to a mixed-use with residential neighborhood, the commercial requirement is intended to enable community-serving retail and commercial establishments to remain centrally located and adjacent to residential uses. Redevelopment of the ECRSP may result in a reduction of overall retail in the ECRSP, but the commercial requirement ensures that retail and commercial services are adequate to meet the growing population's needs. The minimum ground floor commercial requirement is dependent on lot size, as shown in Table 6-14 below. Chapter 19.36 of the Sunnyvale Municipal Code identifies which use types are considered "active uses", including retail sales businesses, restaurant and fast-food restaurants, personal service business, childcare center, recreational and athletic facilities, place of assembly, office, medical office, and animal hospital, clinic, and boarding.

Table 6-14: El Camino Real Minimum Ground Floor Commercial Requirements for Mixed-Use Development

| Lot Size                | Minimum Required Commercial Area, whichever is greater <sup>1, 2</sup> |                                       |  |  |  |  |
|-------------------------|--|---------------------------------------|--|--|--|--|
| 50,000 sq. ft. or less  |  | 7,000 sq. ft.                         |  |  |  |  |
| 50,001-100,000 sq. ft.  | 10,000 sq. ft.   |                                       |  |  |  |  |
| 100,001-150,000 sq. ft. | 20,000 sq. ft.   |                                       |  |  |  |  |
| 150,001-200,000 sq. ft. | 30,000 sq. ft.   | 75% of El Camino Real frontage length |  |  |  |  |
| 200,001-300,000 sq. ft. | 40,000 sq. ft.   | x 50                                  |  |  |  |  |
| 300,001-400,000 sq. ft. | 50,000 sq. ft.   |                                       |  |  |  |  |
| 400,000 sq. ft. or more | 60,000 sq. ft.   |                                       |  |  |  |  |

<sup>&</sup>lt;sup>1</sup> If the floor area values/calculations presented above yield a value that is over 20 percent of the lot size, a commercial area capped at 20% of the lot size shall also be permitted.

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

Residential-only developments are not permitted. Multiple-family dwelling uses are only permitted in a mixed-use development (as a new residential component over an existing commercial site that already meets development regulations).

<sup>&</sup>lt;sup>2</sup> Only permitted in ECR-MU33, 42, and 54.

<sup>&</sup>lt;sup>3</sup> A use permit is required for multiple-family dwellings of more than 50 units.

<sup>&</sup>lt;sup>2</sup> If a property has no frontage along El Camino Real, a commercial area capped at 10 percent of the lot size, or 75% of Major Commercial frontage length x 50 if the property is 400 feet or more from El Camino Real, shall also be permitted.

The ECRSP establishes minimum lot sizes for the various nodes and segments, as shown in Table 6-15, and identifies development standards for mixed-use developments, shown in Table 6-16. Development in the ECR-R3 and ECR-R4 zoning districts are subject to the R-3 and R-4 zoning district standards shown in Table 6-4 above.

Table 6-15: Minimum Lot Size

| Node or Segment                | Minimum Lot Size |
|--------------------------------|------------------|
| Bernardo Gateway Node          | 0.85 acre        |
| West Segment                   | N/A¹             |
| Civic Center Node              | 1.5 acres        |
| Orchard District Node          | 0.7 acre         |
| Center Segment                 | 0.5 acre         |
| Three Points Neighborhood Node | 0.85 acre        |
| East Segment                   | 0.7 acre         |

<sup>&</sup>lt;sup>1</sup> Residential mixed-use developments are not permitted in the West Segment

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

Table 6-17 shows a recent example of a project proposed within the ECR Specific Plan area. The project at 1124 West El Camino Real involves the redevelopment of an occupied car dealership to create a mixed use development with 116 units. The project will redevelop the existing ground floor commercial frontage along El Camino Real and add five stories of residential apartments with five single family homes along the rear. The project is proposed at the maximum density of 33 units per acre, satisfies the ground floor commercial area requirement, meets or exceeds all setback requirements, is below the maximum height, exceeds the required parking, and greatly exceeds the useable open space and landscaping requirements. This demonstrates that the development standards in the ECRSP do not preclude projects from achieving maximum densities.



Rendering of example project #2: housing proposed above a car dealership at 1124 West El Camino Real

Table 6-16: Residential Development Standards within the El Camino Real Specific Plan Zoning Districts

| Standard   | Node  | Segment  |  |  |
|--|---|--|--|--|
| Setback Requirements   |   |  |  |  |
| Through/Furniture Zone Width (New Right-of-Way) <sup>1</sup>   | El Camino Real Frontages: 13 feet<br>All Other Frontages: 11 feet                           |  |  |  |
| Frontage Zone Setback (Build-to-Line) <sup>2</sup>   | 15 1  | feet   |  |  |
| Minimum Percentage of Building Frontage at Build-to-Line   | 80%   | 60%  |  |  |
| Minimum Side/Rear Yard Setback (From Lot Line Shared with Another Plan Area Property)                                      | O f   | eet  |  |  |
| Minimum Side/Rear Yard Setback (From Lot Line Shared with a Non-Plan Area Property)  | 10  | feet   |  |  |
| Height and Stepback Requirements   |   |  |  |  |
| Maximum Building Height  | 75 feet <sup>3</sup>  | 55 feet <sup>3</sup>   |  |  |
| Maximum Building Height (if first floor retail space has a minimum 25-foot ground floor plate height)                      | 85 feet <sup>3</sup>  | 65 feet <sup>3</sup>   |  |  |
| Stepback   | Applied to 5 <sup>th</sup> story and above  | Applied to 4 <sup>th</sup> story and above   |  |  |
| Stepback (if first floor retail space has a minimum 25-foot ground floor plate height)                                     | Applied to top 2 stories  | Applied to top 1 story   |  |  |
| Minimum Stepback from Build-to Line  | 10 feet from face of building, for at least 60 percent of the building frontage length      | 5 feet from face of<br>building, for at least 60<br>percent of the building<br>frontage length |  |  |
| Ground Floor Requirements  |   |  |  |  |
| Minimum Ground Floor Active Use Area <sup>4</sup>  | Multiply length (linear feet) of ground floor building frontage at build-to line by 20 feet |  |  |  |
| Maximum Ground Floor Finish Level above Sidewalk   | 6 inches (commercial)<br>3 feet (residential)   |  |  |  |
| Minimum Ground Floor Interior Height (Commercial)  | 18 feet   | 16 feet  |  |  |
| Minimum Ground Floor (Ground Floor Residential)  | 10 feet   |  |  |  |
| Daylight Plane Requirements  |   |  |  |  |
| Minimum Daylight Plane Angle (From Lot Line Shared with a Non-<br>Plan Area Property)                                      | 45 degrees  |  |  |  |
| Minimum Daylight Plane Angle (From Lot Line Shared with a Non-<br>Plan Area Property in a Non-Residential Zoning District) | 60 degrees  |  |  |  |

The new right-of-way is measured from the face of curb. See Chapter 6 of the El Camino Real Specific Plan for the pedestrian realm cross-section details.

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

<sup>&</sup>lt;sup>2</sup> The frontage zone setback/build-to line is measured from the new right-of-way line. For property frontages along El Camino Real, the front setback area shall allow for a pedestrian realm easement as identified in Chapter 6 of the El Camino Real Specific Plan.

<sup>&</sup>lt;sup>3</sup> Subject to daylight plane requirements.

<sup>&</sup>lt;sup>4</sup> Subject to requirements outlined in Sunnyvale Municipal Coode Section 19.36.120.

Table 6-17: Example Project #1 in El Camino Real Specific Plan Area

**Address:** 1124 W El Camino Real **Zoning Designation:** ECR-MU33

**Project Description:** Redevelopment of an occupied, 3.56-acre car dealership to create a mixed use development with 116 units (111 multifamily and 5 single family) in the Bernardo Gateway Node of the El Camino Real Specific Plan. Project will redevelop the existing commercial use with frontage on El Camino Real while adding new residential units.

| 1 0   | <u> </u>   |               |
|---|------------|---------------|
| Development Standard  | Required   | Prototype     |
| Minimum Lot Size – Bernardo Gateway Node  | 0.85 acres | 3.56 acres    |
| Minimum Through/Furniture Zone Width (El Camino Real)   | 13'        | 13′           |
| Minimum Through/Furniture Zone Width (Connector Street)   | 11'        | 11'           |
| Minimum Frontage Zone Setbacks (El Camino Real and Connector Street)  | 15′        | 15′           |
| Minimum Side Setback<br>(Shared with ECRSP Property)  | 0′         | 4'-6"         |
| Minimum Rear Setback<br>(Shared with <i>non</i> -ECRSP Property)  | 10′        | 20′-4″        |
| Maximum Height (Node with 25' Ground Floor Retail Height)   | 85'        | 82'-10"       |
| Usable Open Space (ECR-MU33) 200 sf per multifamily unit (111 units)  | 22,200 sf  | 37,731 sf     |
| Landscaped Area<br>20% of lot area  | 31,014 sf  | 56,086 sf     |
| Ground Floor Commercial Area Lot Size = 150,001 sf - 200,000 sf   | 30,000 sf  | 30,271 sf     |
| Residential Parking Minimum  1.25 per 2BR unit x 10 Units  1.7 per 3BR unit x 80 Units  1.7 per 4BR unit x 21 Units  2 per Single Family Home x 5 Units | 207 spaces | 244 spaces    |
| Commercial Parking Requirement 4 per 1,000 sf of commercial area 2 for leasing office   | 123 spaces | 125 spaces    |
| Short-term Bicycle Parking Requirement  1 space per 15 multifamily units  1 space per 4,000 sf  | 15 spaces  | 18 spaces     |
| Long-term Bicycle Parking Requirement 2 spaces per 3 multifamily units 1 space per 10,000 sf  | 77 spaces  | 105 spaces    |
| Maximum Density   | 33 du/acre | 32.58 du/acre |
| Maximum Units 33 du/acre x 3.56 acreage   | 117 units  | 116 units     |

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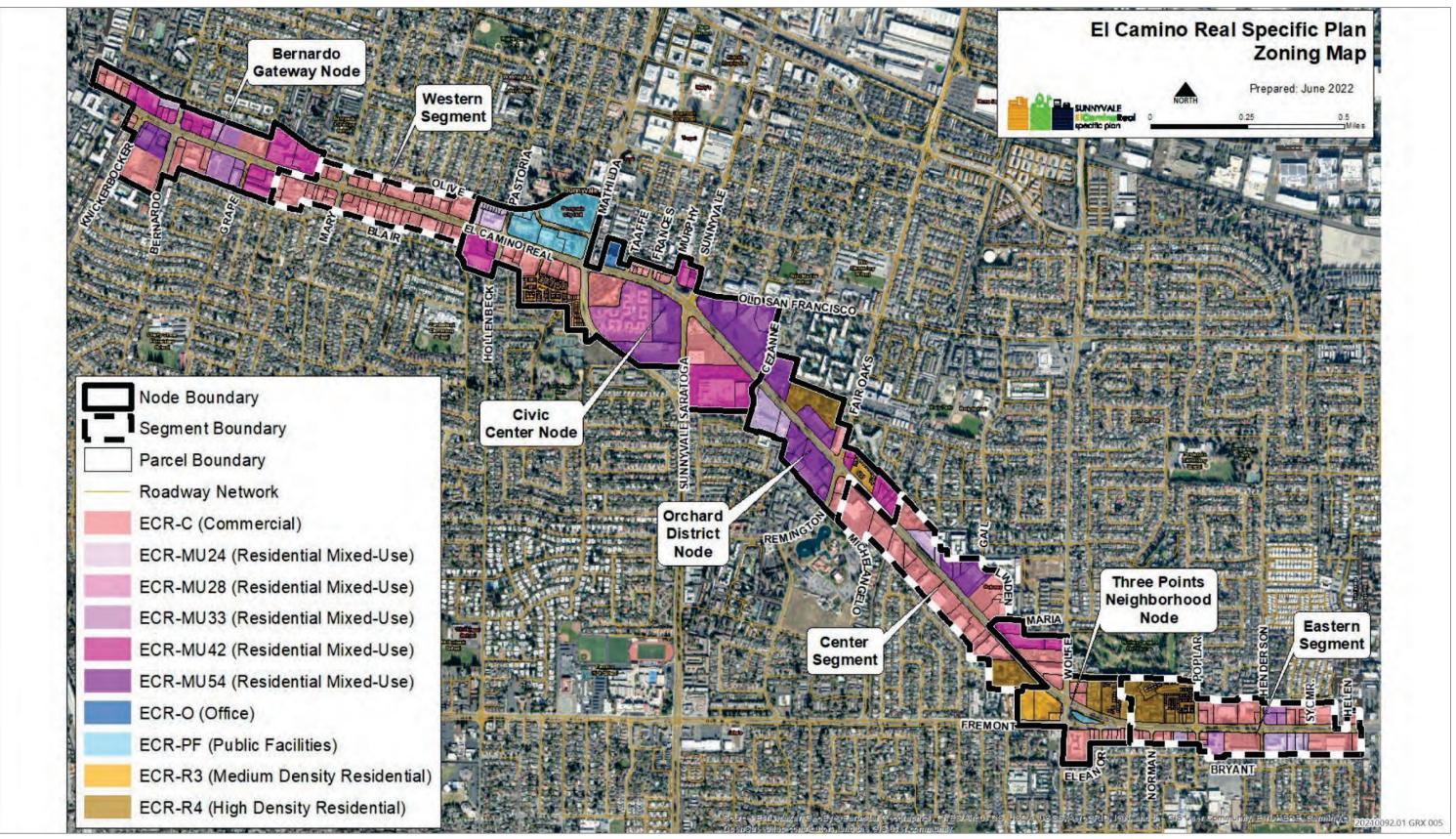
## **Moffett Park Specific Plan**

The Moffett Park Specific Plan encompasses 1,156 acres located in northern most portion of the city. The plan was originally adopted in 2004, and several smaller map updates have been made since. There was also a text amendment in 2013. The previous plan focused on incentivizing office development, industrial uses, and other non-residential development. However, the comprehensive plan update facilitates residential uses within the plan area to address the City's housing needs and promote a walkable and bikeable environment. The plan was adopted in July 2023. The proposed draft land use plan for the updated Moffett Park Specific Plan, as of May 2023, is shown in Figure 6-4. As the updated Moffett Park Specific Plan has not yet been adopted, this map is subject to change and does not reflect the final map.

## **Village Center Master Plans**

The General Plan Land Use and Transportation Element identified seven locations throughout the city as Village Centers and designated them as Village Mixed Use. The Village Mixed Use designation intends to transform older shopping centers and office areas into medium density, mixed-use developments. The designation focuses on mixed-use requiring 10 to 25 percent commercial or office component, allows buildings up to four stories, and permits an average residential density of up to 18 units per acre for the entire Village Center site. Residential development may be clustered which could result in a higher effective density. The Land Use and Transportation Element directs the preparation of a plan to further outline the specific development standards applicable to each center. As part of the Village Center Master Plan process, Program H3 of this Housing Element, and in Action LT-4.2b of the Land Use and Transportation Element, the City will create a new mixed-use Village Center zoning designation to ensure consistency with the General Plan land use designation. The planning effort is currently underway.

Figure 6-3: El Camino Real Specific Plan Zoning



Source: City of Sunnyvale, June 2022.

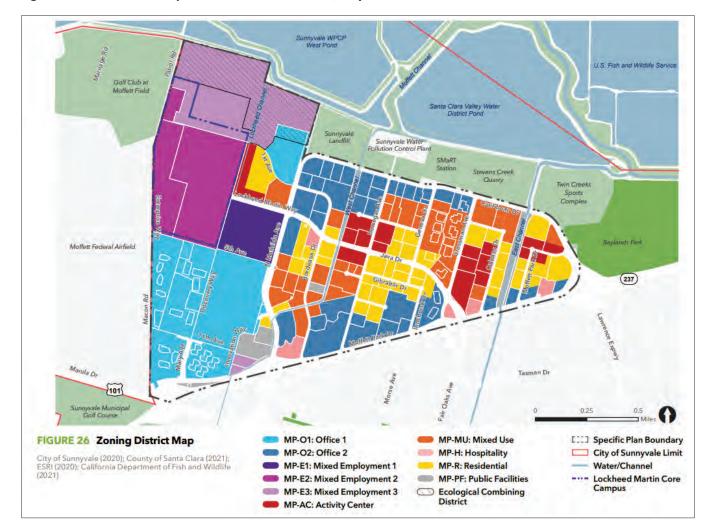


Figure 6-4: Moffett Park Specific Plan Land Use Plan, July 2023

Source: City of Sunnyvale, July 2023.

#### **Additional Area Plans**

Additional planning documents have been adopted to guide development in the city. However, these plan areas are either built out, fully entitled and under construction, or do not provide significant additional residential development opportunity. The following provides a brief description of these planning documents.

- Peery Park Specific Plan. The Peery Park Specific Plan was adopted in September 2016 and encompasses 446 net acres in the western portion of the city. The plan envisions Peery Park to be a cutting- edge workplace district and focuses primarily on non-residential development. Some residential is permitted in the Neighborhood Transition district of the plan area. Residential development must meet the processes, procedures, and development standards pertaining to the Medium Density Residential (R-3) zoning district, with the following exceptions:
  - Residential densities of 16-21 dwelling units per acre are permitted on specified sites.
  - Height is limited to two stories and 30 feet, as outlined in Section 2.2.2.C.1.a, Special Building Height Limits, of the plan development code.

- The residential portion of the plan area is largely built out and no sites were selected for additional housing development opportunities. The City Council authorized the study of two additional sites for housing at the time of plan adoption; no applications have been submitted for these sites.
- East Sunnyvale Sense of Place Plan. A streetscape and circulation improvement plan to support the transition of industrial to residential uses between East Duane Avenue, Lawrence Expressway, Stewart Drive, and North Wolfe Road. This area has been redesignated for residential uses in the General Plan and has primarily been redeveloped to residential uses. The AMD residential project is currently under construction and completes the transition.
- Lakeside Specific Plan. The Lakeside Specific Plan, updated in 2016, is specific to an 8.8-acre project site at 1250 Lakeside Drive. The plan identifies project specific development standards to allow a 263-room hotel along with 250 apartment units. Because this plan is specific to a project that has been entitled and the residential units have been completed, no further housing capacity is anticipated within this specific plan and no further discussion of potential housing constraints is appropriate.
- Lawrence/101 Specific Plan. The Lawrence/101 Specific Plan encompasses the area southeast of the Lawrence Expressway and Highway 101 interchange, north of Oakmead Parkway, and west of Lakeside Drive. The area has been built out with 709 apartment units and no further development is anticipated.
- Tasman Crossing. This area is located near Tasman Drive and Fair Oaks Avenue. The General Plan designates this area for Medium Density Residential, High Density Residential, and Village Mixed-Use. Several development projects have essentially transformed this area from industrial to residential uses, including the approved 135-unit townhome project at 1139 Karlstad Drive and the 18-unit condominium project currently under construction at 1111 Karlstad Drive. Limited redevelopment opportunities remain. The area was expanded to allow redevelopment of three industrial properties to residential in 2016 (those developments are completed with 670 residential units).
- Arques Campus Specific Plan. The Arques Campus Specific Plan was adopted in 1999 to permit an industrial campus development. The area is designated industrial and is built out. A new specific plan, the Central Arques Specific Plan, is in the early stages of development and will replace the 1999 Arques Campus Specific Plan. The new specific plan will be reserved for office, research and development, and industrial uses. Residential uses will remain prohibited.

### **CONCLUSION**

The City's land use controls provide for a balance of non-residential and residential uses at varying density and intensity to meet the needs of Sunnyvale residents. There is limited land located outside of the specific plan areas that is suitable for large multifamily developments. The inventory identifies approximately 11 acres of land suitable for redevelopment with capacity for 338 units, the majority of which are within the Planned Development combining district. Therefore, the use permit requirement for large multifamily developments outside of specific or area plans is not considered a major constraint on development. The City's specific plans provide additional specificity of standards and guidance in key areas of the city to increase certainty for developers and encourage redevelopment. The incentive programs provided by the LSAP and ECRSP further incentivize redevelopment and conversion of non-residential uses to residential uses. Developers have expressed that the LSAP incentive program has been beneficial, and many have used the LSAP incentive program to increase residential density in the plan area. The City anticipates a similar outcome for the ECRSP. A special development permit is required for multifamily developments in specific and area plans. As described under "Processing and Permitting Procedures" below, this permit includes a design review to ensure the development is consistent with the City's development standards.

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Although essential to creating a sense of place and pedestrian oriented environment, the requirement for an active ground floor in the mixed use designation of the ECRSP may constrain affordable housing developments dependent on California Tax Credit Allocation Committee or other grant funding. As such, the Housing Element includes a program to develop a program to address the commercial requirement to facilitate 100 percent affordable housing developments in the ECRSP.

# **Parking Requirements**

The Zoning Code outlines citywide parking requirements for residential development as well as specific parking requirements applicable to residential and mixed-use development within the Downtown Specific Plan, El Camino Real Specific Plan, and Lawrence Station Area Plan.

# **CITYWIDE PARKING REQUIREMENTS**

Sunnyvale's citywide residential parking requirements vary by housing type, and by number of bedrooms for multifamily units. Single family dwellings are required to provide a minimum of four spaces total, two of which must be covered and not in tandem. Uncovered parking spaces on a driveway count as two of the four spaces required. New developments of single-family or two-family dwellings with limited street parking must provide an additional 0.4 unassigned parking spaces per unit in addition to the minimum spaces required. Parking spaces on driveways do not qualify as required unassigned parking.

Multi-family developments, such as townhomes, condominiums, and apartments, are required to provide at least one covered assigned space per unit. Additional unassigned spaces are also required because multi-family developments typically do not have private driveways for additional parking or public street frontage. The number of unassigned parking spaces required is different based on the type of covered assigned space provided, as shown in Table 6-18.

The Zoning Code also outlines parking requirements for single room occupancy facilities (SROs) and other special housing developments. Parking requirements for SROs are based on unit size. SROs with units of less than 200 square feet are required to provide 0.25 space per unit. SROs with units of 200 - 250 square feet are required to provide 0.5 space per unit. SROs with units greater than 250 square feet are required to provide 1 space per unit.

Mobile home parks are required to provide two spaces per unit plus one space per employee living off-site and one additional space per special purpose vehicle. Tandem parking is permitted.

Table 6-18: Parking Requirements for Multi-family Dwellings

| Type of Covered Assigned<br>Space Provided                 | Number of Bedrooms      | Number of Parking Spaces Required   |
|--|-------------------------|---|
|  | One-bedroom units       | 0.5 unassigned spaces per unit  |
| One narling chase ner unit in                              | 2-bedroom units         | 1 unassigned space per unit   |
| One parking space per unit in carport or parking structure | 3-bedroom units         | 1 unassigned space per unit   |
|  | 4-bedroom units or more | Use the 3-bedroom requirement and add 0.15 unassigned spaces for each bedroom above the third bedroom |
|  | One-bedroom units       | 0.8 unassigned spaces per unit  |
| One parking space per unit in fully-enclosed garage        | 2-bedroom units         | 1.33 unassigned space per unit  |
|  | 3-bedroom units         | 1.4 unassigned space per unit   |

| Type of Covered Assigned<br>Space Provided | Number of Bedrooms      | Number of Parking Spaces Required   |
|--|-------------------------|---|
|  | 4-bedroom units or more | Use the 3-bedroom requirement and add 0.15 unassigned spaces for each bedroom above the third bedroom |
|  | One-bedroom units       | 0.25 unassigned spaces per unit   |
|  | 2-bedroom units         | 0.4 unassigned space per unit   |
| Two parking spaces per unit                | 3-bedroom units         | 0.5 unassigned space per unit   |
|  | 4-bedroom units or more | Use the 3-bedroom requirement and add 0.15 unassigned spaces for each bedroom above the third bedroom |

Source: Sunnyvale Municipal Code, Title 19.

Parking requirements for affordable housing, senior citizen housing, SROs, and housing for persons with disabilities are reduced to accommodate special housing developments. Table 6-19 shows parking requirements for special housing developments. Further reductions to parking requirements may be granted if the approving body finds that the applicant's proposed parking standard is adequate through a combination of any of the following considerations: location or proximity to transportation, variety or forms of transportation available, accessibility, services and programs offered, or population served by the proposed housing development. These parking standards differ from those allowed under State density bonus ordinance (Government Code Section 65915). Developers of affordable and senior housing projects that qualify for a State density bonus may request reduced parking standards, as shown later in Table 6-22 below.

**Table 6-19: Parking for Special Housing Developments** 

| Type of Housing                                    | Type of Unit  | Required Parking Spaces  |
|--|---|--------------------------|
| Affordable to Lower Income                         | One-bedroom   | 1 space per unit         |
| Households   | 2 or 3 bedrooms   | 2 spaces per unit        |
|  | 4 or more bedrooms  | 2.15 spaces per units    |
|  | Unit of any size for senior citizens or persons with disabilities | 0.6 spaces per unit      |
| Standard housing (not restricted affordable units) | Unit of any size for senior citizens or persons with disabilities | 1 space per unit         |
| Assisted Living                                    | Unit of any size  | 0.25 spaces per resident |
| Single Room Occupancy (SRO)                        | Unit size less than 200 square feet                               | 0.25 spaces per unit     |
| Facilities   | Unit size 200 to 250 square feet                                  | 0.5 spaces per unit      |
|  | Unit size greater than 250 square feet                            | 1 space per unit         |

Source: Sunnyvale Municipal Code, Title 19.

For mixed use developments including both non-residential and residential uses, outside of specific or area plans, the Director or approving body may determine parking ratios based on accepted guidelines such as the Institution of Transportation Engineers (ITE) or Urban Land Institute (ULI). In addition, parking management plans and bicycle parking are required for mixed use development. Shared parking has been considered in mixed-use proposals where uses have different peak parking demands. The City's Mixed-Use Toolkit, adopted in 2015, includes potential strategies for reducing car dependence and parking demands in mixed use developments. Strategies include shared parking, unbundled parking, car and bike sharing, subsidized transit passes and shuttles to transit, and bicycle parking.

## **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

|                        | Node               |                       | Segment            |                       |
|------------------------|--------------------|-----------------------|--------------------|-----------------------|
| Residential Unit Type  | Minimum (per unit) | Maximum (per<br>unit) | Minimum (per unit) | Maximum (per<br>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 <sup>1</sup>     | Short Term (Class II) | Long Term (Class I)  |
|-----------------------------------|-----------------------|----------------------|
| General/low-income/senior housing | 1 space per 15 units  | 2 spaces per 3 units |

<sup>11</sup> 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. The Housing Element includes programs to provide clear and transparent parking standards for mixed use developments outside of specific plan areas.

# **Site Improvements**

The Sunnyvale Zoning Code requires housing developers to provide wiring for electrical and telecommunications, including undergrounding of utilities and open space for all residential development. For multi-family units, developers are also required to provide secure storage space and landscaping.

The Subdivision Code (Title 18 of the Sunnyvale Municipal Code) requires the following site improvements:

- cross gutters;
- curbs and gutters;
- sidewalks;
- street name signs and traffic control signs;
- street paving;
- street trees;
- ornamental street lighting system;
- sanitary sewage collection and pumping system;
- water distribution and fire protection system;
- storm water drainage system;
- fences along lot lines adjacent to proposed or existing surface water drainage channels;
- fences and landscaping along rear lot lines of lots backing upon streets or highways;
- off-tract improvements, wherever such improvements are required for the general health, safety and welfare, and where conditions necessitating such improvements are caused or aggravated by the subdivision; and
- the dedication of rights-of-way or granting of easements when necessary for the proper layout and maintenance of facilities.

All of these requirements, with the exception of the requirement for "ornamental" street lighting, are necessary for the health and welfare of those living in the subdivision or to mitigate impacts on the surrounding community. Some of the requirements, such as those for street paving, street name signs and traffic control signs have little impact on housing construction, as the street network is already completed in most areas of the city.

#### CONCLUSION

While these site improvement requirements add to the cost of housing, they are consistent with current market demand and similar to requirements in other Bay Area communities. These requirements are not considered to be a constraint on housing production.

# **Park Dedication Requirements**

The City requires residential subdivisions and multifamily housing developments to dedicate land and/or pay a fee for parks and open space purposes based on the net new units created by the project. The park dedication requirement for residential subdivisions is authorized by the Quimby Act and is codified in Sunnyvale Municipal Code, Chapter 18.10; whereas the requirement for multifamily rental housing is authorized by the Mitigation Fee Act and is codified in Sunnyvale Municipal Code, Chapter 19.74. The intent of the Park Dedication requirement is to provide parks, open space, and recreational facilities to meet the needs of Sunnyvale residents. Ensuring adequate parks and recreation space is an important component in maintaining quality of life for existing and future residents throughout Sunnyvale. This need is especially critical as many former industrial areas convert to residential use and become increasingly populated.

The City has similar park dedication standards for residential developments without subdivisions (i.e., rental housing). A key difference is that the standard for rental development only applies to developments of three or more housing units (see below for further differences in the two programs) and has exemptions for affordable units. Existing single family unit projects, duplexes, ADUs, and DUO projects on existing lots are not subject to Park Dedication requirements because the lot is already existing and is assumed to have already met requirements of the Quimby Act. Only single family projects on newly created lots requiring a subdivision map are subject to Park Dedication requirements. Since Sunnyvale does not have any vacant land, most new single-family homes are either a substantial remodel or a tear down and rebuild of an existing unit and therefore do not trigger the Park Dedication requirement.

Park Dedication In-lieu fee revenue is used to purchase land, buy equipment, and construct improvements for parks and recreational facilities that serve the housing project. Park Dedication In-lieu fees cannot be used for ongoing operational or maintenance costs.

In 2009 the City approved a policy to maintain an open space level of service of 5.34 acres per 1,000 residents (the actual ratio at the time was about 5.7 acres per thousand population). This policy is reflected in the General Plan Land Use and Transportation, Chapter 3. The Park Dedication Requirement was codified as five acres of open space per 1,000 persons in 2011. The required land dedication acreage varies depending on project density, ranging from 0.01375 acres per net new unit for low density developments (seven or fewer units per acre) to 0.0090 acres per net new unit for medium high and very high densities (over 14 units per acre). The land dedication requirement is reviewed with the publication of US Census Data and adjusted if the number of persons per household changes significantly.

Projects that are unable to dedicate the required acreage within the project area must pay the Park Dedication Inlieu fee (or provide a combination of land and fees equivalent to the acreage requirement). In-lieu fees are based on the fair market value of land and are adjusted annually to reflect changing land values. Since 2013, the City has used the same methodology to determine annual in-lieu fee amounts. The City hires a real estate appraiser to create a local land valuation report for sale of land for residential uses from the prior year. To ensure accuracy, parcels included in the valuation report are evaluated for appropriate zoning and suitability as parkland. The highest and lowest values are removed from the report and the City determines the average price per square foot based on the remaining values.

As of 2022, the Park Dedication In-lieu fee is \$185 per square foot of land. Based on this value, in-lieu fees range from \$110,805.75 per net new unit for low density developments to \$72,527.40 per net new unit for medium and high density developments. In 2023 the land valuation was lowered to \$180 per square foot resulting in fees ranging

from \$70,567 (medium to high) to \$107,811 (low density). Very few new units are developed at low density with well over 90 percent of new units falling into the higher density (lower park dedication or in-lieu fee standard). The City is in the process of evaluating Park Dedication In-lieu fees to establish a reasonable fee based on density and unit sizes. Based on this evaluation, fees for multifamily housing will be reduced.

### **APPLICABILITY AND EXEMPTIONS**

Any units designated as rental affordable housing are exempt from the Park Dedication requirements. Single family, duplex, ADUs, and DUO projects on existing lots are not subject to Park Dedication requirements. DUO projects that include a lot split are not exempt; in these cases, the property owner could offset the cost of the In-lieu fees through the sale of the newly created parcel and would likely profit from the lot split. As of February 2023, the City has received two applications for DUO projects that include a lot split. Both projects intend to pay the required Park Dedication In-lieu fee.

Table 6-24 shows the applicability of the Park Dedication requirement for different project types. If applicable, Table 6-25 shows the Park Dedication acreage requirement by project density and the corresponding in-lieu fee if the requirement is not met through land dedication. The Park Dedication requirement is structured so that medium and higher density projects, including most multi-family residential projects, have lower park dedication requirements and in-lieu fee amounts per unit than lower density projects, such as single-family homes involving a lot split. ADU projects, which add density to many lower density residential areas, are exempt from the Park Dedication requirement.

Table 6-24: Park Dedication Requirement Applicability by Project Type

| Project Type   | Park Dedication Requirements                                 |
|--|--|
| Single Family, duplex, ADU or DUO (no subdivision map/lot split)   | None   |
| Single Family, duplex, or DUO (includes subdivision map/lot split) | Yes, see Table 6-22 for requirement based on project density |
| Multifamily housing (3 or more units)                              | Yes, see Table 6-22 for requirement based on project density |
| Affordable rental housing  | None   |

Table 6-25: Park Dedication Requirement by Project Density

| Project Density                                 | Park Dedication Requirement (per net new unit) | In-Lieu Fee<br>(per net new unit)* |
|---|--|------------------------------------|
| Low Density<br>(7 or fewer units/acre)          | 0.01375 acres                                  | \$110,805.75                       |
| Low-medium Density<br>(over 7 to 14 units/acre) | 0.0125 acres                                   | \$100,732.50                       |
| Medium and High Density (over 14 units/acre)    | 0.0090 acres                                   | \$72,527.40                        |

<sup>\*</sup>Applicable only if Park Dedication Requirement is not met through land dedication. Fees based on FY 2022/23 Fee Schedule

## **USE OF FUNDS AND DEDICATED LAND**

Since the Park Dedication requirement is applicable to net new residential units, it is frequently employed in former industrial areas in northern Sunnyvale that are transitioning to residential use and are often categorized as moderate resource by TCAC Opportunity measures. See Chapter 4, Fair Housing Assessment, for further discussion on investments in moderate resource areas.

One example of a recent Park Dedication project serving a moderate-resource area is the new Muwékma Park, which opened in 2022 and was created from a 6.5-acre land dedication for the 1,059-unit 1 AMD Place development. In addition to the land dedication, \$11.6 million in Park Dedication In-Lieu funds were used to complete improvements for the new park. Since the 1 AMD Place project was built on a former industrial site with no prior residents, nearby parks were inadequate to serve the needs of the many new residents of the development. Located at 1035 Indian Wells Avenue, Muwékma Park is adjacent to the new development and provides a multi-use field, playground, dog park, and other amenities for public use. Muwékma Park underscores the importance of the Park Dedication requirement in providing important park services for new residents of Sunnyvale and increasing resource accessibility in a moderate-resource area.

Another recent example of the Park Dedication Requirement in action is the creation of a new 2-acre park that will serve the residents of the recent 58-unit "Corn Palace" redevelopment at 1142 Dahlia Court, as well as existing residents of the Ponderosa neighborhood. To meet the Park Dedication Requirement, the developer dedicated 0.725 acres of land. In March 2020, the City purchased an additional 1.25 acres for \$141.60 per square foot (\$7.7 million), using Park Dedication In-Lieu funds. This property will be combined with the dedicated parkland to create an approximately 2-acre park. This example illustrates not only the utility of the Park Dedication requirement, but also the high cost of land required to create new parks to serve new residents.

A list of new parks and park/recreational improvements using Park Dedication land and In-lieu fees that have been completed since 2015 is shown in Table 6-26 below. As new developments are built and land continues to transition from industrial to residential, additional park improvements, including a new public library branch at Lakewood Park, are expected to be completed during the 2023-2031 planning period.

Table 6-26: Projects using Park Dedication Land and In-Lieu Fees since 2015

| Project Name                                       | Description   | Total Costs  |
|--|---|--------------|
| Muwékma Park                                       | Creation of new 6.5-acre Muwékma Park   | \$11,624,985 |
| De Anza Park Pathway<br>Renovation                 | Pathway renovation in Las Palmas Park   | \$542,390    |
| Performing Arts Center Infrastructure              | New orchestra pit cover for Community Center Performing Arts<br>Theater   | \$221,313    |
| Park Tennis and Basketball<br>Court Reconstruction | Renovation of courts at Ortega, Serra, Encinal, Washington,<br>Orchard Garden, Braly, and Ponderosa Parks         | \$523,000    |
| Park Buildings Rehabilitation                      | Demolition and new construction of restrooms at Washington and Serra Parks  | \$1,691,444  |
| Fair Oaks Park                                     | Renovation and enhancement of Fair Oaks Park  | \$18,704,437 |
| Parks Parking Lot Drainage and<br>Surfacing        | Renovation and accessibility improvements to De Anza, Las Palmas, Murphy, Ponderosa, Raynor, and Washington Parks | \$328,613    |
| Washington Swim Center                             | Construction of new swim center facility and pool at Washington Park  | \$12,373,595 |
| Orchard Heritage Park                              | Site work and improvements to Orchard Heritage Park   | \$1,353,328  |

| Project Name  | Description   | Total Costs  |
|---|---|--------------|
| Park Buildings Modernization                        | Renovations to recreation buildings at Washington, Raynor, De Anza, and Ponderosa Parks                                     | \$2,065,917  |
| Las Palmas Park Tennis Center<br>Auxiliary Restroom | Construction of auxiliary restroom at Las Palmas Park   | \$90,685     |
| Playground Equipment<br>Replacement at Las Palmas   | Installation of playground equipment, fencing, and other improvements to Las Palmas Park                                    | \$507,871    |
| Sunnyvale Community Center                          | Accessibility upgrades and improvements to the Recreation Building, Indoor Sports Center, Creative Arts Center, and Theater | \$5,150,006  |
| Seven Seas Park                                     | Creation of 4.3-acre Seven Seas Park  | \$4,916,299  |
| Total   |   | \$60,093,883 |

## **IMPACT ON RESIDENTIAL DEVELOPMENT**

As shown in Table 6-27 below, over 4,400 residential units have met the Park Dedication requirement by dedicating land, paying the In-lieu fee, or a combination of both since 2015. Although the table below does not include information for all entitled multifamily projects under 50 units, these projects alone account for a majority of new residential development in Sunnyvale since 2015 and indicate that the City's Park Dedication requirement does not significantly constrain residential development.

Table 6-27: Entitled Residential Projects Subject to Park Dedication Requirement since 2015

| Address                          | Units | Land Dedication (in acres) | Total Park Fee | Notes   |
|----------------------------------|-------|----------------------------|----------------|---|
| 102 E Fremont Av                 | 35    | -                          | \$1,838,668    |   |
| 166 E Fremont Av                 | 50    | -                          | \$2,548,260    |   |
| 1139 Karlstad Dr                 | 135   | -                          | \$6,880,302    |   |
| 200 S Taaffe St                  | 479   | 1.00                       | \$17,666,095   | Land dedication credit for public use of Redwood Square                                   |
| 220 Carroll St                   | 16    | -                          | \$735,467      |   |
| 1 AMD PI (now Indian<br>Wells Av | 1,051 | 6.50                       | \$14,513,756   | Land dedication for Muwékma Park  |
| 1142 Dahlia Ct                   | 58    | 0.725                      | -              | Land dedication for "Corn Palace" Park  |
| 1155 Aster Av                    | 741   | -                          | \$37,765,213   |   |
| 669 Old San Francisco Rd         | 6     | -                          | \$203,861      |   |
| 311 S Mathilda Av                | 75    | -                          | \$3,408,396    |   |
| 740 San Aleso Av                 | 118   | -                          | \$5,967,633    |   |
| 1008 El Camino Real              | 108   | -                          | \$1,926,485    |   |
| 871 E Fremont Ave                | 138   | -                          | \$6,877,950    |   |
| 1250 Lakeside Dr                 | 250   | 2.25                       | -              | Land dedication credit for public use easement of on-site open space around man-made lake |
| 1120 Kifer Rd                    | 520   | -                          | \$26,298,043   |   |

| Address          | Units | Land Dedication<br>(in acres) | Total Park Fee | Notes                          |
|------------------|-------|-------------------------------|----------------|--------------------------------|
| 915 De Guigne Dr | 450   | 0.80                          | \$13,632,538   | Land dedication for Wiser Park |
| 701 E Evelyn Av  | 204   | -                             | \$7,677,711    |                                |
| Total            | 4,434 | 11.275                        | \$147,940,378  |                                |

Although new housing development in the City continues to be strong, feedback obtained during the public engagement process for this Housing Element update cited the Park Dedication requirement and in-lieu fees as a constraint on housing development, particularly for DUO (i.e., SB 9) lot splits. Comparison of the Park Dedication fees throughout the region shows that Sunnyvale's fees are typically higher than neighboring jurisdictions. The City will continue to ensure that Park Dedication in-lieu fees do not exceed the cost of land acquisition. However, in response to public comments, the City has added Program H18 to review and revise the Park Dedication requirement in order to establish reduced fees for Dual Urban Opportunity lot splits and multi-family developments. See more discussion of the park dedication in-lieu fees later in the chapter in the section on Fees and Exactions.

# **Open Space Requirements**

The Zoning Code identifies minimum landscaped area and usable open space requirements. Requirements for residential zoning districts are shown in Table 6-28. In general, the minimum landscaping and usable open space requirements decrease as residential density increases to ensure that maximum densities can be achieved. Specific plans have separate open space requirements to ensure the viability of very high density residential development. For example, the Downtown Specific Plan and Lawrence Station Area Plan include usable open space requirements as low as 50 square feet per unit. Requirements for specific plan areas are shown for the Downtown Specific Plan, Lawrence Station Area Plan, and El Camino Real Specific Plan in Tables 6-29, 6-30, and 6-31 respectively.

The terms "landscaped area" and "usable open space" are defined in the Chapter 19.12 of the Zoning Code as follows:

- Landscaped area: a portion of a site planted with vegetation utilized for screening or ornamentation. Landscaped areas may include decorative rock or stone, provided that such materials are incidental and do not comprise more than 30 percent of the area. For purposes of computation of landscaped area, automobile parking areas, storage areas, vehicular ways and specifically permitted unenclosed uses shall not be considered as landscaping.
- Usable open space: an outdoor or unenclosed area on the ground, or on a roof, balcony, deck, porch, pool
  area, patio or terrace or recreation building, when designed and accessible for outdoor living, recreation,
  pedestrian access or landscaping, but excluding parking facilities, driveways, utility, service or storage areas.

Since these definitions contain considerable overlap, in residential zoning districts usable open space areas that meet the definition of a landscaped area may also contribute towards both usable open space and minimum landscaped area requirements of the site. These requirements do not need to be added together. Usable open space may include areas such as lawn and play areas, which would count toward both usable open space and the landscaped area requirements. As an example, in the R-3 zoning district, a townhouse development could meet both the usable open space and landscaped area requirements with a usable, landscaped lawn area of 425 square feet per unit. For multi-family and non-residential zoning districts the total minimum landscaped area required is the combination of the minimum parking lot landscaped area and the other landscaped area. This total must be no

less than 20 percent of the lot area. All usable open space and landscaping requirements are the average per project; community open space areas such as pools, picnic areas, and play areas count toward the total amount required per unit.

Single family properties do not have minimum landscaping and usable open space requirements as setbacks assure that open space is available. Yards within single family zoning districts are not required to be landscaped.

Usable open space must be designed to be accessible and usable for outdoor living, recreation, or utility use. In R-4 and R-5 zoning districts, a minimum of 80 square feet of the total 380 square foot usable open space requirement per unit must be designed as private usable open space for each unit.

Table 6-28: Minimum Landscaped Area and Usable Open Space Requirements in Residential Zoning Districts<sup>1</sup>

| Zoning District | Usable Open Space<br>(sq. ft. per unit) | Other Landscaped Area<br>(sq. ft. per unit) | Parking Lot Landscaped<br>Area |  |
|-----------------|---|---|--------------------------------|--|
| R-0             |   |   |                                |  |
| R-1             | N/A                                     | NI/A  | NI/A                           |  |
| R-1.5           | N/A                                     | N/A   | N/A                            |  |
| R-1.7/PD        |   |   |                                |  |
| R-2             | 500 <sup>2</sup>                        | 850   |                                |  |
| R-3             | 400                                     | 425   | 20 percent of the parking      |  |
| R-4             | 380                                     | 375   | lot area                       |  |
| R-5             | 380                                     | 375   |                                |  |

<sup>&</sup>lt;sup>1</sup> Requirements for usable open space and landscaped area do not need to be added together. Usable open space that meets the definition of a landscaped area may also contribute toward the landscaped area requirement.

Source: City of Sunnyvale Municipal Code, 2021.

In addition to the landscape and open space standards described above, the Zoning Code identifies landscape and open space standards for blocks within the Downtown Specific Plan in Chapter 19.28. The standards for landscaped areas vary from a minimum of 20 percent of the lot area in residential blocks to all areas not devoted to driveways and access zones in mixed use blocks. Open space standards are 50 square feet per unit in mixed use and higher density residential blocks. In low density, low-medium density, and medium density residential blocks the open space standard is 500 square feet per unit. These requirements are consistent with the requirements of the R-2 zoning district, which contains similar densities. In Block 20, designated for office and high density residential, is 380 square feet is required per unit, which is consistent with usable open space requirements in the high density R-5 zoning district.

Table 6-29: Minimum Landscaped Area and Usable Open Space Requirements, Downtown Specific Plan

| DSP Block        | Usable Open Space<br>(sq. ft. per unit) | Other Landscaped Area                                       |  |
|------------------|---|---|--|
| Block 1          | N/A                                     | All areas not devoted to driveways and surface access zones |  |
| Block 1a         | 50                                      | All areas not devoted to driveways and surface access zones |  |
| Block 2          | N/A                                     | None  |  |
| Block 3          | N/A                                     | All areas not devoted to driveways and access zones         |  |
| Blocks 4,5 and 6 | 50                                      | Minimum 20% of lot area                                     |  |
| Block 7          | 50                                      | All areas not devoted to driveways and access zones         |  |

<sup>&</sup>lt;sup>2</sup> One thousand square feet of usable open space is required for a property with an accessory dwelling unit, unless this does not allow construction of an 800 sf ADU no more than 16 feet high.

| DSP Block                             | Usable Open Space<br>(sq. ft. per unit) | Other Landscaped Area                                       |  |
|---------------------------------------|---|---|--|
| Blocks 8, 8a, 8b,<br>9, 10, 11 and 12 | 500                                     | Minimum 20% of lot area                                     |  |
| Block 13                              | 500                                     | All areas not devoted to driveways and surface access zones |  |
| Blocks 14, 15<br>and 16               | 50                                      | Minimum 20% of lot area                                     |  |
| Block 17                              | 500                                     | Minimum 20% of lot area                                     |  |
| Block 18                              | 50                                      | All areas not devoted to driveways and access zones         |  |
| Block 20                              | 380                                     | All areas not devoted to driveways and access zones         |  |
| Blocks 21 and 22                      | N/A                                     | All areas not devoted to driveways and surface access zones |  |
| Block 23                              | 50                                      | Minimum 20% of lot area                                     |  |

Source: City of Sunnyvale Municipal Code, Title 19, Chapter 19.28, 2022.

In addition, open space standards specific to mixed use and residential districts within the Lawrence Station Area Plan are shown in Table 6-30 below.

Table 6-30: Minimum Landscaped Area and Usable Open Space Requirements, Lawrence Station Area Plan

| Open Space Type                                | Requirement      |
|--|------------------|
| Usable Open Space – Residential <sup>1,2</sup> | 50 sf/unit       |
| Landscaped Area                                | 20%              |
| Surface Parking Lot Landscaped Area            | 20%              |
| Total Landscaped Area                          | No less than 20% |

Usable open space may not be located in any required front yard area for projects with a front yard setback deviation. Otherwise, up to 50 percent of the required front yard area may be counted toward the usable open space requirement.

The zoning code also identifies open space standards specific to mixed use and residential districts within the ECRSP area, shown in Table 6-31 below. Landscape and open space requirements for the ECR-R3, and ECR-R4 zoning districts are the same as those required for the R-3, and R-4 zoning districts, respectively, identified in Chapter 19.37 of the Sunnyvale Municipal Code. Requirements for mixed-use districts within the ECRSP were determined based on feedback from developers. Projects in the ECRSP may count shared commercial/residential space such as public plazas and courtyards towards the usable open space requirement.

Table 6-31: Minimum Landscaped Area and Usable Open Space Requirements, El Camino Real Corridor Specific Plan

| Zoning<br>District               | Usable Open Space | Other Landscaped<br>Area | Surface Parking Lot<br>Landscaped Area | Total Landscaped Area  |   |
|----------------------------------|-------------------|--------------------------|--|--|---|
| ECR-C                            | N/A               | 12.5% of floor area      |  |  |   |
| ECR-MU54<br>ECR-MU42             | 150 sq. ft./unit  | 20% of lot area          | lot area, including                    | 20% of the parking lot area, including   | Total minimum landscaped area is the combination of the minimum parking lot landscaped area and other |
| ECR-MU33<br>ECR-MU28<br>ECR-MU24 | 200 sq. ft./unit  |                          | associated drive<br>aisles             | landscaped area. In no case shall this total be less than 20% of the lot area. |   |

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

<sup>&</sup>lt;sup>2</sup> Balconies with a minimum of 6 feet in any dimension and a total of 50 square feet qualify as usable open space. Source: City of Sunnyvale Municipal Code, 2021.

## **CONCLUSION**

The City's on-site open space requirements for properties outside of the DSP, ECR, and LSAP plan areas may be higher than other nearby jurisdictions. However, it is rare that any development proposal requests a deviation from the open space standards suggesting that this is not a constraint on development. The 80 square feet of private open space requirement in high density residential zoning districts (R-4 and R-5) is part of the total 380 square foot requirement for usable open space. The Housing Element includes a program directing the City to collaborate with developers and other stakeholders to review and potentially reduce open space requirements in higher density residential (R-2, R-3, R-4 and R-5) areas. However, it should be noted that less than 10 percent of the inventoried capacity for lower and moderate-income housing units are on sites within these zones. Most of the inventoried capacity is subject to the much lower open space requirements in specific plan areas. As demonstrated in the project examples provided earlier in this Chapter, most applications for new development in specific plan areas exceed the adopted open space requirements.

# **Building Codes and their Enforcement**

The City of Sunnyvale has adopted the current edition of the California Building Standards Code and, as of 2022, the 2018 International Property Maintenance Code, and is subject to Title 24, Part 6, the State Energy Regulations. The City adopted the 2018 International Fire Code with one amendment requiring multi-family residential projects having more than 50 dwelling units be equipped throughout with two separate and approved fire apparatus access roads.

In addition to the CalGreen mandatory measures, the City incentivizes projects to exceed local Green Building standards and provide additional green building features including cool roofs or green roofs, electric vehicle chargers, and greywater or rainwater catchment systems. Multi-family projects that achieve 90 points (minimum) with the Build It Green Certification are eligible for a 5 percent density bonus, 5 foot building height increase, or 5 percent lot coverage increase. Modifications to the Green Building Program are considered at each publication of a new California Building Standards Code. In addition, effective in January 2021, the City adopted Reach Codes to assist the City in meeting its climate action goals of reducing carbon emissions. The Reach Codes require all electric new construction and electric vehicle (EV) charging infrastructure.

The City administers a code enforcement program that aims to preserve and maintain the livability and quality of neighborhoods. Code enforcement staff are informed of violations on a complaint basis and investigate violations of property maintenance standards as defined in the Municipal Code as well as other complaints. When violations are identified or cited, staff encourage property owners to seek assistance through the rehabilitation assistance programs offered by the City.

#### CONCLUSION

The intent of the codes is to provide structurally sound, safe, and energy-efficient housing. The City is required to adopt California's Building Standards Codes and Title 24, which is necessary for public safety and has not been shown to act as a constraint on housing development.

## **Processing and Permitting Procedures**

Planning is an essential part of the development process. Good planning can mean the difference between an average development and an excellent one that meets the community's expectations. Before development can occur, it is necessary to obtain certain permits and approvals. However, excessive processing time may act as a constraint on the production of housing because it increases carrying costs for the developer for land and financing.

The City of Sunnyvale places a strong emphasis on customer service and satisfaction. Recognizing the complexity of the development process for property owners and developers, the City of Sunnyvale offers easy-to-read handouts and brochures (available in paper or on the website) to help developers and homeowners better understand the planning and development procedures in Sunnyvale. The City is also committed to an efficient review process.

In 1985, Sunnyvale established a One-Stop Permit Center to process building permits, building inspections, use permits, business licenses, code compliance, housing services, plan checking, planning permits, economic development, and other general services. The One-Stop Permit Center is comprised of a team of City Staff from the Community Development, Public Works, and Public Safety Departments. In addition, the City provides E-OneStop Online Services where applicants can submit building permit applications or electronic plan check submittals. Permit applications, fees, forms, and checklists are available on the City website at: https://www.sunnyvale.ca.gov/business-and-development/planning-and-building/permit-center/applications-fees-and-forms in conformance with Government Code Section 65940.1(a)(1)(A).

Typical processing and permitting procedures and timelines for residential development are described below. The City complies with the Housing Accountability Act and the Permit Streamlining Act. Although the City's findings are subjective, the City does not deny or reduce density unless it is inconsistent with objective standards. The City meets timelines in the Housing Accountability Act and Permit Streamlining Act.

#### PLANNING ENTITLEMENT

The City has several planning permit types and the processing varies based on the level of environmental review required for a proposal. For development of multiple residential units on a site, minor projects (projects exempt from CEQA) are reviewed at a Zoning Administrator hearing. Larger residential developments that require further environmental review such as a Negative Declaration or Environmental Impact Report (EIR) a Planning Commission hearing is required. Residential proposals that include a request to amend the zoning must be reviewed by the City Council. Project applications are reviewed by several divisions and applicants are provided feedback on compliance with City standards and information on requirements in later phases of the project (construction, operation, etc.). Tentative Maps follow the same review process as planning permits.

Staff level review without a public hearing is available for small additions, single-family homes not exceeding the floor area ratio maximum, accessory dwelling units and dual opportunity dwelling units per Senate Bill 9.

#### **PLAN CHECK**

The City provides three different plan check processes to best address different circumstances and perform an efficient and thorough review process. Projects are reviewed by the City's Planning Division, Fire Prevention, Structural, Public Works Engineering Division, Environmental Services, and Building staff. The three processes include: (1) express, which address minor permits such as reroofing, water heater replacement, and other permits where building plans are not required (available online or over-the-counter); (2) over-the-counter, which address

tenant improvements on one-story level as well as residential remodels, additions, and accessory dwelling units; and (3) intake, which typically includes projects of two stories or higher and commercial construction. The intake plan review process takes three weeks for the first check and two weeks for each resubmittal.

#### **SENATE BILL 35 APPROVALS**

Senate Bill (SB) 35 requires jurisdictions where fewer building permits have been issued than needed to meet their RHNA to provide a streamlined, ministerial entitlement process for housing developments that incorporate affordable housing. In 2022 in Sunnyvale, multifamily projects providing at least 50 percent affordable units that meet all objective standards are eligible for ministerial (i.e., staff-level) approval under SB 35. However, to be eligible projects must also meet a long list of other criteria, including prevailing wage requirements for projects with more than 10 units. As of March 2022, the City has not received any applications for SB 35 approval. The City has not yet established SB 35 processing procedures. This Housing Element includes a program to establish permit processing procedures in compliance with SB 35.

#### **SENATE BILL 330**

SB 330, the Housing Crisis Act of 2019, established specific requirements and limitations on development application procedures. In addition, SB 9, passed in 2021, extended the sunset date of the Housing Crisis Act provisions through January 1, 2030. The bill allows a housing developer to submit a "preliminary application" to a city for a housing development project. Submittal of a preliminary application allows a developer to provide a specific subset of information on the proposed housing development before providing the full amount of information required by the city for a housing development application. Submittal of the preliminary application secures the applicable development standards and fees adopted at that time, subject to certain exceptions. If the applicant fails to timely submit a regular application within 180 days or does not complete the application within 90 days after being told the application is incomplete, the preliminary application will expire.

In addition, the bill limits review of a complete application requiring no legislative approval to no more than 5 total City-held public meetings (e.g., Planning Commission, City Council, or community meeting), again with certain exceptions.

In compliance with SB 330, the City provides a Preliminary Application form and follows application review process timelines and public hearing limitations. The City has received several submittals of Preliminary Applications, including applications for development within the specific plan areas.

#### PRELIMINARY REVIEW PROCESS

Sunnyvale offers an optional Preliminary Review (PR) process for applicants to submit schematic plans for review by the Project Review Committee (PRC) and receive early feedback from City staff before submitting a formal entitlement application. The PR process was established prior to SB 330 and is voluntary. Applicants typically choose to either submit a preliminary application under SB 330 or follow the City's voluntary PR process. The PR process is encouraged for complex projects, large projects, or potentially controversial projects, and could aid in helping applicants determine the most efficient path to project approval, thus helping to save time and costs. The PRC consists of representatives from the City Departments of Community Development (Planning and Building Divisions), Public Safety (Fire and Crime Prevention Divisions), Environmental Services and Public Works. The PRC will also review development/improvement proposals for technical compliance with the California Environmental Quality Act (CEQA), City codes, design guidelines, policies, and other specifications. The PR process starts at application submittal and ends at the PRC meeting with no formal decision made on the application. Applicants are

encouraged to attend the PRC meeting where they receive written comments from the PRC and are given an opportunity to seek clarifications and ask questions. The PRC meeting is typically held two times per month, offering several opportunities for applicants seeking preliminary review of projects.

#### **DESIGN REVIEW**

The purpose of the Design Review (DR) process is to improve the quality of residential design, enhance and protect existing neighborhoods, and promote an orderly and attractive community. Projects are reviewed for compliance with the City's design guidelines. The DR process applies to any permitted use that includes new construction, changes to the exterior of a building, or other site modifications. The DR process varies depending on the type and scope of the project. Processing requirements are outlined in Chapter 19.80 of the Sunnyvale Municipal Code and described below. The director or planning commission may approve any design review upon such conditions, in addition to those expressly provided in other applicable provisions of the zoning code, as it finds desirable in the public interest, upon finding that the project's design and architecture will conform with the applicable criteria and various guidelines for design review established by the City Council.

To streamline review and improve consistency, the City consolidated its various design guidelines (e.g., single family home design techniques, high-density residential design guidelines, mixed-use development toolkit) into one document in 2020. However, several of the City's design guidelines are subjective. In accordance with the Housing Accountability Act, the City may not deny a project due to a failure to meet subjective standards. To ensure consistency in development review, the City is reviewing and updating its standards to ensure they are objective and quantifiable, anticipated for completion in late 2023. The Housing Element includes a program to review and update the City's design standards to ensure they are objective and quantifiable.

Single-Family Home or Duplex: Applications for new single-story single-family homes, duplexes or additions that are designed in compliance with the code requirements and do not exceed floor area and FAR thresholds for the zoning district are reviewed by staff. Applications are reviewed for conformance with applicable development standards and adopted design guidelines. There are different timeframes for staff review, depending on the size of the project. Single-story additions to single-family homes and duplexes that are less than 20 percent of the existing floor area, and do not include modifications to the front elevation, are reviewed over the counter as part of the building permit plan review at the One-stop Permit Center. Projects that propose to add more than 20 percent of the existing floor area or include modifications to the front elevation are reviewed within a two to four-week timeframe.

New two-story single family or duplex residences, or second-story exterior modifications or additions that do not exceed the FAR threshold are also reviewed by staff but require a public notice and a two-week public comment period. A staff decision on these types of projects is typically made within two to three months.

A new single-family home or duplex construction or addition project that exceeds the total FAR threshold for the zoning district is required to go through a public hearing process reviewed by the Planning Commission. These projects are reviewed for conformance with the same standards and design guidelines as those projects reviewed at staff level but require a higher level of review because of the proposed size and potential visual impacts. Planning Commission decisions on these types of projects is typically made within three to four months.

**Multi-Family Housing:** Multi-family development projects of 3 to 50 units that are not subject to any other discretionary permit require design review by the Planning Commission. The Planning Commission design review process for multi-family projects typically takes three to six months. Multi-family development projects of more than 50 units require a use permit, or for projects located in specific or area plan areas or combining districts, a special

development permit is required. Both the use permit and special development permit process include a review of project design and therefore are not required to undergo a separate design review permit.

#### **VARIANCE**

A variance provides for relief from the Zoning Code to address practical difficulties, unnecessary hardships, or results inconsistent with the general purposes of the zoning district. A variance may be approved by the Zoning Administrator; however, if the variance is requested in connection with a land use permit or approval, the variance request must be reviewed along with the land use permit or approval.

After holding at least one public hearing, the Zoning Administrator may approve the requested variance if the Zoning Administrator finds that:

- Because of exceptional or extraordinary circumstances or conditions applicable to the property, or use, including size, shape, topography, location or surroundings, the strict application of the ordinance is found to deprive the property owner of privileges enjoyed by other properties in the vicinity and within the same zoning district.
- The granting of the variance will not be materially detrimental to the public welfare or injurious to the property, improvements or uses within the immediate vicinity and within the same zoning district.
- Upon granting of the variance the intent and purpose of the ordinance will still be served and the recipient
  of the variance will not be granted special privileges not enjoyed by other surrounding property owners
  within the same zoning district.

Similar findings are required by state law to grant a variance. The City rarely receives requests for variances for multifamily housing developments; developers more typically ask for deviations to the zoning standards through the Special Development Permit process which does not require the more stringent findings of a variance. More recently, a few developers have applied for waivers under state density bonus law.

#### **USE PERMIT**

A use permit is intended to allow the establishment of those uses which have unique characteristics or special form such that their effect on the surrounding environment must be evaluated for a particular location. The City requires a use permit for all multifamily development of more than 50 units, outside of specific plans. In addition, use permits are required for single family and two-family units in high density residential or commercial districts and use permits are required for large residential care facilities. Chapter 19.88 of the Sunnyvale Municipal Code describes the City's procedures for issuing use permits. The permit application process allows for review of the location, design, configuration of improvements and potential impact on the surrounding area. Minor use permits include projects that do not pose significant land use consequences and are determined to be categorically exempt from CEQA. A minor use permit may be approved by the Zoning Administrator, after holding at least one public hearing, if the Zoning Administrator finds that the permit will either:

- attain the objectives and purposes of the general plan, specific plan, precise plan, or other specialized plan
  of the City of Sunnyvale; or
- ensure that the general appearance of proposed structures, or the uses to be made of the property to
  which the application refers, will not impair either the orderly development of, or the existing uses being
  made of, adjacent properties.

The City has not denied any Use Permit for residential development since at least 1990. Since 2015, only two Use Permits have been processed for residential projects; both of which have been approved. The City recognizes that these findings are subjective and so the City cannot deny a use permit application for a housing development project, or reduce the project's density, unless the project fails to conform with objective standards or the City can make the "specific health or safety" finding required by the Housing Accountability Act. The City has added Program H20 to create a new non-discretionary Plan Review Permit, which will replace the Use Permit requirement for most residential projects, including multi-family projects over 50 units in R-2, R-3, R-4, and R-5 zoning designations. The Plan Review Permit will require Planning Commission review and approval based on objective design standards.

A major use permit includes all applications not determined to be minor permits or those that require more extensive community participation or are not categorically exempt from CEQA, including large multi-family developments. Major use permits may be approved by the Planning Commission, following at least one public hearing, if the Commission finds that the project meets either of the findings listed above.

#### SPECIAL DEVELOPMENT PERMITS

A special development permit is required to implement the provisions of certain combining districts for development or use where the underlying zoning district is combined with the: PD planned development; ECR precise plan for El Camino Real; DSP downtown specific plan; HH heritage housing; LSAP Lawrence Station Area Plan; or ITR industrial to residential combining districts. A special development permit is required for all multi-family residential development in the Downtown Specific Plan and single-family development in mixed use, commercial, and office blocks of the Downtown Specific Plan. Additionally, a special development permit is required for any new construction, as well as new live/work units, SROs, and emergency shelters in the LSAP.

Minor special development permits are approved by the Zoning Administrator and include projects that do not pose significant land use consequences and are determined to be categorically exempt from CEQA. Major special development permits are approved by the Planning Commission and include all those not considered as minor special development permits. The special development permit allows developers to request deviations from the City's objective development standards such as lot area, setbacks, height, or parking space requirements without a separate request for variance. After holding at least one public hearing, the Zoning Administrator, Planning Commission, or City Council may approve a special development permit upon finding that the permit will either:

- attain the objectives and purposes of the general plan, specific plan, precise plan, or other specialized plan
  of the City of Sunnyvale; or
- ensure that the general appearance of proposed structures, or the uses to be made of the property to
  which the application refers, will not impair either the orderly development of, or the existing uses being
  made of, adjacent properties.

The City recognizes that these findings are also subjective and so the City cannot deny a special development permit application for a housing development project, or reduce the project's density, unless the project fails to conform with objective standards or the City can make the "specific health or safety" finding required by the Housing Accountability Act.

## GENERAL PLAN AND/OR PRECISE PLAN, SPECIFIC PLAN AND OTHER AREA PLAN AMENDMENTS

An amendment to the general plan and/or an adopted precise plan or specific plan may only be initiated by a motion of the City Council. An application requesting an amendment must be submitted to the Community Development

Director. The request must be reviewed at a public hearing held by the Planning Commission for recommendation to the City Council. Once a recommendation from the Planning Commission is received, the City Council must hold a public hearing and determine whether to approve or deny the request for initiation of a general plan or specific plan amendment. If a general plan or specific plan amendment application is not filed and determined complete within two years of the approval, the approved request for initiation of a general plan or specific plan amendment shall expire.

Following City Council approval of a request for initiation, a general plan or specific plan amendment application may be filed. A general plan or specific plan amendment must be referred to the Planning Commission to hold a public hearing and consider a recommendation to the City Council. After receiving a recommendation from the Planning Commission and holding at least one public hearing, the City Council may approve the general plan or specific plan amendment by adopting a resolution or deny the general plan or specific plan amendment. The City Council may approve a general plan or specific plan amendment upon finding that the amendment, as proposed, changed, or modified is deemed to be in the public interest.

#### **ZONING AMENDMENTS**

A zoning amendment may either be initiated by the City Council or Planning Commission, or by filing an application. A zoning amendment must be referred to the Planning Commission to hold a public hearing and consider a recommendation to the City Council. After receiving a recommendation from the Planning Commission and holding at least one public hearing, the City Council may approve the zoning amendment by adopting a resolution or deny the zoning amendment. The City Council may approve a zoning amendment upon finding that the amendment, as proposed, changed, or modified is deemed to be in the public interest.

General plan, specific plan, and zoning amendments are legislative approvals where the City's decision will be upheld unless arbitrary or capricious. Few housing developments in Sunnyvale require legislative approvals; the City regularly updates its specific plans and zoning to accommodate needed housing.

#### MISCELLANEOUS PLAN PERMIT

A miscellaneous plan permit for a residential development is an administrative process to determine if the project meets objective standards for the dimensions, colors, materials, architectural elevations, design, and placement of the physical characteristics of a project. The City allows applicants for accessory dwelling units (ADUs) who do not meet the standards in the City's ADU ordinance to apply for a discretionary miscellaneous plan permit, as described further under Zoning for a Variety of Housing Types, below. HCD encourages cities to make available such a discretionary process to provide additional opportunities to create ADUs that would otherwise not be permitted; a ministerial process is used for fully compliant ADUs. Approval may be authorized by the Community Development Director and does not require public notice or hearing.

#### PROCESSING TIMELINES

Table 6-32 shows the approval body and typical processing times for the City's permitting and processing procedures. These timelines are consistent with the Permit Streamlining Act and are not considered a constraint on housing development.

Table 6-32: Timelines for Permit Procedures

| Type of Approval or Permit |   | Approval Body                  | Typical Processing Time |
|----------------------------|---|--------------------------------|-------------------------|
| Miscellaneous Plan Permit  |   | Community Development Director | 1 day to 3 months       |
|                            | Single-story single family / duplex   | Community Development          | 2 to 4 weeks            |
|                            | Two-story single family / duplex  | Community Development          | 2 to 3 months           |
| Design Review              | New single family / duplex exceeds<br>FAR requirement or multi-family<br>project (3 – 50 units) with no other<br>discretionary review | Planning Commission            | 3 to 6 months           |
| Minor Use Perm             | it  | Community Development Director | 3 to 6 months           |
| Major Use Perm             | it  | Planning Commission            | 6 to 9 months           |
| Minor Special De           | evelopment Permit   | Community Development Director | 3 to 6 months           |
| Major Special De           | evelopment Permit   | Planning Commission            | 6 to 9 months           |
| Variance                   |   | Community Development Director | 3 to 6 months           |
| General Plan Am            | nendment  | City Council                   | 9 to 18 months          |
| Zoning Amendment           |   | City Council                   | 9 to 18 months          |

Source: City of Sunnyvale, 2021.

#### TYPICAL SINGLE FAMILY AND MULTI-FAMILY DEVELOPMENT PROCESSING PROCEDURES

Processing procedures vary by the residential use and the size of the proposed development. Single family homes are permitted by right in the R-0, R-1, R-1.5, and R-2 zoning districts. A single family home or subdivision of a single family lot may be processed through a design review at the staff level if the home is consistent with development standards and FAR requirements. If the proposed project exceeds FAR requirements or does not comply with development standards, a public hearing is required.

A small-scale multi-family development (i.e., 50 units or less) would be subject to design review approval by the Planning Commission and is required to hold at least one public hearing. Building plan check would be performed through the intake process.

A large-scale multi-family development (i.e., more than 50 units), outside of specific plan areas, requires a use permit subject to Planning Commission approval. Plan check is performed through the intake process for projects of 4 or more stories. In addition, the City provides an optional preliminary review process which is strongly encouraged for complex projects, large projects, or potentially controversial projects.

Most multi-family developments are proposed within the specific plans, area plans, or PD combining districts which require approval of a special development permit. A public hearing is required and Planning Commission approval is required.

For multi-family projects, which typically require a special development permit or use permit, applications are checked for completeness within 30 days of submittal. If an application is determined to be incomplete, the applicant is provided a comment letter detailing missing materials required for resubmittal. Upon resubmittal of the application, a subsequent completeness check is completed within 30 days of submittal. Each application is reviewed by the Project Review Committee, which includes members of Community Development, Public Safety, and Public Works departments to ensure that a thorough review of the application materials so that any missing materials are noted in the comment letter.

Once an application is complete, staff performs a compliance check to determine if the project is consistent or inconsistent with General Plan and zoning standards. Within 30 days of an application being complete, the applicant is provided a compliance letter with a list of any inconsistencies to be corrected in order to be in compliance with standards. Once an application is determined to be compliant, a public hearing is scheduled for approval and notifications are sent to the public.

With the exception of General/Specific Plan and corresponding zoning amendments, if multiple permits are required for a single project, such as a use permit and a variance, the review and approval process are typically conducted simultaneously. One advantage of the special development permit is that larger, more complicated multi-family projects have greater flexibility and are allowed to request deviations from development standards without a separate variance. This helps reduce applicant paperwork and streamline permit processing.

Typical processing procedures and time by project type are shown in Table 6-33. These timelines incorporate staff time required for review (completeness and compliance checks) as well as typical timelines for applicants to resubmit.

Table 6-33: Typical Processing Procedures by Project Type

| Development Type        | Typical Approval Requirement                   | Total Processing Time |
|-------------------------|--|-----------------------|
| Accessory Dwelling Unit | Plan Check                                     | 1 day to 2 months     |
| Single Family Unit      | Design Review                                  | 1 week to 6 months    |
| Multi-family (Small)    | Design Review                                  | 4-6 months            |
| Multi-family (Large)    | Major Use Permit / Special  Development Permit | 6-9 months            |

Source: City of Sunnyvale, 2022.

#### **CONCLUSION**

The City's plan check processing procedure at the One Stop Permitting Center allows for streamlined and efficient review of ministerial approvals. A design review permit is typically required for single family and small multi-family developments. If projects require multiple permit types, both permits are processed for approval at the same time. For large multi-family developments, the City requires a use permit or special development permit, which includes a review of project design. For all permit types, the City adheres to review timelines established by SB 330 to ensure timely processing. Large multi-family projects are inherently complicated and often require multiple application resubmittals for the applicant to address and be consistent with the General Plan and zoning standards. City staff works with applicants to provide clear steps to reach compliance.

Nevertheless, there are opportunities to reduce processing times, simplify the residential permitting process, and implement clear objective standards. The Housing Element includes programs to create a new non-discretionary permit type (Plan Review Permit) for all housing development, establish streamlined processing procedures, consistent with SB 35. Additionally, the Housing Element includes a policy to implement objective design standards for all residential development and a program to establish new objective design standards for multi-family and mixed use development, which is currently underway and will be completed in 2023.

## **Fees And Exactions**

The City of Sunnyvale collects various fees from developments to cover the costs of processing permits. The current (FY 2022-2023) fees are available on the City's <u>website</u>. Table 6-34 summarizes the building permit fees and Table 6-35 summarizes the planning fees as of FY 2021-2022 applicable to housing construction.

Table 6-34: Building Permit Fees (FY 2021-2022)

| Permit Type   | Fee  |  |
|---|--|--|
| Building Permit Issuance + Technology Surcharge                             | \$62   |  |
| Photovoltaic/Solar System (Single Family Homes/Duplexes)                    | \$281  |  |
| Mechanical Permit   | \$0.10 per sf<br>\$104 minimum   |  |
| Electrical Permit   | \$0.10 per sf<br>\$104 minimum   |  |
| Plumbing Permit   | \$0.10 per sf<br>\$104 minimum   |  |
| Grading Permit Single family homes or duplexes All other types of buildings | \$237<br>\$1,019   |  |
| Demolition Permit   | \$367  |  |
| Plan Check  | 70% of Building Permit Fee   |  |
| Energy Plan Check   | 10% of Building Permit Fee   |  |
| Fire Prevention Permit  | 70% of Building Permit Fee   |  |
| Construction Tax  | 0.54% of total valuation   |  |
| General Plan Maintenance  | 0.15% of total valuation   |  |
| Building Permit Fee   |  |  |
| Project Valuation*  | Fee  |  |
| \$1 to \$2,000  | \$121.00 for the first \$2,000 of value  |  |
| \$2,001 to \$25,000   | \$200.00 for the first \$2,000 plus \$25.00 for each additional \$1,000 or fraction thereof      |  |
| \$25,001 to \$50,000  | \$761.00 for the first \$25,000 plus \$17.50 for each additional \$1,000 or fraction thereof     |  |
| \$50,001 to \$100,000   | \$1,200.00 for the first \$50,000 plus \$12.50 for each additional \$1,000 or fraction thereof   |  |
| \$101,000 to \$500,000  | \$1,810.00 for the first \$100,000 plus \$9.80 for each additional \$1,000 or fraction thereof   |  |
| \$500,001 to \$1,000,000  | \$5,709.00 for the first \$500,000 plus \$8.30 for each additional \$1,000 or fraction thereof   |  |
| \$1,000,001 and up  | \$9,849.00 for the first \$1,000,000 plus \$5.50 for each additional \$1,000 or fraction thereof |  |

<sup>\*</sup>Project valuation is determined by the Building Division based on adopted valuation tables.

Source: City of Sunnyvale, 2021

Table 6-35: Planning Permit Application Fees (FY 2021-2022)

| Permit Type   | Fee              |
|---|------------------|
| Single-Family Homes/Duplexes  |                  |
| Staff Level Design Review   | \$456            |
| Planning Commission Design Review (public hearing)  | \$671            |
| Special Development/Use Permit (public hearing)   | \$550            |
| Variance (public hearing)   | \$550            |
| Staff Level Reviews   |                  |
| Zoning Exception  | \$175            |
| Miscellaneous Plan Permit Residential (less than 3 units)                                 | \$242            |
| Miscellaneous Plan Permit Residential (3 units or more)                                   | \$456            |
| Preliminary Project Review for Public Hearing Project                                     | \$1,099          |
| Site Plan Review (Architecture, Landscaping, Lighting, etc.)                              | \$461            |
| Extension of Time: Major/Minor Permits and Tentative Maps                                 | \$982            |
| Zoning Administrator Reviews (Public Hearing)   |                  |
| Minor Special Development Permit/Use Permit   | \$1,987          |
| Plan Review: Minor Special Development Permit/Use Permit                                  | \$1,061          |
| /ariance (except single family/duplex)  | \$1,987          |
| Parcel Map (4 or fewer lots)  | \$3,209          |
| Development Agreements (Public Hearing)   |                  |
| New Development Agreement or Major Modification   | \$6,959          |
| Development Agreement: Minor Modification   |                  |
| Development Agreement: Annual Review  |                  |
| Public Works Planning Application Review (Public Hearing Projects)                        |                  |
| Fentative Parcel Map (4 or fewer lots and condominium units)                              | \$1,013          |
| Fentative Map (5 or more lots)  | \$3,119          |
| Major Planning Project  | \$6,242          |
| Appeals (Public Hearing)  |                  |
| Appeal of Permit Decision, Zoning Administrator Decision, or Planning Commission Decision | \$242            |
| Appeal of Heritage Preservation Commission Decision                                       | \$206            |
| Planning Commission Reviews (Public Hearing)  |                  |
| Major Design Review   | \$4,189          |
| Major Special Development Permit/Use Permit   | \$5,384          |
| Plan Review: Major Special Development Permit/Use Permit                                  | \$2,120          |
| Fentative Map (5 or more lots) – Base Fee<br>Plus per Lot                                 | \$5,247<br>\$360 |
| Fentative Map: Modification to Conditions of Approval                                     | \$2,148          |

| Permit Type  | Fee                      |
|--|--------------------------|
| City Council Reviews (Public Hearing)  |                          |
| General Plan/Specific Plan/Village Center Community Outreach Plan Amendment Initiation | \$1,665                  |
| General Plan/Specific Plan Amendment Application (after Council initiation)            | \$6,959                  |
| Rezoning: District Change or Zoning Code Amendment                                     | \$6,959                  |
| Rezoning: Combining District (except Heritage Housing or Single-Story)                 | \$3,469                  |
| Rezoning: Combining District Heritage Housing/Single-Story (per lot)                   | \$178                    |
| Specific Plans (including Village Center Plans)  | \$6,959                  |
| Review of Below Market Rate Alternative Compliance Plan                                | \$5,384                  |
| Environmental Review   |                          |
| CEQA: Environmental Assessment (Initial Study)   | \$954                    |
| CEQA: Consultant Preparation of Environmental Study or EIR or TIA                      | As Needed                |
| CEQA: Staff Review of Environmental Study (air quality, noise, etc.)                   | \$1,796                  |
| CEQA: Staff Review of EIR or TIA Preparation (% of consulting fee)                     | 10% (minimum)<br>\$1,796 |
| Moffett Park Specific Plan   |                          |
| Moffett Park Minor Special Development Permit/Use Permit                               | \$2,706                  |
| Plan Review: Minor Permit  | \$1,061                  |
| Moffett Park Major Special Development Permit/Use Permit                               | \$4,189                  |
| Plan Review: Moffett Park Permit   | \$2,120                  |

Source: City of Sunnyvale, 2021

The financing of public facilities and services for new development is funded in part by exactions and fees levied against development projects in proportion to the anticipated fiscal impacts on the jurisdiction. Although these fees are necessary to cover costs, they can also have substantial financial impact on the development of housing, particularly affordable housing.

The City's development impact fees as of FY 2021-2022 are listed in Table 6-36, below. Current fees are available on the City's <u>website</u>.

Table 6-36: Development Impact Fees (FY 2021-2022)

| Туре  | Fee                            |
|---|--------------------------------|
| Impact Fees   |                                |
| Park-in-Lieu Fee (not charged for affordable units in rental projects)                            | Per Unit                       |
| Low density (7 or fewer units per net acre)   | \$95,832                       |
| Low-medium density (7 to 14 units per net acre)   | \$87,120                       |
| Medium density (14 to 27 units per net acre)  | \$62,726.40                    |
| High density (over 27 units per net acre)   | \$62,726.40                    |
| Transportation Impact Fee   | Per Unit                       |
| Single-Family, detached   | \$3,436                        |
| Multi-Family, attached  | \$2,130                        |
| Housing In-Lieu Fee – Rental Residential (applies if project does not provide at least 15 percent |                                |
| affordable units)   |                                |
| 3-6 units   | \$13.50 per sf                 |
| 7 or more units   | \$27 per sf                    |
| Sense of Place Fee for Tasman Crossing & Fair Oaks Junction <sup>1</sup>                          | \$1,386/unit                   |
| Sense of Place Fee for East Sunnyvale <sup>1</sup>  | \$2,653/unit                   |
| Lawrence Station Area Plan Fees – applicable to projects within the plan area                     |                                |
| LSAP Sense of Place Fee   | \$2,030.34/unit                |
| LSAP Residential Wastewater Fee   | \$745.01/unit                  |
| LSAP Transportation Impact Fee (only applies after a total of 2,323 units have been approved in   | \$1,298/unit                   |
| the plan area)  | 0.17% of total                 |
| LSAP Plan Fee   | construction valuation         |
| Peery Park Specific Plan Fees – applicable to projects within the plan area                       |                                |
| Peery Park Sense of Place Fee   | \$2.41 per sf                  |
| Peery Park Water Infrastructure Fee   | \$6.90 per sf                  |
| Peery Park Wastewater Infrastructure Fee  | \$3.40 per sf                  |
| Peery Park Specific Plan Fee  | .082% of total                 |
|   | construction valuation         |
| School Impact Fees (outside of City of Sunnyvale control)   |                                |
| Sunnyvale School District   | \$2.52 per sf                  |
| Santa Clara Unified School District   | \$4.08 per sf                  |
| Mountain View-Whisman School District   | \$2.72 per sf                  |
| Los Altos School District   | \$2.72 per sf                  |
| Cupertino Union School District   | \$2.45 per sf                  |
| Fremont Union High School District  Mountain View-Los Altos Union High School District            | \$1.55 per sf<br>\$1.36 per sf |
| Development Project Fees (Public Works)   | \$1.50 per 31                  |
| Public Record Drawing Maintenance Fee (per sheet)   | \$172                          |
| Parcel Map Plan Check Fee (per map)   | \$6,297                        |
|   | 70,237                         |
| Tract/Final Map Plan Check (per map)  Low (1-parcel condo with 5 units or more)                   | \$6,818                        |
| Medium (5-10 lots)  | \$7,387                        |
| High (11-50 lots)   | \$7,387                        |
| Complex (more than 50 lots)   | \$11,364                       |
| Certificate of Compliance Fee (per certificate)   | \$711                          |
| Certificate of Correction/Amendment of Map (per certificate)                                      | \$548                          |
| Lot Line or Lot Merger Adjustment Fee   | \$2,040 plus \$60 per lo       |
| Lot Line of Lot Merger Aujustinent ree  | 32,040 pius 360 per 10         |

| Туре   | Fee         |
|--|-------------|
| Public Easement Review Fee (e.g., easement deed for sidewalk or public utilities) (per easement) | \$972       |
| Infrastructure Fees  |             |
| Storm Drainage   |             |
| Charge per gross acre  | \$8,272     |
| Provided, however, that the minimum charge per lot shall not be less than                        | \$1,708     |
| Water Connection   |             |
| Standard Occupancy Unit (with 3 or more bedrooms)  | \$6,753     |
| Low Occupancy Unit (with 1 or 2 bedrooms, 2 bedrooms and den)                                    | \$3,826     |
| Water Meters   |             |
| ¾" Meter   | \$996       |
| 1" Meter   | \$1,082     |
| 1½" Meter  | \$1,367     |
| 2" Meter   | \$1,556     |
| All other meters not listed  | Actual cost |
| Fire Service 5/8" Meter for DCDA   | \$973       |
| Water Main Tapping Fee   |             |
| 1" and 2" (per tap)  | \$1,657     |
| 4", 6", 8", and 10" (per tap)  | \$2,406     |
| Over 10" size  | Actual cost |
| Cut-In Tee Fee   |             |
| 4" Main  | \$6,879     |
| 6" Main  | \$7,533     |
| 8" Main  | \$8,121     |
| 10" Main   | \$8,430     |
| 12" Main   | \$9,278     |
| Tie-In Fee   |             |
| 6" Main  | \$11,772    |
| 8" Main  | \$13,225    |
| 10" & Larger Main  | Actual cost |
| Water Service Inspection Fee   | \$226       |
| Water Main Offset Fee  | Actual cost |
| Sewer Connection Charges   |             |
| Standard Occupancy Unit (with 3 bedrooms and up)   | \$9,094     |
| Low Occupancy Unit (with 1 or 2 bedrooms, 2 bedrooms and den)                                    | \$5,912     |
| Building Permit Clearance Fee  |             |
| Building Permit related to subdivision or major planning permit                                  | \$3,309     |
| Building Permit – all other building permit plan reviews   | \$564       |
| Course City of Course de 2024  | 750-1       |

Source: City of Sunnyvale, 2021

Notes: <sup>1</sup> Sense of Place Fees were established in the early 2000s and are applied to developments in certain areas of the City that are transitioning from non-residential to multifamily residential use. Sense of Place Fee areas currently include Tasman Crossing, Fair Oaks Junction, East Sunnyvale, Lawrence Station Plan area. These areas were historically developed with lower-intensity industrial and office uses and frequently lack the pedestrian or bicycle infrastructure, benches, trash receptacles, and lighting that are common in multifamily residential neighborhoods. Revenues from Sense of Place fees are used within the fee plan areas to fund necessary public improvements that will mitigate the impacts of higher intensity development and encourage pedestrian, bicycle, and public transit use. Fee revenues fund bike lanes, pedestrian crossings, wayfinding markers, shared-use paths, and other public improvements that are identified in the applicable Sense of Place plan for the region. These improvements create safer streets for pedestrians, encourage multimodal transportation, and enhance quality of life for new residents.

#### TOTAL FEES FOR TYPICAL RESIDENTIAL DEVELOPMENTS

Table 6-37 shows the fees for a range of typical residential developments, including a single family home, a 10-unit multifamily residential development, and a 100-unit multifamily apartment complex. Fees for a typical single-family home that does not involve the subdivision of land total \$34,121; fees for a typical 10-unit multi-family development total \$1,064,229 (or \$106,423 per unit); and fees for a typical 100-unit multi-family development total \$7,804,249 (or \$78,402 per unit). In comparison to the average total development costs (discussed further in the "Development Costs"), these fees make up less than 5 percent of total development costs for a typical single-family home, 14 percent of total development costs for a typical 100-unit multi-family development, and 11 percent of total development costs for a typical 100-unit multi-family development.

According to a Santa Clara County fee analysis completed by the Santa Clara County Planning Collaborative, the fees are approximately half of the county average of \$68,140 for a single-family unit and approximately 300 percent higher than the regional average of \$34,738 per unit for small multi-family developments and \$32,694 per unit for large multi-family developments. The biggest portion of the total fee for multifamily units is the park dedication fee, which the City waives for affordable rental units.

The City of Sunnyvale collects two different types of Park Dedication Fees. Fees authorized by the Quimby Act are codified in <u>Sunnyvale Municipal Code</u>, <u>Chapter 18.10</u>. Quimby Fees are imposed on developers of residential subdivisions. The second type of Park Dedication Fee was established pursuant to the Mitigation Fee Act and codified by the City in the <u>Sunnyvale Municipal Code</u>, <u>Chapter 19.74</u>. These Park Dedication Fees are assessed on developers of multifamily residential rental housing projects.

As noted in Table 6-36 above, the City's park in-lieu fee is \$62,726.40 per net new unit for medium and high density residential developments and \$95,832 for single family units in a subdivision, which is significantly higher than other jurisdictions. As a condition of approval, multi-family residential projects must dedicate land or pay a fee (or both if insufficient land is dedicated), based on whether a park has been identified in the general plan, for park or recreational purposes. This requirement does not apply to affordable units in rental projects or to ADUs or JADUs. Without the park in-lieu fee, the City's fees for affordable units total \$15,316 per multifamily unit, approximately half of the regional average. Based on the criteria of the single family home prototype described in Table 6-29, the City's park in-lieu fee would not be charged for this development.

In addition to the fees listed in Table 6-37, at the applicant's option, rental housing projects with between three and six rental units may choose to fulfill some or all of their 15 percent affordable inclusionary rental housing obligation by paying the applicable small rental housing in-lieu fee of \$13.50 per square foot. For projects of seven or more units the development may request an alternate compliance option to pay an affordable housing in-lieu fee of \$27 per square foot. For a 100-unit multifamily apartment complex, this fee totals an estimated \$2,025,000. Since most projects provide affordable units on-site, consistent with the BMR program, the housing in-lieu fee is not typically assessed.

**Table 6-37: Fees for Typical Residential Developments** 

| Fee Type                         | Single Family <sup>1</sup> | Multi-Family (Small) <sup>2</sup> | Multifamily (Large) <sup>3</sup> |  |
|----------------------------------|----------------------------|-----------------------------------|----------------------------------|--|
| Planning Entitlement Fees        |                            |                                   |                                  |  |
| Design Review                    | \$456                      | \$0                               | \$0                              |  |
| Major Special Development Permit | \$0                        | \$5,384                           | \$5,384                          |  |
| Major Plan Review                | \$0                        | \$2,120                           | \$2,120                          |  |
| Expanded Noticing                | \$0                        | \$383                             | \$1,203                          |  |

| Fee Type  | Single Family <sup>1</sup> | Multi-Family (Small) <sup>2</sup> | Multifamily (Large) <sup>3</sup> |
|---|----------------------------|-----------------------------------|----------------------------------|
| DPW - Major Planning Project                                    | \$0                        | \$6,242                           | \$6,242                          |
| Environmental Assessment  | \$0                        | \$0                               | \$957                            |
| Staff Review of Environmental Studies (3 studies)               | \$0                        | \$5,388                           | \$5,388                          |
| Notice of Exemption   | \$0                        | \$50                              | \$50                             |
| Planner Attendance After-Hours (4 hours)                        | \$0                        | \$201                             | \$201                            |
| Subtotal  | \$456                      | \$19,768                          | \$21,545                         |
| Building Permit Fees  |                            |                                   |                                  |
| Issuance Fee  | \$34                       | \$34                              | \$34                             |
| Building Permit   | \$4,093                    | \$10,053                          | \$58,029                         |
| Electrical Permit   | \$310                      | \$850                             | \$8,000                          |
| Mechanical Permit   | \$310                      | \$850                             | \$8,000                          |
| Plumbing Permit   | \$310                      | \$850                             | \$8,000                          |
| Fire Permit   | \$2,865                    | \$7,037                           | \$40,620                         |
| Grading Permit  | \$237                      | \$1,019                           | \$1,019                          |
| Plan Check Fee  | \$2,865                    | \$7,037                           | \$40,620                         |
| Energy Plan Check Fee   | \$409                      | \$1,005                           | \$5,803                          |
| Construction Tax  | \$1,797                    | \$5,600                           | \$52,704                         |
| General Plan  | \$499                      | \$1,556                           | \$14,640                         |
| Technology Surcharge  | \$28                       | \$28                              | \$28                             |
| DPW - Building Permit review                                    | \$564                      | \$0                               | \$3,309                          |
| Subtotal  | \$14,322                   | \$35,918                          | \$240,807                        |
| Impact Fees   |                            |                                   |                                  |
| Park in-lieu fee  |                            | \$871,200                         | \$6,272,640                      |
| Traffic impact fee  |                            | \$21,300                          | \$213,000                        |
| Subtotal  | \$0                        | \$892,500                         | \$6,485,640                      |
| Other Fees  |                            |                                   |                                  |
| Water Connection Fee  | \$6,753                    | \$38,260                          | \$382,600                        |
| Sewer Connection Charge   | \$9,094                    | \$59,120                          | \$591,200                        |
| Encroachment Permit (new WM, sewer lateral, driveway approach)  | \$757                      | \$0                               | \$0                              |
| Off-site Improvements   | \$0                        | \$0                               | \$37,869                         |
| Tract Map   | \$0                        | \$6,818                           | \$11,364                         |
| Water Meter   | \$1,082                    | \$9,439                           | \$28,412                         |
| Water Tap   | \$1,657                    | \$2,406                           | \$4,812                          |
| Subtotal  | \$19,343                   | \$116,043                         | \$1,056,257                      |
| TOTAL FEES (per project)  | \$34,121                   | \$1,064,229                       | \$7,804,249                      |
| TOTAL FEES (per unit)   | \$34,121                   | \$106,423                         | \$78,042                         |
| Average Fees for Jurisdictions in Santa Clara County (per unit) | \$68,140                   | \$34,738                          | \$32,694                         |

- <sup>1</sup> Fees are based on construction of a new 2,600 square foot two-story home with a 500 square foot garage on an empty lot in an existing neighborhood. No significant grading or other complicating factors are assumed.
- <sup>2</sup> Fees are based on construction of 10 new multifamily units on a 1-acre lot, permitted by right and of medium complexity (i.e., moderate grading work, existing public street frontage, no public landscaping or traffic signal work). Assumes average unit size of 850 square feet.
- <sup>3</sup> Fees are based on construction of 100 new multifamily units on a 2-acre lot, 80,000 total square feet of construction type V over concrete podium. Assumes the project requires a conditional use permit and is of high complexity (i.e., significant grading work of 5,000 cubic yards, type 1 erosion/sediment control, \$400,000 of street frontage improvements, no public landscaping or traffic signal work, includes sprinklers and air conditioning). Assumes average unit size of 750 square feet.

Source: City of Sunnyvale, 2022.

Table 6-38 shows the fees for typical ADU and JADU projects and analyzes these fees as a percentage of estimated total development cost. The analysis uses ADU and JADU prototypes that represent common ADU projects seen in the City. ADUs and JADUs may be approved through the City's streamlined process without a Miscellaneous Plan Permit if the project is the conversion of the interior space of an existing or proposed single family home. However, a Miscellaneous Plan Permit would be required for an ADU or JADU that is an addition to an existing single family home. Detached ADUs up to 800 square feet may be approved through the City's streamlined process but require a Miscellaneous Plan Permit if over 800 square feet.

Building permit fees are the same for ADU projects regardless of their category (standard ADU or JADU) or whether they are attached to or detached from the primary structure. The Park in-lieu fee applies only if the project will include an Urban Lot Split. Traffic Impact Fees only apply for ADUs that are 750 square feet or more. Water and sewer connection fees only apply if the project will increase the total number of bedrooms on the property from two bedrooms to three bedrooms or more. Based on cost estimates from the Santa Clara County ADU Calculator, total fees are approximately 2 percent of the total development cost.

Table 6-38: Fees for Typical ADUs and JADUs

| Fee Type                     | ADU¹    | JADU <sup>2</sup> |
|------------------------------|---------|-------------------|
| Planning Entitlement Fees    | \$0     | \$260             |
| Miscellaneous Plan Permit    | \$0     | \$260             |
| Building Permit Fees         | \$4,478 | \$4,478           |
| Issuance Fee                 | \$36    | \$36              |
| Building Permit              | \$1,650 | \$1,650           |
| Electrical Permit            | \$109   | \$109             |
| Mechanical Permit            | \$109   | \$109             |
| Plumbing Permit              | \$109   | \$109             |
| Plan Check Fee               | \$1,155 | \$1,155           |
| Energy Plan Check Fee        | \$165   | \$165             |
| Construction Tax             | \$428   | \$428             |
| General Plan                 | \$119   | \$119             |
| Technology Surcharge         | \$35    | \$35              |
| DPW - Building Permit review | \$564   | \$564             |
| Impact Fees                  | \$0     | \$0               |
| Park in-lieu fee             | \$0     | \$0               |
| Traffic impact fee           | \$0     | \$0               |

| Other Fees                      | \$0       | \$0       |
|---------------------------------|-----------|-----------|
| Water Connection Fee            | \$0       | \$0       |
| Sewer Connection Charge         | \$0       | \$0       |
| TOTAL FEES                      | \$4,478   | \$4,738   |
| TOTAL DEVELOPMENT COST (TDC) 3  | \$265,000 | \$204,000 |
| TOTAL FEES AS PERCENTAGE OF TDC | 1.7%      | 2.3%      |

<sup>&</sup>lt;sup>1</sup> Fees are based on construction of a new, 600 square foot, 1 bedroom, 1 bathroom detached standard ADU. Project is on an existing lot containing a three-bedroom single family home. No significant complicating factors are assumed.

#### **CONCLUSION**

The City's total development and planning fees are high in comparison to other jurisdictions in Santa Clara County, particularly in instances where the Park-in-Lieu fee applies. However, the City experiences strong housing production and provides fee exemptions for affordable rental units, substantially reducing costs. Nevertheless, fee comparisons with neighboring jurisdictions and public feedback during the housing element update process indicates that fees for market-rate units are a constraint on housing development. The full Park-in-Lieu fee also applies to Dual Urban Opportunity lot splits, which could hamper the feasibility of this type of development. The Housing Element includes a program to review the City's planning and development fees, specifically the park inlieu fee to remove barriers to Dual Urban Opportunity lot splits.

## **Density Bonus**

A density bonus is the allocation of development rights that allows a parcel to accommodate additional residential units beyond the maximum for which the parcel is zoned. State Density Bonus Law (Government Code Sections 65915 – 65918) provides density bonuses to residential projects based on a sliding scale that varies based on the type of housing and the percentage of affordable units. The maximum density bonus for a market rate development (inclusive of any inclusionary affordable units) is 50 percent, dependent on the income level and percentage of affordable units. However, the permitted density bonus is 80 percent for projects that provide 100 percent affordable units, and 100 percent affordable projects within one-half mile of a major transit stop are entitled to unlimited density. In addition, State density bonus law provides eligible projects up to three incentives/concessions on a sliding scale based on the percentage of affordable units provided. Projects that provide 100 percent affordable units are eligible for up to four incentives/concessions. Any project eligible for a density bonus may request unlimited waivers of development standards, except for a project entitled to unlimited density.

Projects qualifying for a density bonus also qualify for statewide parking requirements (which is a reduction in the City of Sunnyvale requirement), shown in Table 6-39. In addition, parking requirements for projects located within a half mile of an accessible major transit stop or bus route are further reduced or eliminated depending on the type of affordable project.

<sup>&</sup>lt;sup>2</sup> Fees are based on construction of a new, 400 square foot, 0 bedroom, 1 bathroom, attached JADU that is an addition to an existing home. Project is on an existing lot containing a three-bedroom single family home. No significant complicating factors are assumed.

<sup>&</sup>lt;sup>3</sup> Total development costs are based on estimates from the Santa Clara ADU calculator (https://santaclaracounty.aducalculator.org).

Table 6-39: Statewide Parking Standards for Affordable Housing

| Number of Bedrooms | Number of On-Site Parking Spaces |  |
|--------------------|----------------------------------|--|
| 0 to 1 bedroom     | 1                                |  |
| 2 to 3 bedrooms    | 1.5                              |  |
| 4 or more bedrooms | 2.5                              |  |

Source: California Government Code Section 65915.

The Sunnyvale City Council amended its density bonus ordinance (Section 19.18.025 of the Zoning Code) on May 25, 2021. The amended ordinance references the requirements of Government Code 65915 through 65918 and grants the Community Development Director permission to establish guidelines, forms, and submittal requirements for the filing, processing, and consideration of density bonus applications. Such applications are considered concurrent with the accompanying entitlement application for the development project.

The City also provides an additional density bonus of 5 percent for multi-family developments that meet certain voluntary green building measures, described under building code requirements, above.

#### CONCLUSION

The City complies with State density bonus law and its processing procedures are consolidated with other discretionary approvals and not a constraint on housing development.

## **Below Market Rate Housing**

Sunnyvale's Below Market Rate (BMR) Program is authorized under the Sunnyvale Municipal Code, Chapter 19.67 (Inclusionary Below Market Rate Ownership Housing Program), Chapter 19.69 (Existing Below Market Rate Rental Housing), and Chapter 19.77 (Inclusionary Below Market Rate Rental Housing).

The Inclusionary Below Market Rate Ownership Housing Program (Chapter 19.67) is applicable to new developments of seven or more ownership units and requires that at least 15 percent of units in ownership developments be affordable to lower- and moderate-income purchasers (up to 120 percent AMI). The homes are priced to be affordable to buyers at 100 percent of AMI and shall be restricted for 30 years. BMR units must be constructed in proportion to the BMR ownership housing requirement applicable to the project. The last market rate unit may not receive a certificate of occupancy until the last BMR unit has received a certificate of occupancy.

An applicant may request an alternative to satisfy the BMR housing requirement. Such a request is subject to recommendation by the Housing and Human Services Commission and final approval by the City Council. Alternatives include the following:

- An in-lieu fee equal to seven percent of the contract sales price of all units in the project.
- A partnership with another developer providing affordable housing units in another project.
- Conversion of an existing market rate ownership or rental unit into deed-restricted affordable housing or preservation of an expiring affordable housing development.
- Dedication of a parcel of land large enough to accommodate the project's inclusionary requirement plus
   35 percent additional units.

Chapter 19.69 (Existing Below Market Rate Rental Housing) was adopted in 2012, in response to the 2009 Palmer vs. Los Angeles court case. The ordinance applies to existing rental properties that remain subject to BMR

requirements imposed prior to the Palmer vs. Los Angeles court case based on recorded developer agreements with terms of 20-55 years.

Also, in response to the Palmer case, the City adopted Chapter 19.75 Housing Impact Fees of the Zoning Code in 2015. The ordinance required that market-rate rental housing construction of four or more units and all new non-residential development pay a housing impact fee to support the development of affordable housing in the city. Alternatives to the housing impact fee included the provision of on-site affordable units, off-site affordable units, or dedication of land for affordable housing. The City's Inclusionary Below Market Rate Rental Housing (Chapter 19.77), described below, supersedes the Housing Impact Fee (Chapter 19.75) for residential development. However, the Housing Impact Fee (Chapter 19.75) remains effective for non-residential development.

In November 2019, the City adopted Chapter 19.77 (Inclusionary Below Market Rate Rental Housing). The chapter applies to new development projects with three or more rental units with a completed application after November 8, 2019. Projects with applications completed on or before November 8, 2019 are subject to the impact fee (Chapter 19.75) described above. Projects subject to Chapter 19.77 are not subject to Chapter 19.75. The chapter requires that at least 15 percent of the total rental units in a project be affordable. At least 10 percent of total project rental units must be affordable to low-income households (earning less than 80 percent AMI) and at least 5 percent of total project rental units must be affordable to very low-income households (earning less than 50 percent AMI). Inclusionary units must be held affordable for 55 years.

An applicant may request an alternative to satisfy the BMR housing requirement, subject to recommendation by the Housing and Human Services Commission and final approval by the City Council. Alternatives include the following:

- Payment of an in-lieu fee. Small rental housing projects with three to six housing units may choose to pay
  the in-lieu fee without City Council approval.
- A partnership with another developer providing affordable housing units in another project.
- Conversion of an existing market rate ownership or rental unit into deed-restricted affordable housing or preservation of an expiring affordable housing development.
- Dedication of a parcel of land large enough to accommodate the project's inclusionary requirement plus thirty-five percent additional units.

Since Sunnyvale initiated the BMR program in the early 1980s, hundreds of affordable units have been created. There are currently approximately 575 active BMR ownership units (homes) and approximately 220 active BMR rental units.

In-lieu fees received through the BMR program are paid into the City's housing mitigation fund. The balance of the BMR fund was approximately \$7 million as of FY 2021-22. This fund includes revenues from BMR administrative fees, fines for violations of the BMR codes, as well as BMR in-lieu fees. The funds are used to support development of affordable units, with a small portion of the funds used to cover BMR program administration.

#### **CONCLUSION**

The City met its above moderate-income RHNA for the 5<sup>th</sup> cycle, indicating that the inclusionary program has not acted as a constraint on the construction of market-rate housing. The City's BMR requirements have been successful in ensuring that affordable housing is built in the city. Assembly Bill 1505 (Government Code Section 65850), passed in 2015, authorizes jurisdictions to adopt rental inclusionary housing programs.

In addition, the City's BMR program is critical for helping the City comply with its obligation to affirmatively further fair housing by ensuring that lower-income households have the opportunity to live in Sunnyvale, specifically in areas of high resource. The BMR program also encourages mixed income housing and helps to avoid the concentration of affordable housing in any one area. Rather, it disperses affordable housing throughout the city.

#### **Short-Term Rentals**

Short-term rentals are regulated by Chapter 19.76 of the Zoning Code. Hosted short-term rentals are allowed in any residential zoning district, if the host resides on site throughout the lodgers' stay, the site is the host's primary residence, and approval was authorized by the Community Development Director. Accessory dwelling units approved on or after January 1, 2020 and new units built under the Dual Urban Opportunity Housing provisions, are not allowed to be used as short-term rentals.

#### **CONCLUSION**

The restrictions on short-term rentals, which do not allow homes to be converted into permanent short-term rentals, help to protect the City's housing stock for full time residents and thereby increase the availability of affordable housing in the city.

## **Zoning for a Variety of Housing Types**

Housing element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. This includes multi-family rental housing, factory-built housing, mobile homes, farmworker housing, single-room occupancy housing, emergency shelters, accessory dwelling units, low barrier navigation centers, and supportive and transitional housing.

#### **MULTI-FAMILY RENTAL HOUSING**

The City's Zoning Code allows development of multi-family housing developments in the R-2, R-3, R-4, and R-5 districts. In addition, multi-family housing developments of any size are permitted with approval of a use permit in the C-2 and O zoning districts. Multi-family housing is also permitted in the Village Mixed Use designation, Downtown Specific Plan, Lawrence Station Area Plan, El Camino Real Specific Plan and the Peery Park Specific Plan. Updates to Moffett Park Specific Plan will also permit multi-family housing. The City makes no distinction in its zoning provisions between multifamily rental and multifamily ownership housing.

#### **ACCESSORY DWELLING UNITS**

Accessory dwelling units (ADUs) (often referred to as "granny units") allow more efficient use of land and infrastructure in single-family neighborhoods and provide the opportunity for the development of small housing units designed to meet the needs of individuals or families, who may be rental tenants or extended family members, and who would otherwise not typically afford single family housing costs.

To encourage establishment of ADUs on existing developed lots, Sunnyvale has adopted an ADU ordinance consistent with State law that provides for ministerial review of ADUs that meet the standards in the ordinance.

The City allows ADUs in all residential zoning districts including those within specific plans on lots that contain an existing dwelling or where a dwelling is proposed. The City updated its ADU ordinance in 2020 and permits up to one ADU and one junior ADU per single family lot or up to two detached ADUs per multi-family lot, or 25 percent of the existing number of units in areas not used as livable space in multifamily dwellings. Consistent with State law, the City provides a streamlined ministerial approval process for ADUs if the following criteria are met.

For ADUs within the interior space of a single-family dwelling:

- The ADU is located entirely within the interior space of the existing or proposed single-family dwelling, or within the interior space of an existing accessory structure and may include an expansion of not more than 150 square feet beyond the physical dimensions of the existing structure for the sole purpose of accommodating ingress and egress.
- The total floor space of the unit is at least 150 square feet.
- The unit has exterior access independent from the existing residence.
- The side and rear setbacks are sufficient for fire safety and life safety.

#### For Junior ADUs:

- The unit must not exceed 500 square feet gross floor area in size and must be contained entirely within the walls of an existing or proposed single-family dwelling.
- The unit may have separate sanitation facilities or may share sanitation facilities with the single-family dwelling. If sanitation facilities are shared, there must be a connecting interior door between the junior ADU and the single-family dwelling.
- The unit must include cooking appliances, food preparation counter, sink, and storage cabinets that are of reasonable size in relation to the size of the unit.
- The unit shall not be considered a separate or new dwelling for purposes of fire safety or life safety.

#### For newly constructed, detached ADUs:

- Minimum four-foot side and rear-yard setbacks are required; however, setbacks of less than four feet are allowed if the unit is constructed in the same location and to the same dimensions as an existing structure that is demolished for the purpose of constructing the ADU.
- The total floor area of the unit is at least 150 square feet gross floor area and not more than 800 square feet gross floor area.
- The height of the unit as measured from within five feet of the structure is not more than 16 feet from the ground to the highest point on the roof.
- A detached unit must not be located in front of a single-family dwelling or in the required front setback of a multi-family dwelling.

For conversions of interior space within an existing multi-family structure:

- An ADU is created within portions of the structure not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, as long as the unit meets building standards for dwellings.
- The ADU must not be created within any portion of the habitable area of an existing dwelling unit in a multifamily dwelling structure.

In addition, the ordinance states that applicants are not required to correct nonconforming zoning conditions as a condition of approval of an ADU that meets the above criteria.

For ADUs that do not meet the above criteria for streamlined approval, a miscellaneous plan permit is required. A miscellaneous plan permit is approved ministerially by the Director of Community Development if the following requirements are met:

- The lot contains an existing or proposed single-family dwelling located in the R-0, R-1, R-1.5, R-1.7/PD, R-2, or residential DSP zoning districts.
- Only one ADU and on junior ADU is allowed per lot.
- The total size of the accessory dwelling unit is no less than 150 square feet gross floor area and no more than 850 square feet gross floor area, or 1,000 square feet gross floor area if the unit has two bedrooms. However, if the ADU is attached to an existing single-family dwelling, the floor area of the ADU shall not exceed fifty percent of the existing single-family dwelling.
- The height of the unit as measured from within five feet of the structure is not more than 16 feet from the ground to the highest point on the roof, except that an accessory dwelling unit may be located on the second floor of a newly constructed or expanded single-family dwelling that meets the following requirements:
  - The proposed project meets all requirements of the Zoning Code applicable to second-story construction or additions including, but not limited to, second-floor setbacks and solar shading.
  - If the entrance to the ADU is above the first floor, it is not on the same building elevation as the entrance to the single-family dwelling.
- Minimum four-foot side and rear-yard setbacks are required; however, setbacks of less than four feet are allowed under the following circumstances:
  - Existing livable space or an existing accessory structure is converted to an accessory dwelling unit or portion of an accessory dwelling unit; or
  - The accessory dwelling unit is constructed in the same location and to the same dimensions as an existing structure that is demolished for the purpose of constructing the accessory dwelling unit.
  - A detached unit shall not be located in front of the single-family dwelling.

Correction of non-conforming zoning conditions on the lot may be required before approval of the ADU. In addition, all other zoning requirements must be met, including, but not limited to, lot coverage, required rear yard maximum lot coverage, floor area ratio, open space, and design review, as long as those requirements permit construction of an accessory dwelling unit that is at least 800 square feet gross floor area in size, at least 16 feet in height measured from within five feet of the structure from the ground to the highest point on the roof, with at least four-foot side and rear setbacks, and which complies with all other applicable development standards.

Consistent with State law, no impact fees are required of ADUs less than 750 square feet in size. The City also only applies owner occupancy requirements to lots containing junior ADUs. For lots containing standard ADUs, the City's ADU ordinance identifies owner occupancy requirements for applications received after January 1, 2025.

The City's ADU standards are consistent with State law and do not serve as a constraint to their development. The City has seen a significant increase in recent ADU production. Since 2018, the City has issued an average of 37 ADU permits annually, compared to the 2015-2017 annual average of 4 ADU permits per year. In addition, the Housing Element includes programs to support further development of ADUs.

#### SENATE BILL 9 DUAL URBAN OPPORTUNITY HOUSING

Senate Bill (SB) 9, signed into law in 2021, requires ministerial approval of a housing development with no more than two primary units in a single-family zone, the subdivision of a parcel in a single-family zone into two parcels, or both. This bill facilitates the creation of up to four housing units on a lot typically used for one single-family home.

In compliance with SB 9, the City allows dual urban opportunity (DUO) housing in the R-0, R-1, R-1.5, R1.7/PD, R-2 zoning districts and on residential blocks in the DSP. Urban lot splits (ULS) are subject to the standards established in Chapter 18.26 of the Zoning Code. DUO units are subject to the standards in Chapter 19.78 of the Zoning Code and shown below in Table 6-40. DUO Units with an ULS are required to pay the Park-in-lieu fee, which was raised as a concern from stakeholders commenting on the Draft Housing Element. The City has included an implementation program in the Housing Element to review the Park-in-lieu fee and consider reductions for DUOs involving ULS.

Table 6-40: Requirements for Dual Urban Opportunity Units

|   | DUO Unit(s) without an ULS  | DUO Unit(s) with an ULS  |  |
|---|---|--|--|
| Approval  |   |  |  |
| Planning Approval (Miscellaneous Plan Permit)                             | Yes   | Yes  |  |
| Tentative Parcel Map  | No  | Yes  |  |
| Parcel Map  | No  | Yes  |  |
| Building Permit   | Yes   | Yes  |  |
| Encroachment Permit   | Yes <sup>1</sup>  | Yes <sup>1</sup>   |  |
| Location  |   |  |  |
| Minimum lot size  | n/a   | At least 40% of the original lot size or 1,200 sq. ft. or (whicheve is more) |  |
| Are ADUs allowed  | Yes   | No <sup>2</sup>  |  |
| Zoning  | R-0, R-1, R-1.5, R1.7/PD, R-2, residential blocks DSP                                   |  |  |
| First Story Side/Rear Setback   | 4 ft. <sup>3</sup>  |  |  |
| Front Setback   | First-story: Per SMC Requirements of underlying zoning district<br>Second-story: 25 ft. |  |  |
| Subject to other zoning standards (e.g. FAR, lot coverage, height limits) | Yes <sup>4</sup>  |  |  |
| Subject to applicable building standards                                  | Yes   |  |  |
| Dimensions  |   |  |  |
| Minimum size  | No minimum  |  |  |
| Maximum size  | 45% FAR or 3,600 sq. ft. (whichever is less) 4,5  |  |  |
| Maximum height  | 30 ft. <sup>6</sup>   |  |  |
| Minimum Parcel Dimensions   | n/a   | 40 ft. in either width or depth <sup>7</sup>                                 |  |
| Minimum Flag Lot "Pole" Width (access to right-<br>of-way)                | n/a   | 10 ft.   |  |
| Facilities  |   |  |  |
| Parking for DUO unit(s)   | One covered parking space per DUO unit <sup>8</sup>                                     |  |  |
| Independent exterior access   | Required for each DUO unit  |  |  |

|   | DUO Unit(s) without an ULS                                 | DUO Unit(s) with an ULS |  |
|---|--|-------------------------|--|
| Independent kitchen                     | Required for each DUO unit                                 |                         |  |
| Independent bathroom                    | Required for each DUO unit                                 |                         |  |
| Interior connection to another DUO unit | Not permitted  |                         |  |
| Other Requirements                      |  |                         |  |
| Owner-Occupancy <sup>9</sup>            | Not required   | Affidavit required      |  |
| Utility connections                     | Separate connection required per DUO unit                  |                         |  |
| Electrical Panel                        | Separate panel required per DUO unit                       |                         |  |
| Fire Sprinklers                         | Required for new DUO units                                 |                         |  |
| Front Yard Paving                       | No more than 50% of the required front yard shall be paved |                         |  |
| Design Standards                        | Compliance required per SMC Section 19.78.050              |                         |  |
| Short-term rental                       | Not allowed for new DUO units                              |                         |  |
| Transportation impact fee               | Required   |                         |  |
| Park in-lieu fee                        | Not required <sup>10</sup>                                 | Required                |  |
| School impact fees                      | Required – collected by applicable school district         |                         |  |

Notes: DUO = Dual Urban Opportunity; ULS = Urban Lot Split; SMC = Sunnyvale Municipal Code; n/a = not applicable.

- <sup>1</sup> An encroachment permit is required for any work in the public right-of-way.
- <sup>2</sup> If only one DUO unit is proposed per new lot, one ADU may be allowed in conjunction for a total of 2 units per new lot per SMC Section 19.79.020(h) and/or Section 19.78.040(b)(1).
- <sup>3</sup> Rear and Side setbacks of less than four feet may be allowed for a new DUO unit if replacing an existing permitted structure and constructed in the same location and to the same dimensions (SMC Section 19.78.040(d)(1)). Second story side/rear setback requirements exceed 4 ft. in the rear yard.
- <sup>4</sup> DUO units are subject to all applicable objective development, design, and subdivision standards unless it is not possible to build DUO unit(s) that are at least 800 sq. ft. with four-foot side and rear yard setbacks within those parameters.
- <sup>5</sup> 50% FAR or 4,000 sq. ft. (whichever is less) may be achieved if at least three findings from SMC Section 19.78.040(2) are met.
- <sup>6</sup> Height is limited to 17 feet in the rear 20 feet of the property.
- <sup>7</sup> Exclusive of any required access to the right-of-way.
- Parking is required at a rate of one covered space per DUO unit unless exempt by SMC Section 19.78.040(i)(3). If parking is proposed, even on an exempted lot, it must be constructed per the requirements of SMC Section 19.46.050.
- <sup>9</sup> When an ULS is proposed, the property owner must sign an affidavit that states they intend to occupy one of the housing units as their principal residence for a minimum of three years from the date of the approval of the urban lot split.
- <sup>10</sup> Park in-lieu fees will be required on non-ULS projects that will be separately conveyed (sold separately) and require a condo map.

## **MANUFACTURED HOUSING/ MOBILE HOMES**

Section 65852.3 of the California Government Code requires jurisdictions to administratively allow manufactured homes on lots zoned for single-family dwellings if they meet certain standards. Consistent with this requirement, Sunnyvale permits mobile homes on a permanent foundation for use as a single-family dwelling in R-0, R-1, R-2, and R-3 zone districts.

Mobile homes are an important source of affordable housing in Sunnyvale. Sunnyvale has 13 mobile home parks containing 3,862 mobile home units. The City has established a designated mobile home park zoning district and has adopted a policy to maintain a minimum of 400 acres of mobile home park zoning. The City also has a General Plan land use designation of Mobile Home.

The City's Mobile Home Park Conversion Ordinance (Chapter 19.72) ensures that the adverse social and economic impacts of any mobile home park conversion on displaced residents are identified and mitigated through adequate notice, reasonable relocation, and other assistance. The ordinance requires that property owners complete a Conversion Impact Report for review and approval by the City Council before any park conversion is approved. The Conversion Impact Report must define and address the social and economic impacts that the conversion would have on displaced residents and mobile homeowners. The Conversion Ordinance also requires that the property owner provide displaced residents with relocation assistance.

The City's 2020 Housing Strategy includes an analysis of mobile home park housing issues as well as potential strategies for addressing mobile home park housing needs. This Housing Element includes a program to review and implement strategies including a memorandum of understanding that sets rent increase limits.

#### FARMWORKER AND EMPLOYEE HOUSING

According to the 2019 5-Year American Community Survey of the Census Bureau, 144 Sunnyvale residents were employed in agriculture, forestry, fishing and hunting, and mining occupations, representing less than 0.2 percent of the City's population. It is unknown if most of these residents were employed as farmworkers. According to the U.S. Department of Agriculture (USDA) Census of Farmworkers, the number of permanent farmworkers in Santa Clara County in 2017 was 2,418 and the number of seasonal farmworkers in 2017 was 1,757. The City does not have an agricultural zoning district. All residential and industrial zoning districts require approval of a use permit for agricultural homes, buildings, and uses.

There are no farms in the city known to currently employ farmworkers (i.e., other than the landowner's family members or volunteers). The City owns two demonstration orchards which are farmed on the City's behalf by a local resident (who has adequate housing). However, many farmworkers live in cities and commute to agricultural areas to work. Farmworkers in Sunnyvale are likely to have similar housing needs as very low or extremely low income households rather than the needs of traditional migrant workers. This is because today's farmworkers are more settled and typically live in one location, rather than following the crops. Per the USDA, today's farmworkers can commute up to 75 miles to the workplace. They are also more likely to have families and are looking for schools, employment for a spouse/partner and a location to live in that provides a community. Because of this, they will benefit from the existing affordable housing programs in Sunnyvale including the BMR program and Housing Choice Vouchers.

The California Health and Safety Code Section 17021.5(b) requires that employee housing providing accommodations for six or fewer are treated the same as any other single family home. A single-family unit housing employees in Sunnyvale would be treated like any other single-family unit. While there are no provisions in the City's code to restrict employee housing for six or fewer employees, the Zoning Code does not explicitly allow them as a permitted use. The Housing Element includes a program to amend the Zoning Code to explicitly comply with this requirement of state law.

#### SINGLE ROOM OCCUPANCY UNITS

Single room occupancy (SRO) residences are small, one room units (generally 100-250 square feet) occupied by a single individual and may either have shared or private kitchen and bathroom facilities. SROs can provide an entry point into the housing market for extremely low income individuals, formerly homeless and disabled persons.

The City permits SROs with a use permit in the R-4, R-5, C-2, C-3, MS, and M-3 zoning districts. In addition, the City permits SROs with a special development permit in the LSAP residential and mixed use districts, the ECR-MU district, as well as some DSP sub-districts. The City's Zoning Code establishes standards for both SRO living unit facilities and SRO residential hotels. A conditional use permit may be issued for an SRO living unit facility or SRO residential hotel if the following criteria are met:

- Individual SRO residential hotel units may not have separate external entryways;
- The SRO residential hotel must have a management plan approved by the director of community development. The management plan shall contain management policies, operations, rental procedures, maintenance plans, staffing needs and security procedures. An on-site twenty-four hour manager is required in every SRO residential hotel. The rental procedures must allow for both weekly and monthly tenancies and specify deposit requirements for each type of tenancy. A manager's unit shall be a complete dwelling unit and so designated on all plans;
- Laundry facilities must be provided in a separate room, at the ratio of one washer and one dryer for every twenty units or fractional number thereof. The laundry facility must be located near the interior common space. Washers and dryers may be coin operated;
- A closet and separate storage space, as approved by the director of community development, is required in every SRO residential hotel room;
- A cleaning supply storeroom and/or utility closet with at least one laundry tub with hot and cold running water must be provided on each floor of the residential hotel building;
- The SRO residential hotel shall provide interior common space at a minimum of four square feet per unit.
   The SRO residential hotel shall provide a minimum of two hundred square feet of interior common area.

In addition, an SRO living unit must also meet the following criteria:

- Excluding the closet and the bathroom area, an SRO living unit must be a minimum of one hundred fifty square feet in floor area. The average unit size in a living unit facility shall be no greater than two hundred seventy-five square feet and no individual living unit may exceed four hundred square feet.
- Each SRO living unit shall be designed to accommodate a maximum of two persons.
- An SRO living unit may contain partial kitchen facilities;

An SRO residential hotel must also meet the following criteria:

- Excluding the closet and any bathroom space, an SRO residential hotel unit must be at least seventy square feet in floor area.
- An SRO residential hotel room designed to accommodate a maximum of one person shall not exceed one
  hundred fifty square feet in floor area, and an SRO residential hotel room designed to accommodate a
  maximum of two persons shall be between one hundred twenty and two hundred nineteen square feet in
  floor area.
- An SRO residential hotel unit may contain partial kitchen and bath facilities. If individual bath and/or kitchen
  facilities are not provided, common bath facilities and/or common laundry and kitchen facilities must be
  provided in accordance with Chapter 16.16 of the Zoning Code.

The City's maximum occupancy restrictions have the potential to conflict with California Building Code requirements. The Housing Element includes a program to review and revise the SRO ordinance to remove maximum occupancy restrictions, as necessary, and to expand the zoning districts where SROs are permitted.

Following adoption of the City's SRO ordinance in 1991, Sunnyvale issued a Request for Proposals for construction of an SRO on a City-owned site in the downtown, to provide housing for workers in service-sector jobs, as well as for seniors and disabled individuals. Mid-Pen Housing Corporation was selected as the developer and leveraged City funds with six other public and private funding sources to achieve development of the 122-unit Carroll Inn.

Twelve of the Carroll Inn units are fully accessible, and rents range up to \$1,600 per month and are affordable to residents with lower incomes.

A second SRO, Borregas Court, was also developed under Sunnyvale's SRO ordinance. This 193-unit SRO is located just outside of downtown. Rents at Borregas Court were approximately \$1,025 to \$1,400 per month in 2020, which are affordable to very low-income residents (50 percent AMU) and low-income residents (60 percent AMI). The property is managed by the non-profit EAH.

#### TRANSITIONAL AND SUPPORTIVE HOUSING

Transitional housing is temporary housing (generally six months to two years) for a homeless individual or family transitioning to permanent housing. Residents are also provided with one-on-one case management, education and training, employment assistance, mental and physical services, and support groups. Government Code Section 65583(c)(3) requires transitional housing and supportive housing to be treated the same as any other residential use within the same zone. Sunnyvale considers transitional housing the same as any other type of housing, and thus the review and approval process is the same. The Zoning Code defines transitional housing as a dwelling, and depending on the physical characteristics of the facility as a single-family or multi-family structure, permits transitional housing as a residential use within single-family zones, or within multi-family and commercial zones.

Supportive housing is generally defined as permanent, affordable housing with on-site services that help residents transition into stable, more productive lives. Services may include childcare, after-school tutoring, career counseling, etc. Similar to transitional housing, the Zoning Code regulates supportive housing as a residential use, and depending on the physical characteristics of the facility as a single-family or multi-family structure, permits transitional housing as a residential use within single-family zones, or within multi-family and commercial zones.

Government Code Sections 65650 et seq. states that supportive housing with no more than 50 units and meeting certain standards is a use by right in zones where multifamily housing is permitted. This means that such supportive housing is exempt from CEQA and may only be subject to design review. A qualifying project must be restricted to lower income households and at least 25 percent of the units, or 12 units, whichever is greater, must be restricted to formerly homeless persons or those at risk of homelessness.

This Housing Element includes a program providing that the City will amend the Zoning Code to allow 'by right' approval of supportive housing meeting the standards in the statute in zones permitting multifamily housing. However, even without an ordinance revision, the City is required to review any qualifying projects 'by right.'

#### **EMERGENCY SHELTERS**

Pursuant to State housing law (California Government Code Sections 65582, 65583, and 65589.5), jurisdictions must identify at least one zone where emergency shelters are allowed as a permitted use without a conditional use permit or other discretionary permit. The identified zone must have sufficient capacity to accommodate the shelter need, and at a minimum provide capacity for at least one year-round shelter. Permit processing, development standards, and management standards for emergency shelters must be objective and facilitate the development of, or conversion to, emergency shelters.

The Sunnyvale Zoning Code allows emergency shelters as a permitted use in the City's industrial zones with the "place of assembly" combining district ("MS-POA" zones), based on code amendments adopted in 2010. Shelters are also allowed in industrial zones without the POA combining district with a use permit. Shelters are subject to the same development and management standards as any other permitted uses in the zone.

As discussed in the homeless section of Chapter 3, "Housing Needs Assessment," the 2019 Santa Clara Homeless Survey identified 624 homeless people in Sunnyvale, including 477 unsheltered people in street locations or cars/RVs/vans or encampments, and 147 people in shelters. Table 3-10 identified a total existing emergency shelter capacity of 169 shelter beds within the City. Based on the 2019 homeless count, the City has an unmet need for 455 shelter beds.

Sunnyvale conducted a review of its zoning districts in 2009 and determined that the industrial zones with a combining district of 'place of assembly' (POA) are the best suited for emergency shelter uses. In 2010, the City added the MS-POA combining district to a number of sites in the MS zone. The POA combining district allows places of assembly and recreational uses, such as places of worship, community centers, etc., as well as emergency shelters. SROs and residential uses are also permitted in the MS-POA zone with a use permit. POA sites were selected based on their proximity to major arterials and locations near the outer edges of larger industrial neighborhoods; and given their direct and convenient access to public transit, would serve as good candidates for the location of an emergency shelter. The City's zoning map, available on the City's website, shows the locations of all MS-POA sites within Sunnyvale. This combining district encompasses 97 parcels and a total area of 105 acres.

The MS-POA sites are characterized by larger buildings and warehouses, many of which are suitable for conversion to a shelter. Numerous underutilized properties also exist, which are suitable for redevelopment. Most structures on MS-POA sites are Class C, single-story, tilt-up, industrial buildings. The availability of these buildings for adaptive reuse and the relatively lower property values in industrial areas serve to minimize, to the extent possible, the cost of establishing an emergency shelter. The vacancy and availability rates of research and development properties in the city, which most closely corresponds to these zones, were approximately 3 and 10 percent in the third quarter of 2021, according to Colliers International. Based on these market rates, roughly 3 vacant parcels or 3 vacant acres or approximately 10 parcels are available for lease within the MS-POA combining district. The Zoning Code does not limit the number of beds permitted per site. The HomeFirst Sunnyvale Nightly Shelter, located at 999 Hamlin Ct, currently provides 102 beds on a 1.25 acre site. Based on the bed to lot size ratio of the HomeFirst Sunnyvale Nightly Shelter, approximately 5.6 acres of land is needed to accommodate the unmet emergency shelter beds. As such, the MS-POA has sufficient capacity to meet the City's unmet emergency shelter bed need.

The City's MS-POA development standards are appropriate to facilitate emergency shelters, and can be summarized as follows:

Minimum lot size: 22,500 square feet

Building height: 75 feet

Lot coverage: 45 percent

■ FAR: 35 percent

Front yard setback: 25 feet

Side yard setback: total 20 feet

Rear yard setback: none

In addition to application of MS-POA development standards, the City can also specify written, objective standards to regulate certain aspects of emergency shelters to enhance compatibility. The Zoning Code does not specify any standards other than those listed above, however it defines emergency shelter as follows: "any facility with on-site management and security that provides temporary overnight sleeping accommodations for a maximum of thirty days and minimal supportive services for homeless persons."

Assembly Bill 139, passed in 2019, revised State housing element law by requiring that emergency shelters only be required to provide sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone. The City does not have parking requirements specific to emergency shelters.

Except for the parking standards set forth in the Zoning Code, the City's standards for emergency shelter facilities comply with State law. This Housing Element includes a program directing the City to amend its parking standards for emergency shelters to comply with Assembly Bill 139.

In addition, Assembly Bill 101, passed in 2019, requires that Low Barrier Navigation Center development be a use by right in mixed-use zones and nonresidential zones permitting multi-family uses if it meets specified requirements. A Low Barrier Navigation Center is a housing-first, low-barrier, temporary, service-enriched shelter focus on helping homeless individuals and families obtain permanent housing. The Zoning Code does not address the new State law requirement related to Low Barrier Navigation Centers. The Housing Element includes a program providing that the City will amend the Zoning Code to allow 'by right' approval of Low Barrier Navigation Centers in mixed-use zones and nonresidential zones permitting multi-family uses if they meet specified requirements in compliance with AB 101. However, even without an ordinance revision, the City is required to review any qualifying projects 'by right.'

AB 2339 (Statutes of 2022) added additional specificity on how cities and counties plan for emergency shelters. Government Code Section 65583 (a)(4) now requires that zoning designations identified to allow emergency shelters as a permitted use without discretionary review must allow residential uses. As described above, the MS-POA zone allows residential uses and therefore meets this requirement.

#### **RESIDENTIAL CARE FACILITIES**

#### **Small Residential Care Facilities**

Section 1566.3 of the California Health and Safety Code requires licensed residential facilities serving six or fewer persons to be considered a residential use of property for purposes of local zoning ordinances. No local agency can impose stricter zoning or building and safety standards on these residential facilities — such as a use permit (UP), zoning variance or other zoning clearance - than is required of a family dwelling of the same type in the same zone.

The Sunnyvale Zoning Code permits licensed Residential Care Facilities serving six or fewer persons by right in low and medium density residential zoning districts (R-O, R-1, R-1.5, R-2), and does not subject such facilities to a use permit, building standard, or regulation not otherwise required of single-family homes in the same zone. Consistent with the requirements for single-family dwellings, licensed Residential Care Facilities serving six or fewer persons in the R-1.7/PD zoning district require a special development permit. However, under State law a family dwelling is not limited to a single-family dwelling, it includes any residential unit including duplex, multifamily, mobile homes, etc. Some of the zones where the City requires a use permit for licensed Residential Care Facilities allow multifamily and other residential uses as a permitted use. Therefore, the City's existing zoning regulations for licensed Residential Care Facilities are not entirely consistent with State law. Unlicensed Residential Care Facilities with six or fewer occupants are permitted in all residential zones, subject to issuance of a use permit. State law does not regulate unlicensed Residential Care Facilities in the same way.

#### **Large Residential Care Facilities**

Due to the unique characteristics of larger (more than six persons) Residential Care Facilities, most jurisdictions require a use permit in the siting of these facilities. As indicated previously in Table 6-2, the Sunnyvale Zoning Code

provides for Residential Care Facilities with more than six occupants in all zoning districts where residential uses are permitted, subject to approval of a Use Permit by the Planning Commission; unlicensed facilities with more than six occupants are allowed with a Use Permit in medium and high density residential zones and nonresidential zones which allow residential uses. The required findings for approval of a Use Permit in Sunnyvale are directed towards ensuring compatibility of the proposed use and not tied to the user, and therefore are not viewed as a constraint per se to the provision of residential care facilities.

Sunnyvale has adopted Chapter 19.64 of the Zoning Code to regulate unlicensed care facilities and facilities with seven or more occupants. As articulated in the Zoning Code, the Sunnyvale City Council finds that residential care facilities provide a cost-effective, humane and non-institutional environment for elderly persons, persons suffering from chronic illness, persons suffering from mental or physical impairments, and persons recovering from drug and/or alcohol addiction. The City Council also finds that the public health, safety and welfare of City residents is best served when such facilities are licensed by the California Department of Social Services, the California Department of Alcohol and Drug Programs, or other appropriate agency to ensure compliance with applicable regulations and standards, but that in fact not all facilities are so licensed. The City Council finds that over-concentration of Residential Care Facilities could impair the integrity of residential neighborhoods, and thus has established a 500 foot spacing requirement between Residential Care Facilities with more than six occupants. Applicants may request a waiver from the distance requirement, subject to Planning Commission findings that such a waiver would not be materially detrimental or injurious to the property, improvements or uses in the immediate vicinity.

The State Community Care Licensing Division identified one group home, four adult residential facilities, and 34 residential care facilities for the elderly in Sunnyvale.

This Housing Element includes a program to review the City's requirements for residential care facilities to ensure consistency with the Health and Safety Code and its obligation to affirmatively further fair housing.

#### **Definition of Family**

California's Constitution contains an *express* right to privacy, adopted by the voters in 1972. The California Supreme Court has found that this right includes "the right to be left alone in our own homes" and has explained that "the right to choose with whom to live is fundamental." Consequently, the California courts have struck down local ordinances that attempt to control *who* lives in a household—whether families or unrelated persons, whether healthy or disabled, whether renters or owners. Local ordinances that define a "family" in terms of blood, marriage, or adoption, and that treat unrelated groups differently from "families," violate California law.

Sunnyvale's Zoning Code contains the following definition of "family":

- a) An individual living alone in a dwelling unit; or
- b) Two or more persons related by blood, marriage or legal adoption, or a group of two or more persons who need not be related, living together in a single dwelling unit as a group where the individual or group is in possession of the entire dwelling unit."

The City's definition of family does not distinguish between related and unrelated persons and so complies with state law. However, the definition does include language requiring the individual or group to be in possession of the entire dwelling unit, which may be a constraint on persons with disabilities. The Housing Element includes a program to amend the definition of "family" to remove language about possession of the entire unit.

#### **CONCLUSION**

The City's Zoning Code allows for a variety of housing types, but some requirements may result in constraints to housing types for persons with special needs. This Housing Element includes several programs to ensure the City provides adequate zoning for a variety of housing types. Programs included address the following:

- support for ADU production,
- 'by right' approval of supportive housing developments meeting certain standards,
- emergency shelter parking standards,
- Low Barrier Navigation Centers,
- Residential care facilities, including those unlicensed or serving 7 or more persons.

## **Housing For Persons with Disabilities**

Persons with disabilities have a number of housing needs related to accessibility of dwelling units; access to transportation, employment, and commercial services; and alternative living arrangements that include on-site or nearby supportive living services. This section analyzes potential governmental constraints on the development of housing for persons with disabilities.

#### **ACCESSIBILITY ACCOMMODATIONS**

The federal Fair Housing Act of 1988 and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments.

The City's reasonable accommodation procedures are outlined in Chapter 19.65 of the Zoning Code. If the reasonable accommodation request is part of a project that requires some other discretionary approval, such as a Design Review for a large single-family home addition, the request is then reviewed by the decision-making body with that discretionary approval. If the project does not require some other discretionary approval, the request is reviewed by the Community Development Director through a miscellaneous plan permit application. There is no fee for a miscellaneous plan permit application for reasonable accommodation, including appeals.

A request for a reasonable accommodation is intended to be an interactive process between the City and the applicant to meet the applicant's needs. The decision to grant a reasonable accommodation request is based on certain findings consistent with the federal Fair Housing Amendments Act of 1988 and the California Fair Employment and Housing Act, including the following:

- Whether the housing or housing-related request will be used by a person with a disability protected under the federal Fair Housing Amendments Act of 1988 and the California Fair Employment and Housing Act;
- Whether the request for reasonable accommodation is necessary to make specific housing available to a
  person with a disability protected under the federal Fair Housing Amendments Act of 1988 and the
  California Fair Employment and Housing Act;

- Whether the requested reasonable accommodation would impose an undue financial or administrative burden on the city;
- Whether the requested reasonable accommodation would require a fundamental alteration in the nature or effect of the city's land use and zoning ordinances, programs or policies;
- Whether the requested reasonable accommodation adequately considers the physical attributes of the property and structures; and
- Whether alternative reasonable accommodations could provide an equivalent level of benefit.

The finding of whether alternative accommodations could provide an equivalent level of benefit could be considered a constraint if the burden is on the person requesting the accommodation. The Housing Element includes a program directing the City to review and update the reasonable accommodation findings to remove any constraints to housing for persons with disabilities.

#### **ZONING AND BUILDING CODE REQUIREMENTS**

The City has conducted a review of zoning and building code requirements and has not identified any barriers to the provision of accessible housing. Handicapped ramps or guardrails are permitted to intrude into the standard setbacks required under zoning to allow first floor access for physically disabled residents.

## 6.2 Non-Governmental Constraints

Land costs, construction costs, and market financing contribute to the cost of housing development and reinvestment and can potentially hinder the production of new affordable housing. Although many constraints are driven by market conditions, jurisdictions have some limited ability to institute policies and programs to address the constraints. This section contains an analysis of non-governmental constraints that impact housing production.

## **Development Costs**

## **LAND/ACQUISITION COSTS**

Land costs represent a significant barrier to the production of new affordable housing in Sunnyvale. A recent study conducted for the LSAP found that the estimated residual land value of a 100-unit rental project in the LSAP is approximately \$3.9 million per acre, meaning a developer could afford to pay no more than \$3.9 million per acre for land in order for a rental project to be financially feasible. The same study found that land costs within the LSAP ranged from \$3.7 to \$9.8 million in 2018-2019. Local real estate listings show zero residentially-zoned vacant lots available for sale in Sunnyvale (as of December 2021), demonstrating the City's limited inventory of vacant land.

Sunnyvale does have some non-vacant sites currently (March 2022) available for sale, as shown in Table 6-41. Most properties are in industrial (M-S or M-3) zoning districts and are not suitable for residential development. Only two sites (116-124 Carroll Street and 1057 Reed Terrace) are zoned for residential uses. Sites range in price from \$6.5 million to \$18.5 million per acre. The two sites zoned for residential uses have a listing price of \$11.8 million and \$18.5 million per acre.

Table 6-41: Real Estate Listings in Sunnyvale, March 2022

| Address                          | Zoning  | Parcel Size | Existing Building | Total Price  | Price per Acre |
|----------------------------------|---------|-------------|-------------------|--------------|----------------|
| 116-124 Carroll St               | DSP     | 0.49 acre   | 14,360 sq ft      | \$5,800,000  | \$11,836,735   |
| 1057 Reed Ter                    | R3      | 0.14 acre   | 4,029 sq ft       | \$2,595,000  | \$18,535,714   |
| 595 Lawrence Expy                | M-S/POA | 2.14 acres  | 33,522 sq ft      | \$21,500,000 | \$10,046,729   |
| 1290-1294 Lawrence<br>Station Rd | M-S     | 1.21 acres  | 19,728 sq ft      | \$9,988,000  | \$8,254,545    |
| 295 Commercial St                | M-S     | 0.77 acre   | Not available     | \$5,750,000  | \$7,467,532    |
| 760 Kifer Rd                     | M3      | 1.31 acres  | 19,936 sq ft      | \$12,000,000 | \$9,160,305    |
| 1150 W Evelyn Ave                | M-S     | 1.21 acres  | 15,000 sq ft      | \$7,900,000  | \$6,528,926    |

Source: Loopnet.com, March 2022.

A study completed by Baird + Driskell, in partnership with Century Urban, in 2022 identified land costs for single family and multifamily development in Santa Clara County. Land costs in Sunnyvale ranked as some of the highest in the county. Median land costs for single family home sites (up to 1 acre) were \$214 per square foot or \$1,345,000 per single family home, approximately 2.5 times the countywide median. However, this is based on limited data from 2018 to 2021 which show wide variation in land values in the City, ranging from \$167 per square foot to \$602 per square foot. Median land costs for multifamily land sites were \$238,000 per multifamily unit, ranging from \$55,000 to \$306,000 per multifamily unit. This represents land costs almost 4 times the countywide median; however, limited data points were used for this analysis.

Most available sites also require demolition and site remediation expenditures in addition to acquisition and construction costs. The City has a history of assisting with site acquisition for affordable housing projects, providing low-interest acquisition and/or development loans to non-profit housing providers and various other forms of assistance in exchange for long-term affordability covenants. For example, in 2015, the City purchased land in Downtown Sunnyvale Block 15 to support an affordable development. In 2021, the City purchased 1.3 acres of land in the amount of \$13.55 million, or \$10.4 million per acre, and authorized a ground lease to MidPen Housing for a 176-unit affordable housing project.

#### **CONSTRUCTION COSTS**

Construction costs vary widely according to the type of development, with multi-family housing generally less expensive per unit to construct than single-family homes. However, there is wide variation within each construction type depending on the size of unit and the number and quality of amenities provided. A reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) could slightly lower the cost of development. In addition, prefabricated factory-built housing could reduce construction and labor costs to some extent. Another factor related to construction costs is the number of units built at one time. As the number increases, overall costs per unit generally decrease as builders can benefit from economies of scale.

The same feasibility study conducted for the LSAP in 2020 identified typical construction costs for a project built at a density of 100 units per acre (400 units on a 4-acre lot). The study estimated construction costs would total \$169 million or \$421,953 per unit. The study also found construction costs for a project built at a density of 65 units per acre (260 units on a 4-acre lot) would total \$108 million or \$415,774 per unit.

Recent material cost increases have impacted construction costs, particularly the price of lumber. MidPen Housing found hard costs for construction of a 176-unit project increased more than \$8 million in one year, or more than approximately \$45,000 per unit, and that the cost of wood structures was on par with the cost of light gauge metal.

The 2022 Baird + Driskell study identified an average construction cost (including soft and hard costs) in San Mateo and Santa Clara Counties of \$553 per square foot for smaller single family homes (roughly 2,600 square feet) and \$672 per square foot for larger single family homes (roughly 5,000 square feet). The same study identified average multifamily construction costs (including soft and hard costs) in San Mateo and Santa Clara Counties of \$687 per square foot or \$686,500 per unit for smaller multifamily developments (10 units) and \$676 per square foot or \$632,500 per unit for larger multifamily developments (100 units).

#### **TOTAL DEVELOPMENT COSTS**

Review of recent affordable multi-family residential developments reveals that total development costs including acquisition costs, construction costs, and soft costs (i.e., architecture, engineering, legal fees) ranged from \$556,750 to \$935,139 per unit. On average, hard construction costs made up 65 percent of total development costs and ranged from \$361,574 to \$699,828 per unit. Land costs for these developments averaged 13 percent of total development costs, ranging from \$66,216 to \$130,489 per unit or \$3.8 million to \$14.7 million per acre.

High development costs impact the feasibility of residential development, specifically affordable development in Sunnyvale. The City has worked with affordable housing developers to help offset these costs. For example, the City recently provided financial assistance to an affordable housing developer for construction on the previously Cityowned sites within Block 15 of the Downtown Specific Plan. Financial assistance from the City supported both construction and land acquisition for affordable development.

Development costs will likely continue to constrain residential development in Sunnyvale. The City continues to support affordable housing development through financial assistance.

## **Availability of Financing**

The availability of financing in a community depends on several factors, including the type of lending institutions active in the community, lending practices, rates and fees charged, and equal access to financial institutions. Housing developments require capital used by developers for initial site preparation and construction and capital used by homeowners and investors to finance the purchase of units. Financing is largely impacted by interest rates. Small fluctuations in interest rates can dramatically influence the ability to qualify for a loan.

Mortgage interest rates are relatively low and are currently (2022) around 5 percent. Mortgage rates are expected to increase slowly in the coming years; however, it is anticipated that mortgage rates will remain relatively low in comparison to historical trends. While interest rates for development and construction are generally higher than interest rates for home purchase (i.e., mortgages), financing for new construction is generally available at reasonable rates. Financing cost and availability do not currently (2022) present constraints to housing development.

Some developers interviewed during the Housing Element Update indicated that, while financing is readily available for residential development, lenders are less willing to underwrite the retail component of mixed use projects, making it challenging to build vertical mixed use. Developers explained that they often cannot get financing for the retail spaces and have to build those spaces with cash, and that the situation has gotten worse with the impacts of the Covid pandemic on the retail industry. They suggested that offering flexibility in meeting the non-residential

requirements of mixed-use developments with uses other than retail that still achieve the goal of ground floor activation can help with project feasibility, especially for affordable housing developers.

## Requests For Housing Developments at Reduced Densities

State law requires the housing element to include an analysis of requests to develop housing at densities below those anticipated in the sites inventory. The sites inventory prepared for the 2015 Housing Element conservatively assumed buildout at 75 to 85 percent of the maximum allowed density. Since that time, nearly all multi-family high density sites have been approved or proposed for development at much higher densities than assumed in the 2015 Housing Element. This is especially true for affordable projects, which have often used density bonuses to exceed the maximum allowable density. Recent multi-family developments (including both market-rate and affordable projects) have been constructed or proposed at an average of 109 percent of the maximum allowed density. The City has not received any requests to develop at reduced densities.

# Length of Time Between Project Approval and Applications for Building Permits

State law requires an analysis of the length of time between receiving approval for housing development and submittal of an application for building permit. On average approximately 9 months pass between the approval of a multi-family housing development application and submittal of an application for building permits. Once a project receives approval, the City requires a 15-day decision appeal period before an application for building permits may be submitted. For the most part, however, the timing of when building permit applications are submitted is largely determined by the developer. Depending on the complexity of the project, the developer may need time to prepare building permit plans or satisfy conditions of approval. Additionally, for most affordable housing projects, the developer must secure multiple sources of funding, but can only do so after a project receives planning entitlements. This financing process may add months or possibly years between project approval and applications for building permits for recent multifamily project are shown in Table 6-42.

Table 6-42: Time Between Project Approval and Applications for Building Permits

| Project        | Approval Date | Date of Building Permit Application |
|----------------|---------------|-------------------------------------|
| 1155 Aster     | 2/11/2019     | 12/11/2019                          |
| 1 AMD          | 4/23/2019     | 12/11/2019                          |
| 365 S Mathilda | 4/27/2020     | 5/17/2021                           |
| 200 S Taaffe   | 1/11/2021     | 6/29/2021                           |

Source: City of Sunnyvale, 2022.

## **Local Efforts to Remove Non-Governmental Constraints**

The City has little ability to control non-governmental constraints, such as the price of land and environmental constraints. However, the City is working to streamline the development application process to reduce time and money spent. Additionally, the City supports the development of affordable housing through the provision of site acquisition and gap funding. For example, the City recently provided land contributions in the amount of \$13.6

million and approximately \$14 million in loans for the MidPen Housing project at 1178 Sonora Ct. In addition, the City provided \$12.5 million in funding and land contributions to the development at Block 15 in the Downtown Specific Plan.

In addition, to address potential constraints and expand homeownership and home improvement opportunities, the City of Sunnyvale offers and/or participates in a variety of programs. These include the City's First Time Home Buyer Loan Program, as well as rehabilitation programs for single-family homes and rental properties. Such programs assist lower- and moderate-income residents by increasing access to favorable loan terms to purchase or improve their homes.

# CHAPTER 7 OPPORTUNITIES FOR ENERGY CONSERVATION

# 7.1 Introduction

State law (Government Code Section 65583[a][8]) requires Housing Elements to contain an analysis of opportunities for energy conservation in residential development. This includes energy conservation in building construction as well as the pattern of development (e.g., energy use in transportation).

Local governments can play an important role in encouraging energy conservation whether through policy, programs, regulations, education and, sometimes, financial incentives. For this Housing Element, opportunities for energy conservation in Sunnyvale are focused on residential energy conservation and the ability to reduce housing costs.

As this analysis shows, Sunnyvale has taken numerous steps, often exceeding State mandates, to encourage energy conservation.

# 7.2 Climate Change: A Framework for Energy Conservation

Sunnyvale is committed to reducing greenhouse gas (GHG) emissions. The City established goals of reducing emissions by 56 percent below 1990 levels by 2030 and 80 percent below 1990 levels by 2050. This will be accomplished through several initiatives, programs, and planning efforts outlined in the City's Climate Action Playbook (hereinafter Playbook). Energy efficiency and conservation measures are key components of Strategies One, Two, and Three in the Playbook: Promoting Clean Energy, Decarbonizing Buildings, and Decarbonizing Transportation and Sustainable Land Use.

The inventory below describes the ways Sunnyvale is currently addressing the conservation of energy resources as part of larger climate action and adaptation processes. In addition to reducing GHG emissions and conserving limited energy resources, reducing residential energy consumption also has economic benefits. Energy conservation measures can result in lower monthly housing costs and contribute to greater long-term housing affordability.

# **Planning for Climate Change**

Sunnyvale adopted its first Climate Action Plan (CAP 1.0) in 2014. It included nearly 130 actions for reducing communitywide GHG emissions. While CAP 1.0 set Sunnyvale on track to meet or exceed the State's 2020 GHG emissions reduction target, it was not designed to identify how more ambitious and longer-term targets for 2030 and 2050 could be achieved. To make progress toward significant and longer-term GHG reductions, the Sunnyvale City Council adopted Accelerating Climate Action as a Council Policy Priority in January 2017. This policy priority manifested in the adoption of the City's Climate Action Playbook in 2019, replacing CAP 1.0. The Playbook sets Sunnyvale on a path to achieve longer-term GHG reduction targets. Energy conservation, in general, is a significant component of Sunnyvale's climate change planning efforts. The inventory below summarizes the energy conservation goals of these efforts.

#### **CLIMATE ACTION PLAN 1.0**

Adopted on May 20, 2014, CAP 1.0 established 10 strategies to reduce GHG emissions, including one for the decrease of energy consumption. At that time, energy consumption was estimated at 16 percent of all GHG emissions in Sunnyvale. CAP 1.0 set out the following six energy use reduction policies:

- Lighting Efficiency: Increase the use of efficient indoor and outdoor lighting technologies.
- **New Construction and Remodels:** Require green building practices in new residential and commercial development and remodels.
- Residential Energy Efficiency: Reduce residential energy use, with emphasis on existing homes built before 1990.
- Commercial Energy Efficiency: Establish a regulatory and incentive-based structure that facilitates commercial and industrial energy efficiency and conservation.
- Smart Grid: Increase awareness and utilization of real-time energy consumption data and pricing available through PG&E's Smart Meter program.
- **"Cool" Roofs and Pavements:** Reduce the amount of dark, non-reflective roofing and paving material to mitigate the urban heat island effect and reduce energy associated with heating and cooling.

Each policy includes action items to guide implementation, many of which pertain to residential buildings. Since adopting CAP 1.0, Sunnyvale experienced significant growth in population, jobs, and the construction of new buildings. Despite those trends, which historically resulted in emissions growth, Sunnyvale's overall emissions decreased 12 percent below 1990 levels in 2016, surpassing the CAP 1.0 goal of reaching 1990 levels of emissions by 2020.

### **CLIMATE ACTION PLAYBOOK**

Adopted in August 2019, the Playbook builds upon the foundation laid by CAP 1.0 and serves as a guide for Sunnyvale to achieve or exceed the state's 2030 and 2050 GHG emissions reduction targets. Relative to the purposes of this inventory, the Playbook addresses energy conservation and GHG reduction through three Strategies: (1) Promoting Clean Energy; (2) Decarbonizing Buildings; and (3) Decarbonizing Transportation and Sustainable Land Use. Components of each strategy relevant to the topic of housing and the reduction of household costs are summarized below.

- Strategy 1: Promoting Clean Energy
- Play 1.1: Promote 100% Clean Energy
- Strategy 2: Decarbonize Buildings:
- Play 2.1: Reduce energy consumption in existing building through deep energy retrofits. This includes quantified targets of 5 percent of homes by 2030 and 30 percent of homes by 2050.
- Play 2.2: Support electrification of existing buildings. This includes quantified targets equal to 20 percent of homes by 2030 and 50 percent of homes by 2050.
- Play 2.3: Achieve all-electric new construction. This directs the City to incentivize and promote all-electric new construction options for deep decarbonization.
- Strategy 3: Decarbonize Transportation and Sustainable Land Use:

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 Play 3.1: Increase opportunities for and encourage development of mixed-use sites to reduce vehicle miles per person.

Each Play is then supported by Next Moves which identify specific implementation actions for Sunnyvale to pursue. For example, Strategy 2: Decarbonize Buildings includes Moves that are focused on both new construction and existing buildings with programs and policies designed for future climate and energy realities. This includes increasing building efficiency for extreme temperatures and scaling up adoption of technologies in buildings powered by clean electricity. Increased building energy efficiency will help to reduce utility costs for households and residents. In the future, the City may strengthen these Plays to couple the efforts with financial incentives and/or other energy conservation programs, described in more detail in Section 7.4 below. These programs can help combine the environmental benefits of reduced GHG emissions with cost savings for households.

## 2025 General Plan

The Sunnyvale 2025 General Plan includes a series of vision statements upon which goals and policies are based. One vision statement aspires for a future that Sunnyvale will be, "A regional leader in environmental sustainability ... advocating to reduce dependence on non-renewable resources by providing greater transportation options, reducing waste, protecting our natural resources, and promoting alternative energy usage and research. We take environmental preservation and protection seriously and consider how each action will affect Sunnyvale for future generations."

Policies within the General Plan that further Sunnyvale's vision include:

- Policy LT-2.7: Provide Sunnyvale residents and businesses with opportunities to develop private, renewable energy facilities.
- Policy LT-2.7a: Maintain and regularly review and update uniform and comprehensive standards for the development, siting, and installation of solar, wind, and other renewable energy and energy conservation systems on private property which address public health, safety, community welfare, and the aesthetic quality of the city.
- Policy LT-2.7b: Consider deviations from development standards such as setbacks, design guidelines, or heights to encourage innovative energy-efficient building design.
- Policy LT-2.7c: Participate in a Community Choice Energy (CCE) program through the Silicon Valley Clean Energy Authority in partnership with neighboring jurisdictions.
- **Policy EM-7.2:** Coordinate operating procedures with the City energy policy to optimize an alternative energy program so that minimum use and reliance are placed on outside energy sources.

# 7.3 Energy Efficiency Building Requirements

Building energy efficiency standards are promulgated by the State under Title 24, Part 6 of the California Code of Regulations (Title 24 standards). These mandatory standards apply to both new residential structures as well as alterations to existing ones. They also contain California's building standards for energy efficiency.

Title 24 standards respond to California's energy crisis and need to reduce energy bills, increase energy delivery system reliability, and contribute to an improved economic condition for the state. Each city and county must enforce these standards as part of its review of building plans and issuance of building permits. The standards, prepared by the California Energy Commission, were established in 1978 in response to a State legislative mandate to reduce California's energy consumption. The standards are updated periodically to consider and incorporate new energy efficiency technologies and methods.

The 2019 Title 24 standards went into effect in the City on January 1, 2020, (see Chapter 15.04 of the City Code). All new construction must comply with the standards in effect on the date a building permit application is submitted.

The California Building Code also includes green building regulations, referred to as CALGreen, to encourage more sustainable and environmentally-friendly building practices, require low pollution emitting substances that can cause harm to the environment, conserve natural resources, and promote the use of energy-efficient materials and equipment. There are mandatory measures, which apply statewide, and voluntary measures, which can be adopted locally. Voluntary measures are organized into two tiers with their own respective prerequisites and elective measures: Tier 1 prerequisites set a higher baseline than CALGreen mandatory measures while Tier 2 prerequisites include all of Tier 1 prerequisites plus some enhanced or additional measures. The City has not adopted any of the voluntary measures, but instead relies on the Green Building Program described below.

# **Sunnyvale Green Building Program**

Sunnyvale's award-winning Green Building Program has successfully facilitated sustainable building design. The current requirements for this program, updated on May 7, 2019, apply to all residential construction such as single-family, multi-family and mixed-use, and include a mixture of Title 24 standards and the 'Build it Green' GreenPoint rating system. CALGreen mandatory measures apply to all residential construction in addition to a minimum score of 90 points under the 'Build it Green' GreenPoint rating system.

Sunnyvale provides a 5 percent green building incentive for residential developments. For new single-family homes and additions achieving 120 points on the GreenPoint rating system or which have all-electric appliances (i.e., no gas line connection), the developer may choose to increase a lot coverage by 5 percent or receive staff level design review. For projects greater than 4,000 square feet or 50 percent of the Floor Area Ratio (FAR), the Design Review is required to be reviewed by Planning Commission.

New multi-family is provided the same incentive along with 5 additional feet in height or 5 percent in density; one incentive may be selected. To qualify, multi-family must achieve the same GreenPoint rating, include all-electric, and either a cool roof, electric vehicle chargers (above CALGreen), or greywater/recycled water. Projects that take advantage of the 5 percent green building density bonus are subject to Sunnyvale's affordable housing requirements for all units provided.

## **Building Electrification Ordinance**

Following the passage of SB 100, which mandates that California utilities provide carbon-neutral electricity by 2045, local governments began passing ordinances that are variations on the theme of prohibiting fossil fuel energy sources in new construction. In 2021, Sunnyvale began implementing its adopted Reach Codes. Reach Codes are new building codes that exceed the state's standard energy construction codes described above. The Reach Codes exceed the California Energy Code requirements to accelerate the reduction of greenhouse gas emissions. Reach Codes apply to all new residential and nonresidential buildings. Sunnyvale's Reach Codes require all electric appliances including but not limited to the fireplace, oven, heater, water heater, clothes dryer, etc. (Ergo prohibiting natural gas-powered water heaters and fireplaces). New high rise non-residential and multifamily buildings (4 stories or more) may be exempt from certain unavoidable gas applications depending on the buildings purpose and location (e.g., Emergency Operation Centers or commercial dryers in large hotels). Additionally, new buildings must have solar panels and electric vehicle charging infrastructure installed.

# 7.4 Energy Conservation Programs

This section summarizes existing energy conservation programs available to Sunnyvale residents through the City, the State, and local utility providers.

## Home Improvement Program (HIP) Energy Retrofit Grants

Sunnyvale's Home Improvement Program (HIP) offers low-income homeowners and renters a matching grant to make improvements related to energy efficiency, accessibility, and general repairs for health and safety. For energy efficiency improvements, deferred loans of up to \$25,000 (\$5,000 for mobile homeowners), or a matching grant of up to \$5,000 are provided. Eligible projects may include, but are not limited to, insulation, weather stripping, air sealing, replacement of inefficient/aging appliances, heating systems, windows, and other types of weatherization improvements.

## **Property Accessed Clean Energy Programs**

Sunnyvale has authorized two Property Accessed Clean Energy (PACE) programs to provide financing to property owners within the city limits, including:

- California FIRST; and
- Counterpointe Energy Solutions.

These programs are available to help residents and businesses save energy and water while improving the quality of their home or building.

PACE programs offer financing options or offset the costs of upgrades such as improvements to mechanical and electrical systems, installation of water-efficient fixtures, and development of onsite renewable energy and electric vehicle charging. Financing is repaid via the property owner's tax bill over time. Eligible improvements may vary by PACE program, but generally include improvements for energy and water efficiency, distributed generation renewable energy facilities such as solar photovoltaics, and vehicle charging.

## **Bay Area Multifamily Building Enhancements**

The Bay Area Multifamily Building Enhancements Program is a rebate program that offers multifamily property buildings with five or more attached dwellings cash rebates of up to \$750 per unit and no-cost consulting for energy and water saving improvements.

## **BayREN HOME+**

BayREN, a program of the Association of Bay Area Governments, is funded by California utility ratepayers under the auspices of the California Public Utilities Commission (CPUC), as well as through grants and funding from member agencies, other state and federal agencies, and foundations. One service provided by BayRen is the BayREN Home+program, which provides homeowners with rebates and technical assistance to make energy-efficiency home improvements. BayREN is also a hub of dissemination for energy conservation information for a diverse audience, including homeowners and renters.

# **Local Utility Programs**

Pacific Gas and Electric (PG&E) provides electricity and natural gas services for the City. Through a Community Choice Aggregation Program, Silicon Valley Clean Energy provides clean energy to Sunnyvale residents through PG&E's infrastructure. Both utilities offer a variety of programs to increase energy conservation and reduce monthly energy costs for lower-income households.

#### **PACIFIC GAS AND ELECTRIC**

PG&E currently (2022) offers the following financial and energy-related assistance programs for its low-income customers, among others:

- Energy Savings Assistance Program. PG&E's Energy Savings Assistance program offers free weatherization measures and energy-efficient appliances to qualified low-income households. PG&E determines qualified households through the same sliding income scale used for CARE. The program includes measures such as attic insulation, weather stripping, caulking, and minor home repairs. Some customers qualify for replacement of appliances including refrigerators, air conditioners, and evaporative coolers.
- Energy Efficiency for Multifamily Properties. The Energy Efficiency for Multifamily Properties program is available to owners and managers of existing multifamily residential dwellings containing five or more units. The program encourages energy efficiency by providing rebates for the installation of certain energy-saving products.
- California Alternate Rates for Energy (CARE). PG&E offers this rate reduction program for low-income households. PG&E determines qualified households by a sliding income scale based on the number of household members. The CARE program provides a discount of 20 percent or more on monthly energy bills.
- REACH (Relief for Energy Assistance through Community Help). The REACH program is sponsored by PG&E and administered through a non-profit organization. PG&E customers can enroll to give monthly donations to the REACH program. Qualified low-income customers who have experienced uncontrollable or unforeseen hardships, that prohibit them from paying their utility bills may receive an energy credit. Eligibility is determined by a sliding income scale based on the number of household members. To qualify for the program, the applicant's income cannot exceed 200 percent of the Federal poverty guidelines.

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Medical Baseline Allowance. The Medical Baseline Allowance program is available to households with certain disabilities or medical needs. The program allows customers to get additional quantities of energy at the lowest or baseline price for residential customers.

## SILICON VALLEY CLEAN ENERGY

Formed in 2016, the Silicon Valley Clean Authority is a non-profit, joint-powers agency formed by the County of Santa Clara; the Cities of Campbell, Cupertino, Gilroy, Los Altos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, Saratoga, and Sunnyvale; and the Towns of Los Altos Hills and Los Gatos. The Authority was formed to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs, and to exercise all other powers necessary and incidental to accomplishing this purpose. These programs include but are not limited to the establishment of a Community Choice Aggregation Program known as Silicon Valley Clean Energy (SVCE).

Residents (and businesses) located in the SVCE service area and with existing PG&E accounts are automatically enrolled in SVCE's 'GreenStart' electric generation service. SVCE's GreenStart service provides carbon-free electricity at costs below PG&E. SVCE customers can participate in financial assistance programs administered by PG&E. Additionally, SVCE supports residential customers switch from natural gas to clean energy through educational services and financial incentives. Customers interested in energy efficiency can, with a valid library card and at no charge, take advantage of the Do-It-Yourself (DIY) Home Energy Saving Toolkit that includes materials (e.g., LED light bulbs, low-flow faucet aerators, low-flow shower head, weatherstripping) and tools (e.g., thermal detector, water flow rate bag, Kill-A-Watt Meter). SVCE also offers guidance on home electrification through the ehub, an online assistant that SVCE often couple with rebates.

During the COVID-19 pandemic, utilities stopped disconnections for customers unable to pay their bills, but customers still accrued debt. SVCE has joined the CA COVID-19 Rent Relief program to provide bill relief to qualifying customers. The program reduces unpaid balances on electricity bills that have accrued due to the pandemic. Specifically, SVCE offers a 12-month Arrearage Management Plan providing up to \$8,000 of bill forgiveness to each eligible customer.

## **Federal and State Energy Assistance Programs**

In addition to the local programs described above, the California Department of Community Services and Development (CSD) administers the Federally funded Low-Income Home Energy Assistance Program (LIHEAP). This program provides two types of assistance: Home Energy Assistance and Energy Crisis Intervention. The first type of assistance is a direct payment to utility bills for qualified low-income households. The second type of assistance is available to low-income households that are in a crisis. CSD also offers free weatherization assistance, such as attic insulation, caulking, water heater blankets, and heating and cooling system repairs to low-income households.

# CHAPTER 7 | OPPORTUNITIES FOR ENERGY CONSERVATION

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# 8.1 Accomplishments under the Fifth Cycle Housing Element

State housing element law requires cities and counties to assess the achievements under their adopted housing programs. The City has made significant progress in implementing the programs identified in the 2015-2023 Housing Element. Some of Sunnyvale's major housing accomplishments during the 2015-2023 period included:

- Completion of the 2020 Housing Strategy Report, which identified key strategies and policy recommendations to address age-friendly housing, mobile home parks, and housing production.
- Adoption of a Mobile Home Park Memorandum of Understanding to protect residents from mobile home space rent increases and costs transferred from mobile home park owners to residents.
- Land dedication for and approval of a 90-unit affordable housing development on Block 15 of the Downtown Specific Plan, including 25 percent of units allocated for special needs tenants.
- Revision of the Below Market Rate (BMR) Ordinance in 2015 to include a housing impact fee for marketrate rental housing construction in response to recent court cases,
- Initiation of the commercial linkage fee and fees for other retail and hospitability uses.
- Coordination with the Housing Authority on several projects and mutual efforts in 2015-2017 including Parkside Studios, Grove Garden, Onizuka Crossing, and Benner Plaza.
- Reestablishment of a Rental Inclusionary Ordinance in 2019 to require 15 percent of new rental units be
  affordable in response to Assembly Bill 1505. In addition, the City revised the BMR Ordinance in 2021 to
  increase inclusionary requirements for ownership housing projects from 12.5percent to 15percent.
- Adoption of the Lawrence Station Area Plan in 2017 and a plan update in 2021 to increase high-density housing opportunities (total of 5,930 housing units).
- Purchase of 1.3 acres of land within the Lawrence Station Specific Plan Area in the amount of \$13.55 million and authorized a ground lease to MidPen Housing for a 176-unit affordable housing project.
- Adoption of the Land Use and Transportation Element (LUTE) in 2017 which included the addition of 4,200 housing units along the El Camino Real Corridor, 900 housing units in Village Centers and about 30 acres designated for conversion from industrial to residential (East Sunnyvale expansion area) with the potential for 720 housing units.
- Completion of the El Camino Real Specific Plan to update the existing Precise Plan for El Camino Real to provide better direction for the higher densities of 4,200 units from the LUTE, and also included another 2,700 housing opportunities.
- Initiation of the Moffett Park Specific Plan to provide opportunities for approximately 20,000 new housing units (adoption anticipated late 2022/early 2023).

- Allocation of \$40.5 million in local housing funds towards the development of new affordable housing.
- Allocation of funding to assist in the rehabilitation and preservation of Eight Trees Apartments (24 housing units – renamed Posolmi Place) and Orchard Gardens.
- Adoption of an emergency ordinance in 2019 to impose a cap on rent increases and "just cause" eviction requirements prior to Assembly Bill 1482.
- Amendment to the Downtown Specific Plan to allow an additional 550 housing units and approved an office project that resulted in a total of 793 units (550 base units, 200 density bonus units and 43 units transferred from another Downtown site). First project in Sunnyvale to include inclusionary rental units affordable to moderate income households.

In addition, the following actions are in process and are anticipated for completion within the 2015-2023 Housing Element period. [Note this will be updated in the Adoption Draft Housing Element].

- Development of a Right to Lease Ordinance, planned for adoption in Fall 2022. The ordinance will require landlords offer renters a lease with specific minimum lease terms to provide tenants with stability and predictability of costs during the term of their lease.
- Preparation of a Tenant Protection/Relocation Assistance Requirement, planned for adoption in Fall 2022. The Tenant Protection/Relocation Assistance Requirement will require landlords to provide financial assistance to tenants who are being displaced from rental units due to factors such as lease terminations, unaffordable rent increases, or demolition of rental units.

# 8.2 Progress Toward Meeting the RHNA

The City issued 4,743 permits for housing units from the start of the fifth cycle planning period (2015) through the end of 2021. Of the permits issued, 87 percent were for above moderate-income housing, 6 percent were for moderate-income housing, and 7 percent were for low- or very low-income housing. As shown in Table 8-1, the City has permitted double the number of units needed to meet the above moderate-income RHNA but has not issued sufficient permits to meet the goal in the moderate- and lower-income categories.

Table 8-1: 2015-2023 Regional Housing Needs Allocation Progress

| Income Group   | RHNA  | Number of Permits Issued as of 2021 | Percentage of RHNA met |
|----------------|-------|-------------------------------------|------------------------|
| Very Low       | 1,640 | 212                                 | 13%                    |
| Low            | 906   | 111                                 | 12%                    |
| Moderate       | 932   | 307                                 | 33%                    |
| Above Moderate | 1,974 | 4,113                               | 208%                   |
| Totals         | 5,452 | 4,743                               | 87%                    |

Source: City of Sunnyvale, 2021 Annual Progress Report.

# 8.3 Programs to Address Special Housing Needs

State housing element law (Government Code Section 65588) requires that local governments review the effectiveness of the housing element goals, policies, and related actions to meet the community's special housing needs. As shown in Table 8-2, the 2015-2023 Housing Element included Programs 22 through 25 addressing reasonable accommodations for persons with disabilities, persons experiencing homelessness, and large families and single-headed households.

The City provides for reasonable accommodations and maintains its building code to meet accessibility requirements. The City provides annual funding for homeless programs and at-risk households including: WorkFirst Sunnyvale, Tenant-Based Rental Assistance (TBRA), Homelessness Prevention and Rapid Re-housing (HPRR), and Supportive Human Services. The City continues to work with developers to provide a range of unit sizes, including large units for large families, and requests special needs housing in its requests for proposals. Since 2018 the City approved two projects with units for special needs tenants (Orchard Gardens and Block 15).

In addition, the City adopted its Housing Strategy in 2020, which outlines policy recommendations for senior housing, including strategies to promote age-friendly housing, adapt homes to allow seniors to age in place, and protect at-risk housing. In 2017, the City joined the World Health Organization's Global Network of Age-Friendly Cities and Communities (GNAFCC), pledging to become more age-friendly. The City prepared an Age-Friendly Action Plan to support the community's goal to provide services and housing that meet the needs of seniors.

# 8.4 Evaluation of Programs

Table 8-2 provides an evaluation of the 2015-2023 Housing Element implementation programs and reviews the results and effectiveness of each program.

Table 8-2: Evaluation of 2015-2023 City of Sunnyvale Housing Element Programs

| Program   | Target<br>Timeframe   | Evaluation  | Recommendation   |
|---|-----------------------|---|--|
| 1. Below Market Rate (BMR) Housing Program Continue to implement BMR Home Ownership Program. Review and   | Ongoing: 2015-2023    | Between 2015-2021, 197 BMR homes were sold (escrow closed), including 125 new and 23 resale BMR homes, and approximately \$7 million in BMR In-lieu fees were collected.  | Modify program to<br>reflect changes to<br>BMR ownership and<br>rental housing |
| refine BMR program guidelines and codes periodically as needed to accommodate changing market   |                       | The City most recently updated the BMR Home<br>Ownership Program in 2021 to increase the<br>inclusionary requirement to 15 percent.   | programs.  |
| conditions and improve overall program effectiveness.   |                       | In 2015 the City revised the BMR Ordinance to include a housing impact fee for market-rate rental housing construction in response to recent court cases, and in 2019 modified it again to require 15 percent of new rental units be affordable in response to Assembly Bill 1505. Between 2015-2021, 74 BMR rental units were built through the program. No rental in-lieu fees have been collected since the adoption of the ordinance. |  |
| 2. First Time Home Buyer Program Continue to implement First Time Home Buyer (FTHB) Program; aim to assist 5-10 homebuyers per year, or as demand warrants. | Ongoing:<br>2015-2023 | From 2015-2020, the City provided FTHB loans to 24 BMR home buyers. The City assists an average of 3 buyers a year with FTHB loans except in 2020, when no FTHB loans were provided. \$250,000 is budgeted annually for the FTHB program.   | Modify program to expand outreach to promote the FTHB program.                 |

| Program  | Target<br>Timeframe   | Evaluation   | Recommendation   |
|--|-----------------------|--|--|
| 3. Affordable Housing Development Assistance Provide financial and regulatory assistance for new affordable housing development, using available funds. Seek new sources of funding for affordable housing.  | Ongoing:<br>2015-2023 | The City has been actively assisting in the development of affordable housing since 2015. In 2015, the City issued an RFP for \$10 million from 3 local funds: Housing Mitigation, BMR in-lieu, and Housing Successor Agency funds. By 2016, the City approved a \$5 million HMF bridge loan and \$600,000 HOME for Benner Plaza (66 units), and committed \$6 million to Orchard Gardens for redevelopment (25 net new units, 87 total units). In 2017, the City closed on a \$7.43 million loan to fund construction of Benner Plaza. In 2018, City approved a new "80/20" project with 22 Very Low Income units and entered a Disposition and Development Agreement with a developer to build the Sunnyvale Block 15 project, a 90-unit affordable housing on a City-owned site. In 2020, the City awarded \$26.5 million in new Housing Mitigation Funds. Of those, \$14.5 million have been issued to purchase a new parcel (1178 Sonora Court) that will have 177 new units of affordable housing. In 2021, \$17 million was issued to the Sunnyvale Block 15 project. Staff hopes to release additional funding in 2022 and the remaining funds will be issued in 2023. | Retain program   |
| 4. Density Bonus Provisions Educate developers about density bonus incentives using outreach materials provided online and/or at the One-Stop Center. Promote use of density bonus in discussions with applicants and share the City's density bonus calculator tool with interested developers. | Ongoing:<br>2015-2023 | Density bonus calculator developed to help developers and staff analyze various options for sites. All density bonus units (Affordable Rental Units or ARUs) completed to date are very lowincome units. In 2015, one density bonus project was completed then between 2016 and 2017, 53 ARUs were completed in four projects: Ironworks (14 units), 481 Mathilda (5 units), ENCasa (16 units), and 6Ten Weddell (18 units). The City also offers a 5 percent density bonus for projects that exceed minimum green building requirements. Between 2020 and 2021, four new affordable housing developments were submitted, which featured the new super density bonus being within a half-mile of major transit.  | Delete program. The City has developed a density bonus calculator and the City's density bonus requirements are consistent with State law. |
| 5. Home Improvement Program Continue to operate the Home Improvement Program to assist lower-income households with funding for housing rehabilitation and minor improvements. Assist a total of 15–20 households per year, or as demand warrants.   | Ongoing:<br>2015-2023 | Since 2015, the City has assisted 79 households with loans and grants for housing rehabilitation and minor repairs (average of 11 households per year). Starting with the 2022-23 fiscal year, the City will be doubling program funds and expanding this program to provide roof repairs.   | Modify program to focus on promoting the program.  |

| Program  | Target<br>Timeframe  | Evaluation   | Recommendation  |
|--|--|--|---|
| 6. Multi-Family Rental Property Rehabilitation Continue to offer below-market rate financing for rehabilitation of affordable rental units, using funding sources available for this purpose. Provide rehabilitation financing to one or more properties during the planning period. | Ongoing:<br>2015-2023  | In 2015, the City provided a \$1 million HMF loan for major rehabilitation of Morse Court, a 35-unit affordable rental project (completed in 2016). City also loaned \$1.05 million in HOME and CDBG funds for rehabilitation of Crescent Terrace, a 48-unit affordable senior rental project. In 2017, a \$3.3 million loan was approved for Phase 2 acquisition/rehabilitation/preservation of the Eight Trees Apartments, a 24-unit development. Work was completed and occupancy obtained in 2019. In 2018, the City issued a \$403,000 BIF loan to Stoney Pine Apartments, a 21-unit special needs project. No new rehabilitation financing was awarded or completed between 2020-2021.   | Retain program.   |
| 7. Multi-Family Rental Property Acquisition and/or Preservation Assist in acquisition and/or preservation, alone or in combination with rehabilitation assistance, of at least one multi- family rental property during the planning period.   | Enter into first funding agreement by 2017; others thereafter as feasible. | In 2016, the City embarked on an acquisition/rehabilitation/preservation project at the Eight Trees Apartments development. In November 2017, the 24-unit project was approved for a \$3.3M loan for Phase 2. Escrow closed in February 2018, rehab work started in late 2018, and occupancy was obtained in 2019.  In 2020, the City awarded \$7.5 million towards rehabilitation and expansion of an existing affordable housing complex known as Orchard Gardens. The project submitted their planning application in late 2020. The project received planning entitlements in fall 2021 and is slated to break ground in 2023. In addition, the City awarded a CDBG grant to Plaza de las Flores to replace windows and make energy efficiency improvements in all 101 units of the senior affordable housing development near downtown. | Combine with Program 6, above.  |
| 8. Neighborhood Preservation Program Continue to implement the Neighborhood Preservation Program, with affordable housing support from the Housing Division.   | Ongoing: 2015-2023   | The Neighborhood Preservation Program no longer exists per the City's Code Enforcement Division.   | Delete program.   |
| 9. Preservation of Assisted Rental Housing Maintain contact with owner of Life's Garden and offer financial and other assistance to maintain the affordability of the at-risk units.   | Complete<br>by 2017  | Preservation/rehabilitation of Life's Garden was completed in 2017. The City held a "TEFRA" hearing in March 2016 to support the project's application for 4percent tax credits and submitted the Local Reviewing Agency form for the project. In 2020 and 2021, the City worked with various developments with current inclusionary units that are slated to expire. City staff works with management to ensure fair transition of affordable to market rate units and offers funding to extend the life of affordable units as possible. No developments have taken the City's offer of funding to extend the life of the inclusionary units.  | Modify program to reflect broader preservation goals for at-risk assisted rental housing and below market rate units. |

| Program  | Target<br>Timeframe         | Evaluation  | Recommendation   |
|--|-----------------------------|---|--|
| 10. Section 8 Rental Assistance Support the Housing Authority in its efforts to maintain adequate federal funding for Section 8. Refer residents to the Housing Authority for Section 8 and related information. Encourage landlords to participate in the program.                        | Ongoing:<br>2015-2023       | Staff coordinated with the Housing Authority on several projects and mutual efforts in 2016 and 2017 including Grove Garden, Onizuka Crossing, Benner Plaza. Staff has referred several interested households to the Santa Clara Housing Authority between 2018-2021. The City has also been in negotiations with new affordable housing developers to participate in this program. In 2020, two new affordable housing developments (1178 Sonora and Block 15) received preliminary allocations of project-based vouchers.   | Modify program to include targeted outreach to property owners.  |
| 11. Anti-Displacement Provisions Consider developing an anti- displacement policy applicable to redevelopment or major renovation of larger rental properties. Conduct outreach on the topic with interested stakeholders before developing proposed provisions.                           | Begin<br>program by<br>2016 | Background research completed in 2016. In 2018 the City hired a consultant to prepare a Housing Strategy and this policy was incorporated in the 2020 Housing Strategy. In 2021, the City began work on implementation of a tenant protection/relocation assistance ordinance. In 2022, the City will hold outreach and adopt the final ordinance aimed to provide relocation and support renters.  | Modify program to reflect specific antidisplacement strategies from 2020 Housing Strategy.               |
| 12. Mobile Home Park Preservation Continue to implement current mobile home park protections and maintain mobile home park zones. In the event of mobile home park closure, enforce the Mobile Home Park (MHP) Conversion requirements to provide relocation assistance to park residents. | Ongoing:<br>2015-2023       | Ongoing. One mobile home park, Nick's Trailer Ct., began the conversion process in 2015. This park was not subject to the City's park preservation policies (zoned commercial) and closed in mid-2016. The owners of Blue Bonnet MHP submitted a conversion impact report which was approved in early 2017. Park residents received relocation assistance, and several were able to purchase or rent Sunnyvale BMR homes. This park was also not subject to the City's park preservation policies (zoned for other uses). Other mobile home parks continue to be protected by MHP-exclusive zoning and related City policies. No mobile home park conversions have occurred since 2017.  In 2021, the City adopted a Mobile Home Memorandum of Understanding (MOU) between the City and owners of 10 mobile home parks to establish a variety of rent policies. The MOU serves as a rent stabilization tool for MHP residents by capping rent increases at 75percent of CPI (3percent floor) and capping resales at 15percent, tiered in over 3 years in addition to 15 other protection terms. | Modify program to include new MHP tenant protections (MOU) and MHP strategies from 2020 Housing Strategy |
| 13. Foreclosure Prevention Provide information and referrals about available foreclosure services and related information through City public outreach channels.   | Ongoing:<br>2015-2023       | The City provides foreclosure assistance and technical assistance as needed. For example, the City assisted a BMR owner that was behind in paying mortgages in 2018 by contacting the lender and remodifying the terms of the loan. In 2020 and 2021, the City used its website to inform residents of financial assistance options due to the COVID-19 pandemic.   | Retain program.  |

CITY OF SUNNYVALE 2023-2031 Housing Element | Adopted DECEMBER 12, 2023

| Program  | Target<br>Timeframe            | Evaluation   | Recommendation  |
|--|--------------------------------|--|---|
| 14. Condominium Conversion Regulations Continue to provide tenant protections through implementation of the City's condominium conversion regulations.   | Ongoing:<br>2015-2023          | No condo conversion applications were received from 2015-2018 or 2020-2021. The City worked to negotiate relocation benefits prior to entitlement.   | Retain as a policy.<br>No implementation<br>action needed.                            |
| 15. Consider Modifications to Development Standards for Accessory Living Units (ALU's) Conduct outreach, complete analysis of ALU standards and possible modifications, and provide recommendations for public, stakeholder, and Council consideration. [Note: Since 2016, the City has used the terms "Accessory Dwelling Unit" and "ADU" instead of "Accessory Living Unit" and "ALU"] | Begin<br>program by<br>2017    | This program was completed in 2017. There were several ADU code amendments between late 2016 and early 2020 to comply with State legislation. Sunnyvale's development standards for ADUs has most recently been updated in January 2020. The City's number of ADU permits have continued to increase and the City continues to educate and hold meetings on how homeowners can build ADUs.   | Modify program to focus on outreach and facilitating ADU production.                  |
| 16. Complete the "Retooling the Zoning Code" Project Complete the Retooling project by providing a final draft of the Zoning Code for Council consideration by the end of December 2015.   | Complete<br>project by<br>2016 | Several zoning amendments have been made in recent years, and a new Land Use and Transportation Element (LUTE) and several specific plans or plan updates have been adopted. However, due to a lack of staff resources, portions of the retooling project remain in progress and this program has been placed on hold by the Planning Division. The Planning Division aims to resume this program in an upcoming year when staffing and resources can facilitate it. | Modify program to clarify objectives and timeframe.                                   |
| 16. Residential Sites Inventory Maintain current inventory of potential residential and mixed use sites; provide to developers with information on incentives.   | Ongoing:<br>2015-2023          | Sites inventory is online in the Housing Element; further assistance is available at the One-Stop Permit Center and by phone or email to Planning and Housing staff. Many of the major housing sites included in the inventory have been developed since 2015 or are in the pipeline.  | Modify program to include a web-based inventory and address no-net-loss requirements. |
| 17. Minimum Densities Inform developers of policy to develop to at least 75percent of General Plan density.  | Ongoing:<br>2015-2023          | Planning staff reviews development applications to ensure that proposed projects meet this standard; this information is also highlighted in reports to Planning Commission. Minimum density in the Lawrence Station Area Plan and El Camino Real Specific Plan are 85percent of base maximum density.   | Maintain as a policy.<br>No implementation<br>action needed.                          |

CITY OF SUNNYVALE
2023-2031 Housing Element | Adopted DECEMBER 12, 2023

| Program   | Target<br>Timeframe         | Evaluation  | Recommendation   |
|---|-----------------------------|---|--|
| 18. Downtown Specific Plan Encourage provision of affordable housing by requiring BMR units to be provided on-site or within the boundaries of the Specific Plan, and by promoting density bonus incentives.  | Ongoing:<br>2015-2023       | Several projects have been completed within the Downtown Specific Plan (DSP) that have Below Market Rate (BMR) units or Affordable Rental Units (ARUs) including Mathilda Villas (3 BMRs), Ironworks (14 ARUs), 481 Mathilda (5 ARUs). The Sunnyvale Town Center or "The Flats" is another completed project within the DSP with 25 BMR units. The DSP and Development Agreement for 90 affordable units on a City-owned parcel (Block 15 of DSP) was completed in 2020. In 2021, the Planning Division approved several new affordable housing agreements for new developments within the DSP. And in 2022 the "Maxwell" apartments at 311 S. Mathilda Avenue with 75 units including 6 ARUs affordable to very low-income households will be completed.   | Modify program to promote remaining development potential in the DSP.  |
| 19. Accessory Living Units Facilitate the development of new accessory living units by making information about how to obtain permits for them available to the public.   | Ongoing:<br>2015-2023       | Information is available online, at the One-Stop Permit Center, and shared via various City channels and meetings. The City maintains an ADU ordinance consistent with state law and continues to identify ways to encourage ADU development.   | Rename program to<br>Accessory Dwelling<br>Units (ADU). Modify<br>program to provide<br>additional incentives<br>to facilitate ADU<br>development.       |
| 20. Housing Policies for Priority Development Areas Consider developing specific housing policies for designated Priority Development Areas (PDAs) in the City through preparation of specific plans or station area plans.   | Begin<br>program by<br>2017 | Lawrence Station Area Plan (LSAP) was adopted in 2017 and updated in 2021 to promote housing development through higher densities and affordable housing incentives. The Downtown Specific Plan was updated in 2020 to increase residential development potential. Updates to the El Camino Real Specific Plan and Moffett Park Specific Plan are currently underway (2022) and will include new capacity for housing and policies to promote and incentivize affordable housing.   | Delete program. Updates to the Lawrence Station Area Plan, Downtown Specific Plan, and El Camino Real Specific Plan have been adopted or are in process. |
| 21. Fair Housing Program Contract with qualified fair housing agencies to provide fair housing services to the extent funding is available. Provide fair housing brochures at City facilities and fair housing information on the City's website, with links to HUD fair housing page. Participate in the Santa Clara County Fair Housing Task Force. | Ongoing:<br>2015-2023       | <ul> <li>City provided CDBG grants to Law Foundation for fair housing services in 2015 -2018. In 2015, staff hosted a Fair Housing workshop. Housing staff also coordinated two Fair Housing presentations with the Law Foundation in 2018: one for tenants and one for property managers.</li> <li>In 2019, the City started providing CDBG grants to Project Sentinel to provide fair housing and tenant mediation services on behalf of the city.</li> <li>Housing Staff provided information regarding BMR ownership/rental options and City grants/ loans for housing rehab to interested parties during its annual State of City Event in 2019.</li> <li>Housing staff maintains webpage with current fair housing information and resources and provides brochures and posters at City and partner agency facilities.</li> </ul> | Retain program.  |

CITY OF SUNNYVALE
2023-2031 Housing Element | Adopted DECEMBER 12, 2023

| Program  | Target<br>Timeframe         | Evaluation  | Recommendation   |
|--|-----------------------------|---|--|
| 22. Accessible Housing Maintain procedures for reasonable accommodations in codes and permitting. Adopt accessibility updates to codes as needed. Provide grants for accessibility improvements for eligible households, and provide CDBG funds for accessibility improvements to pedestrian facilities as needed in residential neighborhoods.  | Ongoing:<br>2015-2023       | <ul> <li>City codes are updated; reasonable accommodation procedures are available to Planning/Building permit applicants.</li> <li>City operates Home Access Grant program.</li> <li>City provides CDBG funding for accessibility retrofits of pedestrian facilities.</li> <li>In 2019, the City provided \$1.3 million in CDBG funding for a sidewalk project to provide ADA-compliant access along Persian Drive, where no sidewalk previously existed. This project was completed in 2020.</li> </ul> | Modify program to focus on funding and address findings for reasonable accommodations in a new separate program. |
| 23. Programs to Address Homelessness Provide funding for programs that seek to prevent and end homelessness and provide supportive services, such as the TBRA and WorkFirst Sunnyvale programs. Offer financing for permanent supportive housing and projects that reserve units for homeless applicants.  | Ongoing:<br>2015-2023       | City continues to provide significant annual funding for homeless programs and at-risk households including: WorkFirst Sunnyvale, Tenant-Based Rental Assistance (TBRA), Homelessness Prevention and Rapid Re-housing (HPRR), and Supportive Human Services. A study is underway starting in 2022-23 to consider overnight warming/cooling shelters and other homeless services.  | Retain program;<br>modify to expand<br>services.   |
| 24. Special Needs Housing Development Assistance Include priority for special needs units in all City notices of funding availability for new housing construction, rehabilitation, and/or preservation projects. Aim to assist in the development of one new project with some units reserved for special needs tenants. Encourage developers to include advocacy groups in marketing and leasing efforts related to newly available units. | Begin<br>program by<br>2016 | <ul> <li>This priority is noted in Housing RFPs from the City. Recent projects include:</li> <li>Orchard Gardens which includes 43 units for special needs tenants.</li> <li>Benner Plaza includes 13 units for special needs tenants</li> <li>Block 15 project Developer Agreement includes 25percent of units to be allocated for special needs tenants. Entitled in 2020, construction started in 2021.</li> </ul>   | Retain program. Add<br>new programs to<br>include Aging in<br>Place strategies<br>from 2020 Housing<br>Strategy. |
| 25. Housing for Large Families and Single-Parent Households Encourage rental developers to include units with three or more bedrooms, and to provide family-friendly common areas, open space and amenities such as on-site child care. Inform developers of the density bonus incentives for qualifying projects with child care facilities.  | Ongoing:<br>2015-2023       | Recent rental developments include a range of unit sizes. City continues to encourage a range of sizes from studio to three bedrooms, as allowed by certain financing requirements, and always requires inclusionary developments to be a proportional mix as market rate sizes.  | Retain as a policy.  |

| Program   | Target<br>Timeframe   | Evaluation  | Recommendation  |
|---|-----------------------|---|-----------------|
| 26. Sustainability and Green Building Continue the City's comprehensive sustainability and green building programs. | Ongoing:<br>2015-2023 | City offers a 5percent density bonus for projects meeting green building standards. City's Green Building program was updated in 2019. In addition, the City recently adopted new Reach Codes which went into effect in January 2021. The City actively implements the Climate Action Playbook as well through the Environmental Services Department. | Retain program. |

| APPENDIX A - CO | MMUNITY ENGAGEMENT |        |  |
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| APPEN      | DIX A – COMMUNITY EN  | GAGEMENT  |  |
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## **Chelsey Payne**

From: Ryan Dyson < RDyson@sunnyvale.ca.gov>
Sent: Monday, September 19, 2022 1:53 PM

**To:** Chelsey Payne

**Cc:** Jenny Carloni; Trudi Ryan

**Subject:** FW: POLICY--FW: Housing Element

Hi Chelsey—I'm forwarding along a Housing Element comment. Please see below.

Thanks,

#### **RYAN DYSON**

**Housing Specialist** 

**Community Development Department** 

408-730-7466

From: Council AnswerPoint < council@sunnyvale.ca.gov>

**Sent:** Monday, September 19, 2022 12:28 PM **To:** Victoria Ketell < VKetell@sunnyvale.ca.gov>

**Cc:** Kent Steffens < <a href="mailto:KSteffens@sunnyvale.ca.gov">KSteffens@sunnyvale.ca.gov</a>; Teri Silva < <a href="mailto:TSilva@sunnyvale.ca.gov">TSilva@sunnyvale.ca.gov</a>; Trudi Ryan

<tryan@sunnyvale.ca.gov>; Bonnie Filipovic <BFilipovic@sunnyvale.ca.gov>; Jenny Carloni@sunnyvale.ca.gov>

Subject: POLICY--FW: Housing Element

Councilmembers:

Forwarding to you from the Council AnswerPoint.

Thanks, Victoria

#### **VICTORIA KETELL**

**Executive Assistant - Mayor & Council** 

Office of the City Manager

City of Sunnyvale

Phone (Direct): 408-730-7913

Phone (Mayor & Council): 408-730-7473

From: Tracy Wingrove < <a href="mailto:twingrove2@gmail.com">twingrove2@gmail.com</a>>
Sent: Sunday, September 18, 2022 7:47 PM

To: Council AnswerPoint < council@sunnyvale.ca.gov >

Subject: Housing Element

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.

September 18, 2022

RE: Including Childcare in Housing Element Updates

Dear Mayor Klein and City Council Members,

I am writing to encourage the City of Sunnvyale to include policies that support the development of childcare facilities in your updated Housing Element. For families with young children, access to childcare near their home increases workforce participation, strengthens local businesses, reduces traffic and commute times, and generally improves the quality-of-life for all residents. Including policies that encourage childcare in or near housing is a simple way for cities to create sustainable communities where families with young children can thrive.

High-quality childcare is essential to families and to vibrant economic development, yet childcare providers face numerous barriers to opening new programs. One of the biggest challenges is finding a location for a childcare facility. Ideally, childcare facilities are near housing and close to family-friendly transportation options but regulations on parking and operating businesses in residential areas restrict where programs can be located. Housing affordability also affects childcare businesses. The childcare workforce is predominantly low-income women of color, and many are struggling with their own housing needs. In our high-cost area, childcare programs are struggling to hire workers. Additionally, many licensed programs provide care in the owner's home (a licensed Family Child Care Home). As older providers retire, new providers cannot afford to buy homes in our city, and those who rent a house or apartment often face business instability or illegal discrimination from landlords.

There are a range of specific policies that can address this issue at little to no cost to the community:

- Consider childcare along with other community services in the Housing Element.
- Ensure that zoning code and permitting practices are aligned with the state prohibition of use permits, business licenses, and other barriers for Family Child Care Homes.
- Encourage the development of childcare facilities in all residential, mixed-use, and other zones where residences are permitted, and consider modified zoning standards and review procedures and other incentives to facilitate their development.
- Promote existing housing-related programs to Family Child Care Home providers, such as fair housing counseling, housing rehabilitation loans, renovation/repair, first-time homebuyer, and down payment assistance.
- Assess the demand for childcare created by new housing developments
- Provide incentives for developers to provide childcare facilities in new developments, through density bonuses, increases in floor area ratios, parking reduction, or community benefits credit.
- Include childcare facility space as a priority or required component in Request for Proposals (RFPs) for city land and Notices of Funding Available (NOFA) for affordable housing developments.

Aligning housing and childcare facilities development will help to make our city an even better place for young children and their families. Thank you for your consideration.

Sincerely,

**Tracy Wingrove** 



Submitted via email <a href="mailto:shawn.danino@hcd.ca.gov">shawn.danino@hcd.ca.gov</a>

c: Jenny Carloni, Housing Officer, City of Sunnyvale JCarloni@sunnyvale.ca.gov

Ryan Dyson, Housing Specialist, City of Sunnyvale RDyson@sunnyvale.ca.gov

July 26, 2022

Dear Shawn Danino,

Livable Sunnyvale is sending this letter as a follow up to the 2023-2031 Housing Element submitted by the City of Sunnyvale on July 8th.

**Who we are:** Livable Sunnyvale <a href="https://www.livablesunnyvale.org/">https://www.livablesunnyvale.org/</a> was formed in 2016. We are an organization working toward a more vibrant, inclusive and people-friendly Sunnyvale. We educate and activate residents and office-holders to secure an environmentally sustainable future with broadly shared prosperity and a high quality of life.

Over the past several months we have focused on the 2023-2031 Housing Element (HE). Our HE Committee would like to bring to your attention a few concerns we have regarding Sunnyvale's Housing Element, the City's process and share with you the correspondence we sent to City staff and City council.

**AFFH:** Income isolation in Sunnyvale has increased over time with wealthier households concentrated in the southern portion of the City, and lower-income households concentrated in the north. The northern area of the City has lower access to opportunity, overcrowding and a higher risk of displacement. Although the HE notes investments in northern Sunnyvale are expected to increase, there is no analysis of how these investments will improve the economic and environmental indicators in this area. The only commitment in the HE is Program H35 (Page 2-16), which will establish a single school, a single library branch, and an unquantified number of park facilities across all the low and moderate resource areas in Sunnyvale. We would like to see: either a) an analysis that this level of investment is sufficient to transform the low and moderate opportunity areas in northern Sunnyvale into high opportunity areas or b) a commitment to find a substantial number of additional lower-income sites in areas that are already identified as high opportunity.

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In addition, nearly all of the new sites identified for lower-income units are in areas of the city with below-average incomes. In Figure 4-42 (Page 4-70) 91% of the lower-income capacity in the sites inventory are in census tracts in the northern parts of the City which have an income below Santa Clara County's AMI of \$151,300. The HE does not contain any analysis to evaluate the impact of placing the vast majority of lower-income units in census tracts with below average income. One approach would be to repeat the analysis done for Tables 4-8 (Page 4-24), Table 4-9 (Page 4-26) and Table 4-10 (Page 4-27) with the units projected to be developed in the sites inventory. Without such an analysis, it is difficult to understand how the proposed sites inventory would improve fair housing in Sunnyvale.

Sites Inventory: The Housing Element assigns approximately 60% of units in the Lawrence Station, Downtown, El Camino Real, and proposed Moffett Park areas in the lower income category. Most of those four areas are currently low or moderate opportunity areas. Planning for more than half of its new housing to be in the lower income category would likely doom the areas to remain low or moderate opportunity areas. In addition, projects which have been completed or are currently in development in these areas average only about 15% lower income units. If new developments at Lawrence Station, Downtown, El Camino Real, and Moffett Park follow historic trends, Sunnyvale will fall short of its lower income RHNA goals by nearly 2,000 units. We would like the housing element to reclassify the majority of lower income units in Lawrence Station, Downtown, El Camino Real, and Moffett Park as above-moderate income units and find additional sites for lower-income units throughout the city.

**Livable Sunnyvale's Suggestions to Distribute and Increase the Number of Lower-Income Sites in High Opportunity Areas:** In letters to the City, Livable Sunnyvale suggested a number of possible changes to the Housing Element which would increase the number of lower income sites and more equitably distribute these lower income sites throughout the city. These suggestions included:

- Substantially increase the commitment in program H3 (Page 2-8) to find additional low-income sites in high resource areas. Program H3 only commits to finding sites for 100 new units in high-resource areas of Sunnyvale. We would like to see an analysis to determine the number of lower-income units that are needed in the southern parts of the city to improve the income isolation issues identified in Tables 4-8, 4-9, and 4-10, and then a commitment to find that number of units in program H3. Our initial suggestion was to increase the commitment to 1.500 units.
- Increase density at the Village Center sites to more than 30 units/acre.
- Add new Village Centers. Possible sites include:

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- The 12 acre site at the corner of Hollenbeck and Homestead (Loehmann's Plaza APNs 323-26-007, 323-26-014, 323-26-016, 323-26-033, 323-26-034)
- The 3 acre area at the SE corner of Fremont and Wright (APNs 320-27-019, 320-27-020, 320-27-021, 320-27-022)
- The 3 acres of commercial/office at the corner of Wolfe and Homestead (APNs 309-51-005, 309-51-027, 309-51-028, 313-38-037, 313-38-073)
- Increase Sunnyvale's inclusionary rate to 20%
- Increase density or allow more mixed use on El Camino Real
- Rezone most small strip malls to be mixed use sites

Thank you for reviewing our letter and considering the concerns we presented. Is it possible to schedule a time with you to discuss this letter? Please let us know your availability and we will schedule a Zoom Meeting with you. We are available after August 17th.

Chuck Fraleigh chuck@fraleigh.com

Agnes Veith <a href="mailto:acmduff@gmail.com">acmduff@gmail.com</a>

## Regards,

Livable Sunnyvale Housing Element Committee

#### Attachments:

- 1. Letter sent to City of Sunnyvale Housing Staff, Housing and Human Services Commission and City Council dated January 18, 2022: sent via email
- 2. Letter sent to City of Sunnyvale Housing Staff, Housing and City Council dated March 11, 2022: sent via email
- 3. Letter sent to City of Sunnyvale City Council dated June 8, 2022: sent via email

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### **ATTACHMENT 1**

Letter sent to City of Sunnyvale Housing Staff, Housing and Human Services Commission and City Council dated January 18, 2022: sent via email

**Subject:** Livable Sunnyvale - Housing Element Committee

Date: Tuesday, January 18, 2022 at 8:21:08 PM Pacific Standard Time

From: Agnes Veith

To: Jenny Carloni, Ryan Dyson

CC: PlanningCommission@sunnyvale.ca.gov,

HousingHumanServices@sunnyvale.ca.gov, kleincouncil@sunnyvale.ca.gov, hendrickscouncil@sunnyvale.ca.gov, larssoncouncil@sunnyvale.ca.gov, meltoncouncil@sunnyvale.ca.gov, cisneroscouncil@sunnyvale.ca.gov,

dincouncil@sunnyvale.ca.gov



City Staff and Consultants,

Thank you for the informative presentation at the December 13 study session with the Planning and HHS commissions. There has clearly been a lot of work put into that presentation and it was a great step to educate our community about how the City is approaching the 2023-2031 Housing Element. Livable Sunnyvale's Housing Element Committee has several questions and comments about the information presented.

The sites inventory listed 1619 VLI/LI units in the Lawrence Specific Plan (LSP) and 298 lower income LVI/LI units in the Downtown Specific Plan (DSP). There were no moderate or above moderate units listed in either of these sites. What are the number of units planned at these income levels? The numbers presented seem to indicate the only way Sunnyvale will be successful at meeting its VLI/LI housing targets is if every unit developed in the LSP and DSP sites are lower income units which seems an unlikely scenario. A much more realistic inventory would have 10% - 15% of the units in these two sites in the lower income category. We bring this up because during our current cycle, as of August 2021 we have attained 8% of our goal for very low income and 6.7% for low income. We are concerned this scenario

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may be repeated if we do not plan for more units at the VLI/LI levels.

In addition, the presentation did not have any lower income units identified in the highest opportunity areas of Sunnyvale (<a href="https://belonging.berkeley.edu/2022-tcac-opportunity-map">https://belonging.berkeley.edu/2022-tcac-opportunity-map</a>). We encourage the city to identify meaningful numbers of lower income units in the highest opportunity areas. Designing the village centers to be more dense and increase building heights may be a good solution to meet our RHNA targets as well as sustainability concerns.

The site inventory also noted a number of units currently in the development pipeline. Is it expected that the permits for all of these units will not be issued until after January 31, 2023? If the permits are issued before that date, wouldn't the units be counted towards the current cycle?

Thank you again for all your work and we look forward to continuing to partner with you on this important process.

Livable Sunnyvale Housing Element Committee

Cc: Planning Commissioners Housing and Human Services Commissioners, City Council

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## **ATTACHMENT 2**

Letter sent to City of Sunnyvale Housing Staff, Housing and City Council dated March 11, 2022: sent via email

March 11, 2022

Jenny Carloni, Housing Officer Ryan Dyson, Housing Specialist

Thank you for your comments at the City Council Study Session and the community workshops on the topics we raised in our letter from January 18th. We have a few more questions, follow up comments, and suggestions for policies to include in the Housing Element.

We are still concerned with the lack of affordable units in the highest resource areas of Sunnyvale. One particular area of concern is access to high schools. The two high schools (Fremont and Homestead) that serve nearly all of Sunnyvale including areas north of Highway 101 are located in the far southern part of the city. We have attached the 2022 TCAC/HCD Opportunity Map of Sunnyvale with the location of the two high schools highlighted.

Why does the site inventory exclude low and very low income housing from the highest resource areas of Sunnyvale which are the closest areas to these high schools? The proposed Village Centers at the corner of Fremont and Mary and the corner of Fremont and Sunnyvale-Saratoga are good potential sites for some affordable housing. The area zoned C1 at the northwest corner of Hollenbeck and Homestead is another good candidate for a Village Center. While the Village Center Plans are not yet in place, if we commit to completing them early in the cycle and zone them for enough density to support affordable housing, can they be counted in the site inventory?

In addition to developing affordable housing in the highest resource areas in Sunnyvale, we can also work to increase the resource level of lower resource areas which are all in north Sunnyvale. We would like the draft housing element to contain policies to address this.

We are also still concerned about the number of low and moderate income units listed in the Lawrence, Downtown, and El Camino corridor sites inventory. In all of those sites, over 80% are listed in the low or very low income categories with the remaining units listed as moderate income. What analysis has been done to determine that 80% of these sites are suitable for L/VL development? In the downtown and Lawrence areas, the vast majority of the units developed have been market rate and only 10-15% of the units have been low and very low income units.

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This gives us pause for concern that this allocation is merely noted to meet a target but is unrealistic given past experience. A realistic development capacity for low and very-low income units in these areas seems to be 10-15% of what is currently proposed.

Using realistic development capacities for these sites requires finding other suitable affordable housing sites. Some options our committee suggests are:

- Increase the inclusionary rate from 15 to 20%.
- Increase density in the ECR, DSP, Moffett Park, Village Centers and future specific plan sites.
- Rezoning sites such as the former Fry's location, the C1 zoned sites along Maude between Mathilda and Fair Oaks and along Fair Oaks south of 101, as well as underutilized industrial parks and other location(s) throughout the city zoned exclusively for commercial use. Is there a reason why current commercial developments cannot be reconfigured to include mixed use (commercial and residential) in the same building?

We also hope to see policies in the draft housing element to support the development of affordable and missing middle housing such as:

- Require payment of in lieu fees at the time the first permit is issued rather than at the
  end of the development cycle. Neighboring cities such as Mountain View have
  implemented this.
- Encourage SB 9 development by creating pre-approved building plans to facilitate the
  permitting approval process and create a single point of contact for SB 9 development.
  Broaden the city's outreach program to increase homeowners' knowledge of this new
  legislation.
- Design and build form-based multifamily housing throughout the city.

Finally, there are some additional policies we hope to see in the housing element, some of which we have already brought up to city leadership.

- Establish safe parking sites for vehicle residents.
- Partner with LifeMoves or another organization to build transitional housing for Sunnyvale's unhoused.
- Anti-displacement policies such as first right of return to residents as well as policies to financially assist displaced residents subjected to higher rental costs when displaced as well as relocation expenses.
- Support the basic needs of residents aging in place (transportation, safe home review, home repairs, rental assistance...).

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- Support the needs of residents with physical and cognitive challenges at all ages (housing, job counseling and transportation).
- Rent stabilization programs for residential units (single family homes as well as multifamily units) and small businesses. Consider limiting rent increases to annual increases not to exceed the CPI.
- Fund retrofit EV charging stations in existing developments.
- Prioritize green space by encouraging taller buildings with smaller footprints. This could be paired with a green density bonus to encourage more greenspace, especially for mid-density (R-3) projects.
- Encourage the use of carbon-negative cross-laminated timber as opposed to concrete, which is carbon intensive.
- Consider a redevelopment density bonus. As an example, if an existing
  apartment complex over a designated age is redeveloped, set aside deedrestricted units for existing residents. These units would not count toward the
  maximum dwelling units on the site, but could be counted for the state density
  bonus and to satisfy the city's inclusionary zoning requirement. This should also
  come with increased maximum heights.

Thank you for considering our comments and suggestions and we look forward to your response.

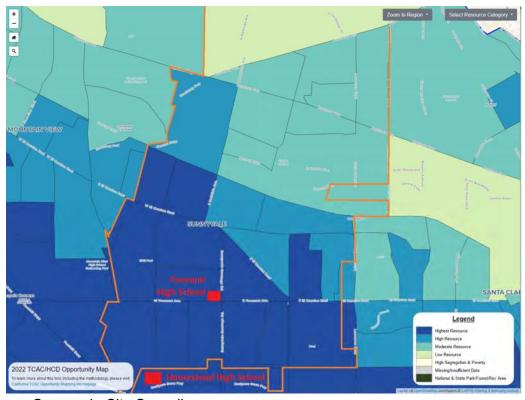
Regards,

Livable Sunnyvale Housing Element Committee

Attachment: 2022 TCAC/HCD Opportunity Map of Sunnyvale

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cc: Sunnyvale City Council

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### ATTACHMENT 3

## Letter sent to City of Sunnyvale City Council dated June 8, 2022: sent via email

June 8, 2022

Dear Mayor Klein and Council Members,

Livable Sunnyvale reviewed the Housing Element (HE) draft and many of our members attended and contributed to the meetings staff conducted with Council and City Commissions. We wish to acknowledge the effort that has been extended on this Housing Element. With that in mind, we have the following input.

This HE Draft classifies about 60% of housing at high density sites like Moffett Park to be in the lower-income category. That is not realistic. Even if several large 100% affordable housing projects are developed there, based on our city's history, 20% lower-income is a much more realistic number.

Currently HCD allows this unrealistic assignment because of Moffett's high density designation; however, as Moffett is developed and reality hits, Sunnyvale will be required to back-fill those missing lower-income sites. If Sunnyvale becomes non-compliant, the City may have to pay fines & fees, lose valuable state and regional grants, and possibly face court-issued takeover of our land-use authority (see attachment).

A second issue is that 89% of the lower-income sites are located in census tracts where the average income is already below Santa Clara County's AMI. The HE Draft does not address how putting the vast majority of lower-income sites in locations that are already lower income will improve the fair housing issues identified in Chapter 4. There is not even a Goal listed in section 2.1 to address the fair housing issues identified in Chapter 4.

The HE Draft indicates that as Moffett is built out, more resources will also be built. However, there is no analysis to demonstrate how much the opportunity index of the Moffett Park area will improve. Furthermore, the only commitment in the HE Draft is program H34 which would build a library, park, and zone for a school. It seems unlikely that a low resource area can be transformed into a high resource area simply by building a library, park, and elementary school.

The way to alleviate both of the above problems is to increase our pool of available lower-income housing sites, especially in the southern parts of the city. Specifically, change program

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H2 to provide a total of 1,500 lower-income units rather than just 100. Some possible ways to do this are:

- Zone Village Centers to be greater than 30 du/ac
- Add new Village Centers. Possible sites include:
  - o Hollenbeck and Homestead (Loehmann's Plaza)
  - Fremont and Wright
  - Wolfe and Homestead (Sunnyvale side)
- Increase density or allow more mixed use on ECR
- Increase Sunnyvale's inclusionary rate to 20%
- Rezone most small strip malls to be mixed use sites

We believe these actions need to happen sooner than later because the longer the City waits, the fewer options we will have; for example, if we don't increase the density for Village Centers as soon as possible, many Village Center sites will have been built at lower density and with less lower income housing.

Another option to increase density and better meet our RHNA goals is to address the parking standards. To be clear we are not asking to get rid of parking, we would like to see parking spaces not wasted. The ABAG-MTC Parking policy, <a href="https://abag.ca.gov/sites/default/files/documents/2021-10/Parking Policy Playbook compiled vF20211020.pdf">https://abag.ca.gov/sites/default/files/documents/2021-10/Parking Policy Playbook compiled vF20211020.pdf</a>, is a great resource that specifically outlines parking ideas such as unbundling, parking minimums and parking maximums. Unbundling parking would give the developers flexibility to build denser. We can also review Mountain View's plans such as their North Bay Precise plan, <a href="https://www.mountainview.gov/civicax/filebank/blobdload.aspx?BlobID=31204">https://www.mountainview.gov/civicax/filebank/blobdload.aspx?BlobID=31204</a>, that is constraining parking. The past Housing Element and this current Housing Element essentially mention the same ideas for parking. We would like to see the city go further and implement these parking standards or at the very least commit to studying unbundling, parking minimums and parking maximums.

Livable Sunnyvale supports the City's commitment to meeting RHNA goals and providing housing to all income levels. We all desire a city that can sustain diversity and a livable environment. Our input for a moderate lower-income density in Moffett Park and increased density in high opportunity areas in the southern parts of the city will give us a better chance of meeting our RHNA goals. It will also lead to a Sunnyvale where households at all income levels can live throughout the city in an integrated and sustaining environment.

Sincerely,

Livable Sunnyvale Housing Element Committee

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# Housing Element Compliance Incentives

Incentives for Housing Element Compliance: Various state grant and loan programs require an HCD-certified housing element. Examples of active state funding sources that require housing element compliance for eligibility include the following:

Permanent Local Housing Allocation (PLHA): Helps cities and counties increase the supply of housing for households at or below 60% of area median income, increase assistance to affordable owner-occupied workforce housing, assist persons experiencing or at risk of homelessness, facilitate housing affordability, meet RHNA requirements, and ensure geographic equity in fund distribution.

Affordable Housing and Sustainable Communities (AHSC): The AHSC Program funds landuse, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas ("GHG") emissions. Funding for the AHSC Program is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.

<u>SB 1 Planning Grants</u>: State-funded Sustainable Communities grants help cities pay for local transportation improvements.

<u>CalHOME Program</u>: The purpose of the CalHOME Program is to enable low- and very low-income households to become or remain homeowners through grants to local public agencies and nonprofit developers to assist individual first-time homebuyers through deferred-payment loans for down payment assistance, home rehabilitation, including manufactured homes not on permanent foundations, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance, or technical assistance for self-help homeownership.

Infill Infrastructure Grants (IIG): IIG provides grant assistance, available as gap funding for infrastructure improvements necessary for specific residential or mixed-use infill development projects or areas.

Prohousing Designation Program: Prohousing designated jurisdictions will be awarded preference points on competitive funding applications (e.g. IIG, AHSC, Transformative Climate Communities (TCC), etc.). Local Early Action Planning (LEAP) and Regional Early Action Planning (REAP) grants can be utilized to establish prohousing policies for the purposes of eventually earning a Prohousing Designation.

<u>Local Housing Trust Fund Program (LHTF)</u>: The LHTF Program provides matching funds to local and regional housing trust funds dedicated to the creation, rehabilitation, or preservation of affordable housing, transitional housing and emergency shelters.

Regional Transportation Funding: Transportation funding for some regions depend on local jurisdiction housing element compliance (e.g. One Bay Area Grant funding (OBAG), SANDAG's Active Transportation Grant Program, etc.).

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# Housing Element Noncompliance Consequences

#### Penalties and Consequences of Housing Element Noncompliance

HCD is authorized to review any action or failure to act by a local government that it determines is inconsistent with an adopted housing element or housing element law. This includes failure to implement program actions included in the housing element. HCD may revoke housing element compliance if the local government's actions do not comply with state law. Examples of penalties and consequences of housing element noncompliance:

<u>General Plan Inadequacy</u>: The housing element is a mandatory element of the General Plan. When a jurisdiction's housing element is found to be out of compliance, its General Plan could be found inadequate, and therefore invalid. Local governments with an invalid General Plan can no longer make permitting decisions.

<u>Legal Suits and Attorney Fees</u>: Local governments with noncompliant housing elements are vulnerable to litigation from housing rights' organization, developers, and HCD. If a jurisdiction faces a court action stemming from its lack of compliance and either loses or settles the case, it often must pay substantial attorney fees to the plaintiff's attorneys in addition to the fees paid by its own attorneys. Potential consequences of lawsuits include: mandatory compliance within 120 days, suspension of local control on building matters, and court approval of housing developments.

<u>Loss of Permitting Authority</u>: Courts have authority to take local government residential and nonresidential permit authority to bring the jurisdiction's General Plan and housing element into substantial compliance with State law. The court may suspend the locality's authority to issue building permits or grant zoning changes, variances, or subdivision map approvals – giving local governments a strong incentive to bring its housing element into compliance.

## Newer Consequences of Housing Element Noncompliance

<u>Financial Penalties</u>: Court-issued judgement directing the jurisdictions to bring its housing element in substantial compliance with state housing element law. If a jurisdiction's housing element continues to be found out of compliance, courts can multiply financial penalties by a factor of six.

<u>Court Receivership</u>: Courts may appoint an agent with all powers necessary to remedy identified housing element deficiencies and bring the jurisdiction's housing element into substantial compliance with housing element law.

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#### **Chelsey Payne**

From: Council AnswerPoint <council@sunnyvale.ca.gov>

**Sent:** Monday, January 30, 2023 7:46 AM

**To:** Charles Fraleigh; Jenny Carloni; Ryan Dyson; Chelsey Payne

**Cc:** Agnes Veith; Council AnswerPoint **Subject:** RE: Housing Element feedback

Hello Agnes and Chuck,

Thank you for your email. I am forwarding your message to the City Council, copying key City staff for their review.

Thank you, Victoria

#### **VICTORIA KETELL**

**Executive Assistant – Mayor & Council** 

Office of the City Manager

City of Sunnyvale

Phone (Direct): 408-730-7913

Phone (Mayor & Council): 408-730-7473

From: Charles Fraleigh <chuck@fraleigh.com> Sent: Sunday, January 29, 2023 8:41 PM

To: Jenny Carloni <JCarloni@sunnyvale.ca.gov>; Ryan Dyson <RDyson@sunnyvale.ca.gov>; Chelsey Payne

<Chelsey.Payne@ascentenvironmental.com>

Cc: Agnes Veith <acmduff@gmail.com>; Council AnswerPoint <council@sunnyvale.ca.gov>

Subject: Housing Element feedback

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.



Submitted via email

Jenny Carloni, Housing Officer, City of Sunnyvale JCarloni@sunnyvale.ca.gov

Ryan Dyson, Housing Specialist, City of Sunnyvale RDyson@sunnyvale.ca.gov

Chelsey Payne, Director of Urban Design and Planning, Ascent Environmental Chelsey.payne@ascentenvironmental.com

cc: Sunnyvale City Council council@sunnyvale.ca.gov

January 29, 2023

Dear Ryan and Jenny,

Thanks Ryan, for letting me know your timeframe to meet with Chuck and I regarding our thoughts on the latest Housing Element (HE) draft. We are sending this letter to let you know in advance of our meeting the topics we would like to discuss.

#### **Fair Housing**

HCD's comment letter states, "While the element provides additional analysis and identifies contributing factors to fair housing issues, it does not include sufficient action to overcome patterns of segregation and foster inclusive communities. As a result, programs must be added as appropriate to sufficiently respond to contributing factors to fair housing issues."

To more significantly address the fair housing issues, we would like to see Program H3 modified to increase the commitment to rezone sites in areas of high resource from 100 to 1,500.

Furthermore, HCD's letter also states that "all actions related to AFFH must contain specific commitment, timing, geographic targeting." To address the geographic targeting comment, we would like program H3 to require at least 1,000 of the sites to be in the Serra, De Anza, Ortega, and Raynor districts outside of the El Camino Real Specific Plan zone.

There are 39 acres in the Serra, De Anza, and Ortega districts which we feel could be zoned to allow housing at high enough density to support affordable housing. These include:

- The VC-7, VC-8, VC-9, VC-10, and VC-11 village center sites identified in the July draft housing element.
- The 12 acre site at the corner of Hollenbeck and Homestead (Loehmann's Plaza APNs 323-26-007, 323-26-014, 323-26-016, 323-26-033, 323-26-034)
- The 3 acre area at the SE corner of Fremont and Wright (APNs 320-27-019, 320-27-020, 320-27-021, 320-27-022)
- The 3 acres of commercial/office at the corner of Wolfe and Homestead (APNs 309-51-005, 309-51-027, 309-51-028, 313-38-037, 313-38-073)

We also would like to see the timeframe for this program accelerated to January 2025 so that there is sufficient time remaining in the cycle for development projects to be realized in the identified areas.

To more significantly address fair housing, we would also like to see program H35, Prioritize Capital Improvement Program (CIP), expanded. The current commitment is to establish a new library, park facilities, and a school site within low or moderate resource areas. We would like this program to be expanded with items such as additional open space commitments, commitments to improve transit options for high school students in northern Sunnyvale, and commitments to improve retail offerings in northern Sunnyvale.

We would like clarification if the already planned Lakewood Branch Library and Muwékma Park would satisfy the objectives of the program as it is currently written.

#### **Adjust Program Timelines**

HCD's letter states, "several programs and actions have timelines that should be moved earlier in the planning period to ensure a beneficial impact." We would like to suggest the following.

H3: Increase Affordable Housing Opportunities in High Resource Areas.

Current timeframe: 2026

Suggested timeframe: January 2025

H4: Accessory Dwelling Unit Toolkit

We would like to see the timeline for program H4 accelerated so that the toolkit is published by the end of 2023, and the goal is to produce 100 ADU units by the end of 2026.

#### Mid-cycle Review

Finally, HCD's letter states, "the element should commit to assessing and revising programs through a mid-cycle review." We would like to see the housing element contain a mid-cycle review which includes measurable targets which are expected to be achieved and specific actions which will be taken if the targets are not met.

The targets and actions could include things such as:

- If fewer than 50% of the units at any income level have not been permitted, add new sites to the sites inventory which increase the number of units at that income level by the shortfall amount.
- Re-evaluate AFFH metrics from Tables H-7 through H-10. If metrics have not improved compared to the 2015 levels, document specific steps that will be taken to remedy these metrics.
- Review all programs to be completed prior to 2027 and analyze if they were successful. For example:
  - Program H5/H6 (affordable housing) set target for number of affordable housing units to be permitted by mid-cycle and actions to take if these targets are not met.
  - H7 (funding for affordable housing) set dollar amount target for the amount of funding to be raised. If that target is not reached, specify what actions will be taken to reach the funding goals.

We are looking forward to meeting with you and Chelsey Payne on February 6th.

Agnes Veith and Chuck Fraleigh Livable Sunnyvale Housing Element Committee Co-Chairs From:
To: Ryan Dyson

Subject: housing element comment

Date: Sunday, June 5, 2022 11:24:02 AM

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.

I am a parent of 31-year-old man with autism. We bought a house in Sunnyvale in 1991 and this has been the community my son has grown up in. He is lucky to be living in a Below Market Rate apartment in Sunnyvale with the help of a Section 8 Housing voucher. He is a San Andreas Regional Center client which provides him with the services he needs including supported living services.

San Andreas Regional Center serves approximately 30,000 clients in Santa Clara County. Many other parents tell me that they need to figure out the housing needs of their adult children with developmental disabilities to ensure their child is taken care of "after they exit the scene." Securing affordable housing is their biggest challenge.

Please continue to work with agencies like Housing Choices to support set-asides for people with developmental disabilities. Many of these people, like my son, have extremely low incomes, solely on SSI or SSI/SSDI.

Clare Meyerson

1385 Deroche Court

Sunnyvale











June 6th 2022

Re: Comments on Sunnyvale Housing Element

Dear Sunnyvale City Council, Planning Commission and Staff,

The undersigned organizations would like to thank you so much for providing the opportunity to provide public comment on the draft Housing Element. Overall, we support its draft policies. We know that tackling the combined crises of housing affordability, inequality, and climate change in all its complexity requires structural and cultural change and we think that if implemented, many of the policies in this Housing Element will help our region address both our climate and housing crises.

We urge you to eliminate or significantly reduce parking minimums on new housing developments near transit, and special housing developments, and to permit the use of stacked parking spaces. Please commit to these reforms in your Housing Element. Ascent Environmental's presentation to the Planning Commission on May 23rd listed parking requirements as a governmental constraint on housing, and Gov. Code § 65583(c)(3) requires the removal of such constraints where "appropriate and legally possible." Now is the time to commit.

It is clear that you understand the barriers parking minimums provide because in policy H-4.4, Parking Standards for Special Needs Housing, you highlight the need to maintain reduced parking standards for special needs housing and housing in close proximity to public transit.

Eliminating parking minimums is a highly effective strategy to address both our housing and climate crises. Sunnyvale seeks to be a leader in climate action but if you are still subsidizing driving (which accounts for 40% of our GhG emissions) you will not meet your climate goals. Increasing density in the village centers was identified as a priority in the May 11th public meeting. Eliminating parking requirements would be a clear way to do so.









## CATALYZE SV

The recent *Bay Area Parking Census* released by SPUR and the Mineta Transportation Institute found that there are 2.4 parking spaces per car<sup>1</sup>. Additionally, TransForm's <u>study of 80 Bay Area buildings</u> identified that 28% of residential parking spaces were unused. This excess parking represented 1,164,600 square feet of space that could have gone to better use and cost over \$198 million dollars to build. Continuing to require a minimum of two parking spaces per unit in most places will continue these wasteful mandates that drive up housing costs.

Sunnyvale's parking minimums make worst case assumptions about how people commute - every person has a car and every person drives alone to work. More Sunnyvale residents would likely forgo driving if mandated parking were eliminated in favor of denser development near places like Lawrence station and Moffett Park. Sunnyvale has already implemented a robust TDM system, which has likely reduced overall car trips. However, studies show that abundant, "free" parking actually generates more driving trips, more traffic, and more pollution, and will make people less likely to use the TDMs<sup>2</sup>. This means the excessive parking minimums counteract the positive impacts of Sunnyvale's TDM. Maintaining parking minimums, based on these worst case assumptions, significantly reduce the number of sites that can feasibly become senior housing in the next decade.

Reducing parking minimums and unbundling parking has never been easier with the development of new technologies to facilitate shared parking. These include <u>Parkade</u>, which makes it simple to administer unbundled parking while also allowing for the sharing of parking between residents and their guests. In addition, companies like <u>Parknav</u> have tools to help better utilize on-street parking and can guide drivers to areas with availability.

We would also like to urge you to eliminate the requirement that mobile home parks are required to provide two spaces per unit. This seems to be an equity issue. There is no reason, when the minimum parking requirement for a single family home is one parking space, that mobile homes require two.

 $<sup>\</sup>frac{1}{https://www.spur.org/publications/spur-report/2022-02-28/bay-area-parking-census\#: \sim :text=There\%20are\%20approximately\%202.4\%20spaces.person\%20in\%20the\%20Bay\%20Area.$ 

<sup>&</sup>lt;sup>2</sup> https://www.nctr.usf.edu/wp-content/uploads/2014/07/JPT17.2 Hamre.pdf









## CATALY7F SV

We would also like to urge you to keep open space requirements. We have seen first hand the importance of open space for mental and physical health as well as carbon sequestration and biodiversity benefits.

As you consider changes to this draft element, we hope you will take our considerations in mind to prioritize people and open space and include parking policy as an item in the Housing Element.

Regards,

**Zoe Siegel** Catalyze SV **Executive Director** 

Director of Climate **Urban Environmentalists** 

Resilience Kendra Ma

Greenbelt Alliance **Housing Policy Analyst Keith Diggs** 

Transform **Housing Elements Alex Shoor** 

Advocacy Manager

**Executive Director** Joanna Gubman YIMBY Law 
 From:
 ML Stefan

 To:
 Ryan Dyson

 Cc:
 Mei-Ling Stefan

Subject: comments on Housing Element

Date: Wednesday, June 8, 2022 5:08:45 PM

Attachments: <u>image.png</u>

image.png

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.

Public transit in Sunnyvale is so poor that reduced parking needs, especially for the elderly and people with disabilities, does not make sense.

Moreover, policies that eliminate on-site parking near "high-quality" transit means using streets as parking garages, and will change neighborhoods and compromise pedestrian and bike riders' safety. Policy H-4.4 is not consistent with H-6.2

When I was growing up in Hong Kong, my parents did not own any car, so the parking space was rented to a neighbor who owns more than one car. This kind of flexibility is better than no parking provisions.

Policy H-4.4 Parking Standards for Special Needs Housing. Maintain reduced parking standards for special needs housing and housing in close proximity to public transit. [Source: 2015-2023 Housing Element, Policy C.3]

Policy H-6.2 Community Facilities and Infrastructure. Promote neighborhood vitality by providing adequate community facilities, infrastructure, landscaping and open space, parking, and public health and safety within new and existing neighborhoods. [Source: 2015-2023 Housing Element, Policy F.2]

Thank you

Mei-Ling Stefan

From: Kenneth Rosales
Cc: Mathew Reed

Subject: Making Housing Elements Work through State Enforcement

**Date:** Wednesday, June 8, 2022 10:45:42 PM

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.

Good Evening Honorable Mayor, Councilmembers, and City Staff,

Your jurisdiction is either preparing for the release or is reviewing the first draft of your 6th Cycle Draft Housing Element before it is submitted to the California Department of Housing and Community Development (HCD) for initial review. As you may have heard, the vast majority of cities in the first rounds of submissions have received substantial comments from HCD outlining deficiencies and are being required to complete additional work to adjust and improve their housing elements so that they move into compliance. We believe this current moment presents an opportunity to assess working drafts with an eye on how the HCD review team has described some common issues they have observed. As of April 2022, jurisdictions in three major regions had submitted their "final" Housing Elements by their given deadlines but have continued to work with HCD on developing compliant Housing Element Updates:

- The San Diego Association of Governments' Housing Element deadline was on April 15, 2021, of which only 7 of 19 jurisdictions were in compliance;
- The Southern California Association of Governments' deadline was on October 15, 2021, of which only 7 of 197 jurisdictions were in compliance; and
- The Sacramento Council of Governments' Housing Element deadline was on May 15, 2021, of which only 17 of 28 jurisdictions were in compliance.

On March 25, 2022, SV@Home hosted a discussion during our monthly Housing Action Coalition event with David Zisser and Melinda Coy, HCD's leadership for the Housing Element review team, titled "Making Housing Elements Work through State Enforcement" (click here). David and Melinda discussed how they will enforce Housing Element law and provided local advocates guidance on what they can do to help jurisdictions meet Housing Element requirements. Therefore, we would like to share the event recording and presentation slides as resources for your jurisdiction to use as you draft, publish, edit, and submit your Draft Housing Elements to HCD (available here). We have included time stamps on key topics within the webpage to make it easier to navigate the recording.

HCD reinforced the fact that they no longer consider the Housing Element Update to be a paper exercise, but instead a contract between jurisdictions and the state on housing commitments for eight-and-a-half years. To this end, HCD's new Housing Accountability Unit will be monitoring implementation and will hold jurisdictions to the commitments laid out in the Housing Element's plan. The following are key take-aways from HDC's presentation, which we felt were particularly useful to consider as drafts are being finalized and reviewed:

• **Most Common and Overarching Concerns** - HCD has found that Housing Elements overwhelmingly describe but do not analyze the data that is provided.

Whenever data is included into Housing Elements, they want jurisdictions to ask themselves: What does the data mean? How are these assumptions supported?

Further, HCD discussed they would like jurisdictions to "show their work" for the conclusions that are drawn, to avoid assumptions, and to use their analyses as tools that guide solutions, rather than simply explaining existing conditions. In this way, the various sections (e.g. needs assessment, sites inventory, constraints, etc.) should be reflective of and inform each other.

• Affirmatively Furthering Fair Housing (AFFH) - HCD is looking for an analysis of patterns and trends - a story about the jurisdiction over time and how it has changed - rather than a demographic "data dump".

They provided an example of what jurisdictions can ask themselves when providing their analyses: has our community become more diverse? Less diverse? Where are the areas of poverty and how have they evolved? How does this help to highlight the housing needs of each jurisdiction?

HCD would also like to see strategies for how local jurisdictions can "move the needle" (i.e. make progress) and assess whether the metrics and milestones of their actions will be successful in eight-and-a-half years.

They recommended jurisdictions review the <u>City of Sacramento's Housing Element</u> on how AFFH can be adequately addressed and the <u>City of Folsom's Housing Element</u> for a good example of AFFH in a high resourced community.

- AFFH: High-resourced and Lower-resourced neighborhoods Under AFFH guidelines, it is important to add affordable housing opportunities throughout the jurisdiction. They clarified, however, that AFFH is also about providing community development options or programs to increase resources in low-resourced areas, preventing displacement, and increasing housing opportunities in terms of both sites and mobility.
- **Site Inventory** HCD recommended jurisdictions provide supporting data to the selection of their sites, including the underlying assumptions to pick a site, such as development trends and substantive site-specific analysis.

When choosing sites, HCD suggested that a discussion of the selection process be included, answering: Why were the factors that shaped the process chosen, and how did those assumptions relate to answering the question: "is this a development

opportunity within the planning period?"

For non-vacant sites, they mentioned jurisdictions should specifically provide substantial evidence that an existing use is likely to be discontinued. Such evidence could include: 1) site specific information on whether the use will be discontinued in an eight-and-a-half year period and explain the factors leading to that conclusion, 2) what market and development trends are there to support discontinued use, and 3) what programs and actions could be taken by the jurisdiction to address the constraints that might impede the redevelopment of non-vacant sites.

Further, HCD expects site inventories to be responsive to the AFFH analysis, rather than be considered independent.

• Governmental and Market Constraints to the Development of Housing - HCD discussed that constraints are to be analyzed and assessed for their potential impact, rather than simply noted and/or justified.

They also advised jurisdictions to consider the perspective of a potential developer and ask: how does the range of development standards, processing fees, various impact fees, etc. affect the development of housing? How long does it take to get planning and construction approvals, and what are the additional costs? What are the points of discretionary uncertainty in the process? Are there systems in place to process streamlined applications? How might substantial or minor changes in these elements of the development process have the cumulative impact of facilitating more development in your jurisdiction?

HCD delved into the need of a thorough assessment and a clear timeline for developing concrete policy or program changes in response to these analyzed constraints rather than referencing on-going or future assessments that need to be conducted. They want to see studies made within the Housing Element Update itself to construct a policy or program rather than prescribing a "study" as the policy or program itself.

Importantly, HCD recommended that the constraints analysis be reflected in the assessment of site-specific conditions that are identified in the site inventory.

• **Programs and Policies** - HCD explained how jurisdictions should present clear prioritization and provide specific actions and timelines for each policy and program, along with clearly explaining what a jurisdiction will do to make implementation more realistic and feasible.

They suggested jurisdictions avoid the use of general language like "explore", "consider", "evaluate", or "study". Instead, HCD would like to see a detailed discussion about what exactly is going to be explored, what will be done, to what end, and what

the outcome(s) would be. HCD gave the example of replacing language such as "will explore providing incentives" with "we will develop an incentives program that will reduce fees/provide cost savings".

Moreover, HCD deliberated on how a jurisdiction's policies and programs should build on the assessment of existing measures and go beyond previous cycles. Policies and programs should support the narrative in the housing needs and development constraints analysis and be responsive to additional requirements of the AFFH analysis.

- **Funding** HCD detailed how they will not accept the rationale that the lack of subsidies for affordable housing development is an insurmountable impediment to fulfilling housing commitments. Instead, they advised jurisdictions to find ways to spur development through land use reforms and additional financing mechanisms. These might include adopting a strong local density bonus program, an inclusionary housing ordinance with a robust in-lieu fee structure, or other impact fees as a mechanism to support affordable housing development. HCD also recommended looking into ways of lowering costs by deferring or waiving fees and taxes.
- Non-Compliant Housing Elements HCD cautioned that jurisdictions with non-compliant Housing Elements will be ineligible for, or face delays in receiving, state funding. Jurisdictions would also be unable to use inconsistent zoning/general plan standards to deny affordable housing projects, and could be subject to additional legal ramifications and fines.
- Implementation of RHNA through the 6th Cycle HCD re-emphasized that jurisdictions are required to monitor and adjust their site inventories to sustain capacity for their housing allocation throughout the planning period.
- **Enforcement** HCD will review actions and inactions submitted in the Annual Progress Report by local jurisdictions and they will take action on jurisdictions that are inconsistent with their Housing Elements. HCD will also respond to public complaints if a jurisdiction's actions are in violation with state law.

We appreciate that additional guidance has been made available from multiple sources, including ABAG/MTC and the Santa Clara County Planning Collaborative - they have been instrumental in guiding us all through this complicated process. We know that the Housing Element Update has been a significant undertaking and that the HCD review process has been less central to the public and council's engagement to date. We hope that this letter provides constructive insight into what HCD will likely highlight and that it further enables local engagement throughout the next phases of the Housing Element process. We also hope that meaningful public participation will continue to be a priority as feedback is received from the

state and incorporated into future drafts.

We appreciate your continued coordination on this Housing Element journey and we look forward to deepening our engagement as we move closer to January 2023.

Best,

Kenneth Rosales (He/Him) Planning Senior Associate | SV@Home 408.518.0676

kenneth@siliconvalleyathome.org



#ReimaginingHome Learn more about Affordable Housing Month 2022



June 8, 2022

Planning Department and City Council City of Sunnyvale 456 W. Olive Ave. Sunnyvale, CA 94086

Re: Draft Housing Element Needs Ambitious Parking Updates

Dear Sunnyvale Planning Department and Sunnyvale City Council,

Thank you for submitting your draft Housing Element early and allowing for robust comment. TransForm is a regional non-profit focused on creating connected and healthy communities that can meet climate goals, reduce traffic, and include housing affordable to everyone.

We applaud Sunnyvale's inclusion of Goal H-2 and Policy H-1.3 that streamline affordable development to help reach RHNA goals. However, building 6,709 units of housing will be no easy task and we believe Sunnyvale must implement smart parking policies like reducing or eliminating parking minimums, implementing unbundling, and requiring robust Transportation Demand Management (TDM) programs.

Policies H-4.4, 17, and 19 all mention reviewing parking standards to eliminate constraints on development, but lack specifics on how Sunnyvale will conduct this review or how it will be funded. We encourage Sunnyvale to commit to a specific timeline and to fund a dedicated study of parking reform, especially how the above mentioned smart parking policies could positively impact housing, transportation and other goals.

The need to eliminate or greatly reduce parking minimums is more important than ever. **Each new parking space costs \$30,000-\$80,000**. With inflation driving up construction costs since these estimates, two spaces may now cost up to \$200,000. Beyond construction costs, parking takes up essential space that could provide more homes, services, or community amenities.

The recent *Bay Area Parking Census* released by SPUR and the Mineta Transportation Institute found that there are 2.4 parking spaces per car<sup>2</sup>. Additionally, TransForm's <u>study of 80 Bay Area buildings</u> identified that 28% of spaces were unused. This excess parking represented 1,164,600 square feet of

<sup>1</sup> https://www.shoupdogg.com/wp-content/uploads/sites/10/2016/05/Cutting-the-Cost-of-Parking-Requirements.pdf

<sup>&</sup>lt;sup>2</sup>https://www.spur.org/publications/spur-report/2022-02-28/bay-area-parking-census#:~:text=There%20are%20approximately%202.4%20spaces.person%20in%20the%20Bay%20Area.

space—an estimated \$198 million dollars in costs that could have been used to produce more housing in these 80 developments.

To show the tremendous benefits these policies can have, we have used our <u>GreenTRIP Connect tool</u> to create scenarios for a potential future development site at 174/184 N Sunnyvale Ave. GreenTRIP Connect is recommended by the California Office of Planning and Research as a tool to use while developing General Plans and is especially useful during development of Housing Elements. The tool is free to use whether planning at the site or city-wide level.

By eliminating the high costs of parking, homes can be offered at more affordable prices, reducing the number of community members that face extreme housing cost burdens, getting priced out of their community, and/or becoming unsheltered.

Please let me know if you have any questions. TransForm hopes this information explains why Sunnyvale should make parking reform and affordable housing development a priority in the Housing Element update.

Sincerely, Kendra Ma Housing Policy Analyst kendrama@transformca.org



June 8, 2022

Planning Department and City Council City of Sunnyvale 456 W. Olive Ave. Sunnyvale, CA 94086

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Sincerely, Kendra Ma Housing Policy Analyst kendrama@transformca.org From: Charles Fraleigh

To: <u>HousingHumanServices AP</u>; <u>PlanningCommission AP</u>

Cc: Ryan Dyson; Jenny Carloni

Subject: 2023-2031 Draft Housing Element comments

Date: Wednesday, May 18, 2022 8:34:37 AM

Attachments: <u>image001.png</u>

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.



May 18, 2002

Planning Commissioners and Housing and Human Services Commissioners,

The Livable Sunnyvale Housing Element Committee has been reviewing the 2023-2031 Draft Housing Element which your commissions will be having a hearing on next week. We have several questions and concerns about this draft.

The Housing Element lists 58% of the sites in high density areas at Moffett Park, Lawrence Station, Downtown, and along El Camino in the lower income category. However, recent high density developments in these areas have contained only 17% lower income units. We are puzzled why the Housing Element expects a much higher percentage of lower income units in the new sites. Our concern is that Sunnyvale will not meet its RHNA targets because it is unlikely the new sites will achieve the higher 58% rate.

In section 4.1, the Housing Element states, "it is important to ensure that sites for housing, particularly lower income units, are available throughout a jurisdiction and where residents have fair and equitable access to amenities and opportunities." The sites inventory in Chapter 5, however, allocates the lower income units such that:

- 81% of the lower income units are in low and moderate resource areas while only 19% are in high and highest resource areas.
- 89% of the lower income units are in census tracts whose average income is below the Santa Clara County AMI.

- None of the lower income units are in census tracts whose average income is over \$200k/yr.
- 67% of the lower income units are in census tracts with environmental opportunity scores of 1 (out of a possible 100), while census tracts with environmental scores over 70 contain few or no lower income units.
- The plan for Moffett Park would create a census tract where 60% of the households are lower income. This would be the highest concentration of lower income households in Sunnyvale.

There seems to be a disconnect between the goals presented in Chapter 4 and how the sites inventory allocates the lower income sites.

The Village Centers appear to be a good opportunity to address some of these issues, but they are currently zoned at a density of 18 du/ac. Has there been any consideration to increase the density to over 30 du/ac so they could accommodate more housing and provide opportunity for lower income units? What steps need to be taken to increase the density of the village centers?

Finally, we were pleased to see program H29 to implement Safe Parking. The timeframe for this program, however, is 2025. This is an urgent issue facing our most vulnerable residents and we would like to see this program implemented before the Housing Element is completed or at latest by early 2023.

Thank you for your consideration.

Livable Sunnyvale Housing Element Committee



June 8, 2022

Dear Mayor Klein and Council Members,

Livable Sunnyvale reviewed the Housing Element (HE) draft and many of our members attended and contributed to the meetings staff conducted with Council and City Commissions. We wish to acknowledge the effort that has been extended on this Housing Element. With that in mind, we have the following input.

This HE Draft classifies about 60% of housing at high density sites like Moffett Park to be in the lower-income category. That is not realistic. Even if several large 100% affordable housing projects are developed there, based on our city's history, 20% lower-income is a much more realistic number.

Currently HCD allows this unrealistic assignment because of Moffett's high density designation; however, as Moffett is developed and reality hits, Sunnyvale will be required to back-fill those missing lower-income sites. If Sunnyvale becomes non-compliant, the City may have to pay fines & fees, lose valuable state and regional grants, and possibly face court-issued takeover of our land-use authority (see attachment).

A second issue is that 89% of the lower-income sites are located in census tracts where the average income is already below Santa Clara County's AMI. The HE Draft does not address how putting the vast majority of lower-income sites in locations that are already lower income will improve the fair housing issues identified in Chapter 4. There is not even a Goal listed in section 2.1 to address the fair housing issues identified in Chapter 4.

The HE Draft indicates that as Moffett is built out, more resources will also be built. However, there is no analysis to demonstrate how much the opportunity index of the Moffett Park area will improve. Furthermore, the only commitment in the HE Draft is program H34 which would build a library, park, and zone for a school. It seems unlikely that a low resource area can be transformed into a high resource area simply by building a library, park, and elementary school.

The way to alleviate both of the above problems is to increase our pool of available lower-income housing sites, especially in the southern parts of the city. Specifically, change program

H2 to provide a total of 1,500 lower-income units rather than just 100. Some possible ways to do this are:

- Zone Village Centers to be greater than 30 du/ac
- Add new Village Centers. Possible sites include:
  - Hollenbeck and Homestead (Loehmann's Plaza)
  - Fremont and Wright
  - Wolfe and Homestead (Sunnyvale side)
- Increase density or allow more mixed use on ECR
- Increase Sunnyvale's inclusionary rate to 20%
- Rezone most small strip malls to be mixed use sites

We believe these actions need to happen sooner than later because the longer the City waits, the fewer options we will have; for example, if we don't increase the density for Village Centers as soon as possible, many Village Center sites will have been built at lower density and with less lower income housing.

Another option to increase density and better meet our RHNA goals is to address the parking standards. To be clear we are not asking to get rid of parking, we would like to see parking spaces not wasted. The ABAG-MTC Parking policy, <a href="https://abag.ca.gov/sites/default/files/documents/2021-10/Parking Policy Playbook compiled vF20211020.pdf">https://abag.ca.gov/sites/default/files/documents/2021-10/Parking Policy Playbook compiled vF20211020.pdf</a>, is a great resource that specifically outlines parking ideas such as unbundling, parking minimums and parking maximums. Unbundling parking would give the developers flexibility to build denser. We can also review Mountain View's plans such as their North Bay Precise plan, <a href="https://www.mountainview.gov/civicax/filebank/blobdload.aspx?BlobID=31204">https://www.mountainview.gov/civicax/filebank/blobdload.aspx?BlobID=31204</a>, that is constraining parking. The past Housing Element and this current Housing Element essentially mention the same ideas for parking. We would like to see the city go further and implement these parking standards or at the very least commit to studying unbundling, parking minimums and parking maximums.

Livable Sunnyvale supports the City's commitment to meeting RHNA goals and providing housing to all income levels. We all desire a city that can sustain diversity and a livable environment. Our input for a moderate lower-income density in Moffett Park and increased density in high opportunity areas in the southern parts of the city will give us a better chance of meeting our RHNA goals. It will also lead to a Sunnyvale where households at all income levels can live throughout the city in an integrated and sustaining environment.

Sincerely, Livable Sunnyvale Housing Element Committee



## Housing Element Compliance Incentives

Incentives for Housing Element Compliance: Various state grant and loan programs require an HCD-certified housing element. Examples of active state funding sources that require housing element compliance for eligibility include the following:

Permanent Local Housing Allocation (PLHA): Helps cities and counties increase the supply of housing for households at or below 60% of area median income, increase assistance to affordable owner-occupied workforce housing, assist persons experiencing or at risk of homelessness, facilitate housing affordability, meet RHNA requirements, and ensure geographic equity in fund distribution.

Affordable Housing and Sustainable Communities (AHSC): The AHSC Program funds landuse, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas ("GHG") emissions. Funding for the AHSC Program is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.

<u>SB 1 Planning Grants</u>: State-funded Sustainable Communities grants help cities pay for local transportation improvements.

<u>CalHOME Program</u>: The purpose of the CalHOME Program is to enable low- and very low-income households to become or remain homeowners through grants to local public agencies and nonprofit developers to assist individual first-time homebuyers through deferred-payment loans for down payment assistance, home rehabilitation, including manufactured homes not on permanent foundations, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance, or technical assistance for self-help homeownership.

<u>Infill Infrastructure Grants (IIG)</u>: IIG provides grant assistance, available as gap funding for infrastructure improvements necessary for specific residential or mixed-use infill development projects or areas.

<u>Prohousing Designation Program</u>: Prohousing designated jurisdictions will be awarded preference points on competitive funding applications (e.g. IIG, AHSC, Transformative Climate Communities (TCC), etc.). Local Early Action Planning (LEAP) and Regional Early Action Planning (REAP) grants can be utilized to establish prohousing policies for the purposes of eventually earning a Prohousing Designation.

<u>Local Housing Trust Fund Program (LHTF)</u>: The LHTF Program provides matching funds to local and regional housing trust funds dedicated to the creation, rehabilitation, or preservation of affordable housing, transitional housing and emergency shelters.

Regional Transportation Funding: Transportation funding for some regions depend on local jurisdiction housing element compliance (e.g. One Bay Area Grant funding (OBAG), SANDAG's Active Transportation Grant Program, etc.).

# Housing Element Noncompliance Consequences

#### Penalties and Consequences of Housing Element Noncompliance

HCD is authorized to review any action or failure to act by a local government that it determines is inconsistent with an adopted housing element or housing element law. This includes failure to implement program actions included in the housing element. HCD may revoke housing element compliance if the local government's actions do not comply with state law. Examples of penalties and consequences of housing element noncompliance:

General Plan Inadequacy: The housing element is a mandatory element of the General Plan. When a jurisdiction's housing element is found to be out of compliance, its General Plan could be found inadequate, and therefore invalid. Local governments with an invalid General Plan can no longer make permitting decisions.

Legal Suits and Attorney Fees: Local governments with noncompliant housing elements are vulnerable to litigation from housing rights' organization, developers, and HCD. If a jurisdiction faces a court action stemming from its lack of compliance and either loses or settles the case, it often must pay substantial attorney fees to the plaintiff's attorneys in addition to the fees paid by its own attorneys. Potential consequences of lawsuits include: mandatory compliance within 120 days, suspension of local control on building matters, and court approval of housing developments.

Loss of Permitting Authority: Courts have authority to take local government residential and nonresidential permit authority to bring the jurisdiction's General Plan and housing element into substantial compliance with State law. The court may suspend the locality's authority to issue building permits or grant zoning changes, variances, or subdivision map approvals – giving local governments a strong incentive to bring its housing element into compliance.

### Newer Consequences of Housing Element Noncompliance

<u>Financial Penalties</u>: Court-issued judgement directing the jurisdictions to bring its housing element in substantial compliance with state housing element law. If a jurisdiction's housing element continues to be found out of compliance, courts can multiply financial penalties by a factor of six.

<u>Court Receivership</u>: Courts may appoint an agent with all powers necessary to remedy identified housing element deficiencies and bring the jurisdiction's housing element into substantial compliance with housing element law.

From: Alistair Gray
To: Ryan Dyson

Subject: Sunnyvale Housing Element Update Input Date: Wednesday, July 20, 2022 11:34:54 PM

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#### Hi!

My name is Alistair, and up until recently I was a resident of Sunnyvale (family moved across the creek into Los Altos). I wanted to provide the following feedback on Sunnyvale's draft Housing Element. I understand that much of this feedback won't be immediately actionable, and that the draft housing element has already been submitted to HCD for review, but putting the ideas out there and the knowledge of what the community wants is what this process is for, so much obliged for being receptive to it. Hopefully this feedback may be helpful during the revision process; if not, for the future.

Firstly, thanks to planning staff - this housing element is (compared to others I've read) comprehensive, informative, attractively presented, and easy to process.

That said, some issues presented themselves to me in reading it. A large concern of mine, for a couple of reasons, is that a shortfall to RHNA numbers is built into this Housing Element. Firstly, I'm nowhere near a legal expert, but doing this seems to be, if not quite literally illegal, at least contrary to the spirit of the Housing Element, which is really intended to be a comprehensive enough plan that projects over the whole span of the cycle can be planned by it. Admitting from the outset that the city can't plan for enough housing might (again, no actual clue, this is speculation) run afoul of state housing law, but in any case I think the Housing Element should really have a better sense of what specific capacity units can come from, just from the point of view of what the plan is supposed to be planning for - the Housing Element is intended to be specific enough that we can point out sites on the map (that's what the site inventory is for), and kicking the can down the road on that seems contrary to the spirit of the document.

That leads into my second point - by obligating the shortfall to be made up for in the Moffett Park Specific Plan (implementation program H2), this element decreases the flexibility available to city council to make up the shortfall in other areas and through other programs. I specifically take issue with this for AFFH reasons - by obligating that the excess units go in (relatively poorly-resourced) northern Sunnyvale (indeed, about as north as you can get), this requirement basically guarantees that relatively well-resourced, richer, south Sunnyvale won't have to worry about those units.

Moreover, although I'm aware that a Housing Element is a *planning* document rather than a document directly permitting construction, doing it this way pushes the actualization of those units far off into the future - a deadline of 1/31/24 to approve this plan, followed by permitting, environmental review, etc. before construction time means that it's very likely that any units to be built in Moffett Park won't be available until the *next* Housing Element cycle, or at least soon before then. That's not great! The Bay Area continues to be in a very real housing crisis, and there is a *moral*, not just legal obligation on cities like Sunnyvale to make sure more housing is available to those who need it. RHNA numbers are *legal minima*, not

goals: it's disappointing to see Sunnyvale *planning* to fall short of the minimum by the start of the cycle, and even were this Housing Element to actually meet RHNA, I'd argue that there's a whole lot being left on the table which Sunnyvale should plan for so as to actually produce more housing than the *legal minimum* and make this city a better place to live for more people.

To expand on the point about AFFH: I think the city's proposed AFFH efforts are inadequate. It feels like the concrete elements of the Housing Element (i.e. the site inventory) exists independently of Chapter 4's treatment of AFFH issues (which is excellent, by the way) - the high-resource TCAC Opportunity Areas in South Sunnyvale identified in Chapter 4 have a small proportion of the total housing capacity increases, leaving most of it for the northern part of the city. Section 4.3 notes these effects adequately - it plainly states that sites identified in the site inventory are disproportionately in lower-income areas with lower access to opportunity. This analysis is very puzzling to me - it seems to be the case that this section dispassionately states, more or less, that the Housing Element does *not* affirmatively further fair housing. I think most readers would agree. The *only* sites south of El Camino Real (besides the south side of the El Camino Real Specific Plan sites, I guess) identified for *any kind of change at all* are Village Centers F and G. I don't understand how this isn't flying in the face of AFFH - these better-resourced sites should be getting *more* housing, not less.

Remediating differences in housing opportunity is, by legal obligation, something that the Housing Element needs to address. I don't think that CAHCD will (or, if they do, I think they shouldn't) accept that this document actually does enough about the inequalities whose existence it notes. The General Plan has a vast amount of potential flexibility, and this Housing Element doesn't go far enough to address them.

I encourage planning staff and the city council to explore rezoning, which isn't mentioned as a possibility, to make up for the RHNA shortfall. While understanding the ferocious opposition from homeowners always faced by cities seeking to upzone affluent, low-density residential areas, I simply don't see how Sunnyvale can meet its housing goals (if not in this cycle, then in future cycles - the city isn't getting any bigger, and more and more people will want to move into the area) without at least some rezoning. A few specific proposals as that goes:

I know that SB 10 was not passed when up for the vote (alas). Nevertheless, I'm sure that we all know that building densely near quality transit is a key factor towards mitigating, as far as possible, the contributions of car-centric transportation infrastructure to climate change. Knowing that, and with an eye towards Sunnyvale's Downtown Specific Plan (which, as far as downtown districts in this area go, isn't *horribly* car-centric - looking at Los Altos here), it's frustrating to see that this housing element update doesn't provide for more density (especially housing density) on the *north* side of the Caltrain tracks. While the downtown district on the south side is relatively dense (as dense as this incarnation of Sunnyvale gets), I always find it frustrating, when at the Caltrain station, to see single-family zoned areas literally bordering the north side of the station. Even if it was just in a narrow strip between Evelyn and Central Expressway, allowing for dense construction here analogous to the south side of the tracks could go a long way towards meeting Sunnyvale's housing needs, in very close proximity to quality transit.

Similarly, given that much of the Downtown Specific Plan area is either built to capacity or has projects in the pipeline to build up to capacity, I think it's reasonable also to either explore expanding the scope of the plan such that other areas nearby (in addition to the areas across the Caltrain tracks, Mathilda and Iowa are by no means hard barriers to where density should be) or to allow for a broader scope of allowable development outside Specific Plan areas.

This is absolutely yelling-at-clouds territory, but in general I'm not a fan of Specific Plans constraining development as a whole. I get that they're the easy way out to get housing capacity without stepping on the toes of anti-development homeowners who'd object to upzoning of their low-density single-family neighborhoods. Nevertheless, I think we're really far past the point where we can declare such vast swathes of the city (and the South Bay region as a whole) to be untouchably low-density. We're in a housing crisis! People need homes, and Sunnyvale is a great place to be - let more people live here.

Another reason, and we can absolutely see a realization of this in Sunnyvale's planning - often, dense housing development is pushed to be along busy roads (El Camino Real) because those who already live elsewhere see this as a way to "protect" themselves from the noise, pollution, and physical danger of living along a busy roadway. Well, residents of dense developments along El Camino (and in the Village Centers sites that are situated at the intersections of busy streets) will have to deal with those issues for themselves - and those compound! As tautological as it might sound, confining denser development to unpleasant places to live means that more people have to deal with living in unpleasant places - and that's bad! Spreading out housing more mitigates those concerns to some degree.

To be specific, yet more rezoning possibilities I'd be excited to see explored: rezoning the city's R0 and R1 zones to allow for duplex or triplex zoning (even with constraints re: e.g. lot size, height, lot coverage, FAR, etc. that are not incredibly different from those applied to current zoning), applied broadly across the city. Outreach programs (and perhaps other incentives? I'm not familiar with how streamlined the process is but any barriers there would be great to remove) to more broadly encourage ADU construction. Construct housing on the municipal golf course (i get that this is a very tough pill to swallow, yes). Expanding the scope of the Lawrence Station Specific Plan (as I mentioned with the Downtown Specific Plan) to allow for dense transit-oriented mixed-use development within a larger radius of the station) Allowing for denser development near the stations of the VTA Light Rail that aren't within the Moffett Park Specific Plan (yes, the light rail isn't great - it is transit, though!)

With all that being said, planning and council need to have a real heart-to-heart with the fact that this housing element is, from the outset, not sufficient to plan for as much capacity as it is legally obligated to, which is still less capacity than it really should be planning for, seeing how the housing needs of this region will continue to grow and how crucial Sunnyvale is in meeting those needs. Please allow for more housing, for the sake of all the future generations that'll need it.

Thanks for your consideration.

-- Alistair Gray

BAHN – a non-profit grassroot organization to unite & connect Mom & Pop property owners in CA. Together, we fight for property rights!

RE: Healthy Housing Elements for Californians (8/1/22)

#### Dear Housing Elements Officials,

We, at Business and Housing Network (BAHN), endeavor to provide a supportive community platform for mom-and-pop property owners throughout California. We are mostly immigrants and seniors working hard and overcoming language and cultural barriers to try to achieve the "American dream" of a middle-class life by investing our efforts and hard-earned savings in providing housing to renters. We highly value the importance of an inclusive community.

Not long ago, without "too much bureaucracy of tenant protection," when we came to California with little financial credential, we were able to find housing often offered by small mom-and-pop housing providers, and were readily accepted into the communities. For generations the small property owners are the backbones of the community housing, embracing and inspiring people from all walks of life and from all over the world. Sadly that social harmony in California has been slowly crumbling. The ever expanding hostile bureaucracy and draconian rental policies are dividing people, tearing down the centuries' of proven prosperity through free enterprise, self governance, and respect for contractual business partnerships. The governmental traps for the residential rental business are now too daunting for the small players that the privilege is reserved as the playground for big-money corporations and government-funded organizations. The pathway for small momand-pop owners to middle class, along with their community-friendly privately-owned housing stock, are systematically squeezed out of the market.

Data and economists consistently show that rent and building restrictions destroy the housing supply and hurt housing providers and renters alike at same time (see links below). Yet, the current housing element packet perpetrates and turns a blind eye on such failures:

- Rent control distorts the rental prices and pits one group of renters to subsidize another.
- It completely disregards property owners as laborers who deserve fair compensation to support their families' livelihoods and keep up with the costs associated with properly maintaining their properties.
- The forced income/cost deficits destroy the rental housing entrepreneurships, resulting in shrinking housing offerings, increased competition among renters for the limited housing availability, forced front-loading of higher rents by the surviving housing providers and reduced rental housing construction.
- Many housing policies nullify the mutual contractual terms between an housing provider and their tenant
  clients, resulting in tremendous legal and financial uncertainty for housing providers, especially for the
  mom-and-pop and frail seniors with limited education, language skills or mobility, which undermine
  their control over their relations with their tenants.
- This government-induced disrespect for property rights result in increased bad tenant behaviors and problems for the safety and enjoyment of the community. The exorbitant legal costs and disputes only add to government/owner/renter financial and social woes.
- To see the deterioration of housing affordability and the quality of life under these horrific rent control and "tenant protection" laws, look no further than the infamous New York City, San Francisco, East Palo Alto, Oakland and newly extreme-rent-controlled St. Paul, where housing constructions have dwindled

As one can see, the proliferating draconian "tenant protection" and rent control policies do not work. California must start respecting the basic economics that every housing regulation or fee add to the base cost and thus rent. The government must allow businesses and clients to establish and enforce contractual terms

Email: <u>BAHN.org@gmail.com</u> Phone: 408-475-8498



BAHN - a non-profit grassroot organization to unite & connect Mom & Pop property owners in CA. Together, we fight for property rights!

among themselves, effectively improve infrastructures and fairly facilitate communities to restore prosperity and harmony. The government shall work with the housing providers as partners, instead of working against them and driving them out of business; it shall device programs to provide direct rental assistance for families in need and provide education and down-payment assistance so that more renters can become homeowners.

America is built on free enterprise principles. These principles fuel human ingenuity to thrive and overcome difficulties. Please reverse the destructive rent restriction policies and allow mom-and-pop housing providers to thrive and support the housing needs of our communities for generations to come.

#### References:

 $\underline{https://www.gsb.stanford.edu/faculty-research/publications/effects-rent-control-expansion-tenants-landlords-inequality-evidence}$ 

https://caanet.org/uc-berkeley-economist-criticizes-rent-control-prop-10-in-new-study/

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Field Code Changed

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July 18, 2022

Ryan Dyson, Housing Specialist City of Sunnyvale, Community Development Department 456 W. Olive Ave. Sunnyvale, CA 94086

rdyson@sunnyvale.ca.gov

#### Re: Comments on the Draft Housing Element

Thank you for sharing this early draft of the Housing Element with the public. On behalf of Sunnyvale's more than 700 residents with developmental disabilities, Housing Choices is grateful for the opportunity to comment. We also appreciate the work that the City of Sunnyvale has done to include Housing Choices throughout the community engagement process and for including a detailed analysis of the housing needs of residents with developmental disabilities as required by SB 812 in the Draft Housing Element. However, we did find that the analysis used an inaccurate definition of developmental disabilities which included antiquated language. And, while the draft analysis did acknowledge the increased risk of housing instability when a parent or family member is no longer able to provide housing, a number of other trends which support the need for more deeply affordable housing options for Sunnyvale residents with developmental disabilities were left out of the analysis. By not including a more thorough analysis of the urgent housing needs of Sunnyvale residents with developmental disabilities we have concerns that this special needs population will continue to face increasing risk of homelessness or displacement from Sunnyvale over the next Housing Element cycle. We also believe that the analysis provides an incomplete analysis of best practices for inclusion of people with developmental disabilities in the city's housing plans, which should guide the creation of targeted programs to increase housing access for people with developmental disabilities. While the city does propose a number of new programs to increase the supply of affordable housing which we support, we believe that the city should go further in incentivizing the type of deeply affordable housing needed by people with developmental disabilities and other Extremely Low Income populations.

#### **About Housing Choices**

Housing Choices is a housing organization funded by the San Andreas Regional Center to support people with developmental disabilities to be fully integrated in Sunnyvale's affordable housing supply. We provide housing navigation services for both individuals and families. We also partner with affordable housing developers to make inclusive housing commitments for people with developmental disabilities in their housing projects. At these projects we provide onsite housing retention services. Our work over the past 25 years throughout Santa Clara County shows that this model of housing plus services is highly effective in increasing housing access and stability for people with developmental disabilities.

The San Andreas Regional Center has contracted with Housing Choices to provide the Sunnyvale housing and planning staff and Housing Element consultants with an assessment of the housing needs of people with developmental disabilities, as required by SB 812.

#### **Inaccurate Definition of Developmental Disabilities**

On page 3-27 of the Draft Housing Element developmental disabilities are incorrectly said to be attributed to a mental or physical impairment. However, Housing Element law requires that jurisdictions use the definition of developmental disabilities as it exists under Section 4512 of the Welfare and Institutions Code. While people with developmental disabilities may have multiple diagnoses which include mental or physical impairment, Section 4512 specifically states that developmental disabilities do not include disabilities that are solely physical. Developmental disabilities and eligibility for state sponsored services through the 21 Regional Centers are further defined in Title 17, Section 54000-54002 of the California Code of Regulations as not including disabilities that are solely psychiatric, solely physical or solely learning disabilities. Instead developmental disabilities are defined as a substantial disability attributable to "major impairment of cognitive and/or social functioning". A substantial disability is defined as "significant functional limitations...in three or more of the following areas of major life activity, as appropriate to the person's age: Receptive and expressive language; Learning; Self-care; Mobility; Self-direction; Capacity for independent living; and/or Economic self-sufficiency.

The Draft analysis of the housing needs of persons with developmental disabilities on page 3-27 also lists a number of conditions that fall within the definition of a developmental disability including "mild to severe mental retardation, and other cognitive or physical impairments". The term mental retardation is considered to be an antiquated and derogatory term and should instead be replaced with the standard term intellectual disability. And because developmental disabilities do not include disabilities that are solely physical in nature the phrase "other cognitive or physical impairments" should be removed from the list and instead replaced with the phrase "other conditions similar in their impact to an intellectual disability".

#### Incomplete Assessment of Housing Needs of People with Developmental Disabilities

Housing Choices participated in a number of Sunnyvale's Housing Element Community meetings including the Housing for Special Needs Focus Group meeting on February 1, 2022.

Our advocacy focused on supporting Sunnyvale in following HCD guidance for a complete analysis of special housing needs groups, including:

- A quantification of the total number of persons and households in the special housing needs group, including tenure (rental or ownership), where possible.
- A quantification and qualitative description of the need (including a description of the
  potential housing problems faced by the special needs groups), a description of any
  existing resources or programs, and an assessment of unmet needs.
- Identification of potential programs or policy options and resources to address the need

As discussed below, Sunnyvale's draft did include an analysis that followed these guidelines, but left out several of the housing trends which are contributing to an increased need for inclusive affordable housing as well as best practices for inclusion of people with developmental disabilities in integrated and least restrictive housing settings in the community. We believe that the inclusion of these missing elements would demonstrate that the city has a clear understanding of the accessibility needs of people with developmental disabilities and how they differ from other disability types. Furthermore, it would help the city to create more meaningful programs and policies to meet the housing needs of residents with developmental disabilities as required by Housing Element law.

Omitted Data Establishing Trends Creating a Greater Need for Housing. In the Draft housing needs analysis the city does acknowledge one of the greatest risk factors for homelessness among adults with developmental disabilities is when a parent is no longer able to provide housing. However, the analysis fails to address some of the other trends that are increasing the risk of adults with developmental disabilities becoming unhoused or displaced when a parent is no longer able to provide housing including:

- California's Department of Developmental Services (DDS) reported a 5% decline in licensed care facilities throughout Santa Clara County since 2015. Since the Supreme Court ruled in Olmstead v LC that unjustified segregation of people with disabilities is a violation of the Americans with Disabilities Act (ADA), less adults are choosing to live in licensed care homes and other forms of segregated living. Another major contributing factor to this decline is the rising cost of housing in the region making it more financially beneficial for retiring licensed care home owners to sell their facilities as a residential unit rather than a business.
- Increased life expectancy of adults with developmental disabilities has resulted in a 35% increase in the population 62+ in Santa Clara County since 2015. This means that more adults are outliving their parents, who are the number housing provider for people with developmental disabilities. This also means that even fewer adults are able to transition into the remaining licensed care facilities as there is less turnover. These trends will continue to increase the need for more deeply affordable housing paired with coordinated supportive services funded by the San Andreas Regional Center, such as will be provided at Block 15 and Orchard Gardens, to keep residents with developmental disabilities from being

- displaced from Sunnyvale and the County when parents are no longer able to provide housing.
- Many adults are on fixed incomes from disability benefits (Supplemental Security Income and Social Security Disability Insurance) of around \$1,000/month or are working part-time in low wage jobs earning well below minimum income requirements needed to qualify for even Extremely Low Income rents due to the county's high Area Median Income.
- In Santa Clara County 20% of people with developmental disabilities have limited mobility and 15% have a hearing or vision impairment. For residents with co-occurring developmental and physical disabilities the need for modified units and supportive services compounds their difficulty in finding housing that meets their needs.

Lack of Meaningful Analysis of Strategies to Increase Housing Access for People with Developmental Disabilities. The Housing Element acknowledges the significance of the transition from the family home for an adult with a developmental disability including the increased risk of displacement or homelessness when a parent caregiver passes away or otherwise becomes unable to house and care for their adult child. It also acknowledges the need for affordable housing options however, it lacks specificity on the types of affordable housing options needed. For instance, because Santa Clara County has one of the highest Area Median Incomes in the state, most adults with developmental disabilities cannot qualify for rents above the Extremely Low Income category without rental subsidies, and those that are on fixed incomes from disability benefits earn less than 15% of Area Median Income so would not qualify even for the limited supply of Extremely Low Income units available in Sunnyvale. Other considerations the city should take in creating programs and policies that would promote more integrated and inclusive housing options for people with developmental disabilities thereby Affirmatively Furthering Fair Housing for this protected group which due to their disability status face increased barriers to housing access and have been provided few alternatives to segregated housing are:

- Integration in typical affordable housing where up to 25% of units include a preference for people with developmental disabilities who will benefit from on-site supportive services funded by the San Andreas Regional Center.
- Coordination of housing with onsite supportive services funded by the San Andreas Regional Center and entitled to persons with a substantial developmental disability as defined by Title 17, Section 54001 of the California Code of Regulations. These fully funded services provide a supported pathway for people with developmental disabilities to apply for and retain an affordable apartment, and foster integration into the community. These services are often as essential to a person with a developmental disability as a physically modified unit is to a person with a mobility, vision, or hearing impairment.

- A mix of unit sizes set-aside at inclusive housing properties would address
  the needs of those who require live-in aides, want to live with roommates or
  partners, or have children.
- Location near public transit would accommodate the transit-dependency of most adults with developmental disabilities.
- Deeply affordable housing is needed, targeting incomes not more than 30% of Area Median Income and taking advantage of HUD Section 811 Project Rental Assistance or other rental subsidy programs when available to create housing opportunities for those who cannot meet minimum income requirements for units priced at 30% of Area Median Income. HCD guidance advises that the City should plan for at least 1,484 Extremely Low Income (ELI) units, half of its total Very Low Income RNHA allocation. ELI units are particularly important to people with developmental disabilities, and some of the City's planned production of ELI units should be subject to a preference for people with developmental disabilities.

These recommendations come from over 25 years of experience successfully supporting people with developmental disabilities to find and retain affordable housing by partnering with the Regional Center and affordable housing developers in neighboring communities to build inclusive and integrated projects. By not including this information, the city is unable to create meaningful targeted programs to increase housing accessibility for people with developmental disabilities putting Sunnyvale at risk of not meeting HCD's AFFH guidance to promote fair housing choice and access to opportunity to support integration for a historically segregated population. HCD defines fair housing choice as:

- Actual choice, which means the existence of realistic housing options
- Protected choice, which means housing that can be accessed without discrimination; and
- Enabled choice, which means realistic access to sufficient information regarding options so that any choice is informed.

Per HCD guidance, "For persons with disabilities, fair housing choice and access to opportunity include access to accessible housing and housing in the most integrated setting appropriate to an individual's needs as required under federal civil rights law, including equitably provided disability-related services that an individual needs to live in such housing." This model of housing combined with supportive services has been shown to be incredibly effective in helping individuals with developmental disabilities find and retain housing, and is equally as important to a person with a developmental disability as the physical design of a building is to a person with a physical impairment.

#### **Strengthening Impact of Programs**

We want to thank planning staff and the consultant who developed this draft for recommending a suite of new programs, policies and goals that we believe can create a more inclusive and

equitable community. In particular programs such as: H26. Emergency Rental Assistance Program, H27 Funding for Accessibility Improvements, H31. Special Needs Housing Development Assistance, and H3. Prioritize ADA and Pedestrian Infrastructure will address some of the housing barriers faced by people with developmental and other disabilities. Program H9 Housing Choice Voucher Rental Assistance is another example of a program that we strongly support as often people with developmental and other disabilities rely on these subsidy programs in order to live independently in our high cost region, however we would recommend further explaining the types of outreach and education the city will undertake to increase tenant and landlord awareness of income discrimination law. If this will include workshops the city should include a specific quantitative goal for how many workshops will be offered annually to tenants and landlords. Other programs and policies that we feel can be further strengthened will additional objectives, measurements, or timelines include:

- Policy H-2.12 State Density Bonus: While the state density bonus incentives development of low and very low income units, in counties like Santa Clara County, with one of the highest Area Median Incomes in the state, these incentives have the effect of making much of the available affordable housing out of reach for residents on fixed incomes (including seniors and persons with disabilities) or who are working in low wage jobs and are thus unable to meet minimum income requirements to afford the rent assigned to the Very Low Income category. The City of Sunnyvale should add additional local incentives to the state density bonus law to make it more responsive to the impact of Santa Clara County's high Area Median Income on the affordability of housing for City of Sunnyvale residents who are Extremely Low Income, including special needs populations, for example, people with developmental disabilities.
- Program H5. Below Market Rate (BMR) Housing Program: Similarly to the state density bonus the city's Below Market Rate Housing Program for rental units only incentivizes development of Low and Very Low Income housing. While Housing Element law does not require reporting of Extremely Low Income units developed during the Housing Element cycle, guidance from HCD does state that cities should plan for at least 50% of the Very Low Income RHNA to be Extremely Low Income units. One way that the city can incentivize development of more Extremely Low Income units is by modifying the BMR Housing Program to make it more responsive to local needs by offering developers of market rate housing a menu of options for including affordable units, for example, by setting a higher percentage of units if priced for moderate income and a lower percentage of units if priced for extremely low income. Such a menu would address a broader range of Morgan Hill housing needs, while giving developers more options for meeting the inclusionary requirement.
- Program H6. Affordable Housing Development Assistance: While this program would provide financing for extremely low, very low and low income housing, including annually issuing a NOFA for city funding for projects that include these levels of affordability, the city should further commit to prioritizing these local affordable housing funds for projects which address the housing needs of populations who are most difficult to house under existing state and federal housing finance programs. This should include Extremely Low Income units and/or projects that make a percentage of units subject to a

- preference for identified categories of special needs people who would benefit from coordinated onsite services, including but not limited to people with developmental disabilities who benefit from services of the San Andreas Regional Center.
- Program H12. Preservation of Government Assisted Housing: While the city is
  committing to working with property owners to keep tenants in units at-risk of converting
  to market rate stably housed, property owners are not legally obligated to extend
  affordability restrictions past the mandated affordability requirements of 55 years. In
  order to better protect tenants in affordable units at-risk of conversion to market rate the
  city should commit to adding additional priorities in its BMR program guidelines for
  tenants displaced when BMR units convert to market rate.
- **Program H15. Complete the "Retooling the Zoning Code" Project:** This program should provide additional specific information explaining what changes will be made to the zoning code and how these changes will Affirmatively Further Fair Housing.
- Program H21. Fair Housing Program: While this program commits to increasing language accessibility to Fair Housing information and providing fair housing information on the city website it does not provide a specific date by when these new programs will be implemented. In addition to making information available on the city's website and at public facilities (i.e. City Hall, the Sunnyvale Library, Senior Center, Recreation Center, and the Columbia Neighborhood Center) the city should also require landlords and property managers to distribute Fair Housing information when a new lease or modification to an existing lease is made.
- Program H23. Renter's Choice Ordinance: HCD guidance on developing programs
  and policies requires that cities make specific commitments beyond just considering a
  program. Instead the city should provide greater detail on how this program would
  affirmatively further fair housing, steps it would take to evaluate the feasibility of the
  program and factors that would be considered.
- Program H25. Relocation Assistance Ordinance: This program should further protect tenants who lose their housing through no-fault evictions from being displaced out of the city or becoming homeless by adding an additional priority in the city's BMR Program guidelines, as well as require that landlords give tenants first right of return if a tenant is displaced due to substantial remodel.

#### Noncompliance with HCD Guidance for Completing an Assessment of Fair Housing

HCD guidance for completing an Assessment of Fair Housing requires that jurisdictions analyze fair housing trends and barriers to housing choices for all people with protected characteristics including but not limited to race, religion, sex, marital status, ancestry, national origin, color, familial status, and disability. However, there is a substantial lack of data on the Fair Housing issues faced by people with disabilities as well as other protected classes. For instance, disability status is not considered in the analysis of housing cost burden, overcrowding, or homelessness (Chapter 3 Housing Needs Assessment does include data on the number of people suffering from addiction or severe mental illness but omits data on all other disability types). In addition while the AFH acknowledges that Black and American Indian or Alaskan Native people are overrepresented in the county's homeless population while Asian people are underrepresented in the homeless population there is no further analysis of the factors which

may contribute to these disparities such as household income or housing tenure. As discussed in Chapter 3 Asian residents have higher rates of homeownership than Black and American Indian or Alaskan Native residents and based on Figure 3-17 Household Income Level by Tenure, Sunnyvale, 2017 homeowners are less likely to fall in lower income levels than renters. While there is no analysis of household income level by race in the Housing Element we can see based on the analysis of housing cost burden by race that Black residents and American Indian or Alaskan Native residents face housing cost burden at 2-3 times the rate of Asian residents putting them at increased risk of homelessness. Furthermore, guidance from HCD for AFFH recommends that jurisdictions complete an intersectional analysis of housing needs for Black, Indigenous and People of Color (BIPOC) with disabilities as "there are significant disparities by race within the population with disabilities". Had the city completed an intersectional analysis of housing cost burden for residents by race/ethnicity and disability status as suggested by HCD they would have also found that BIPOC with disabilities experience higher rates of severe rent burden than either BIPOC without disabilities or whites with disabilities. Because Sunnyvale's homeless population has increased at a significantly higher rate than all other jurisdictions in the region it is especially important that they analyze all possible contributing factors and create specific policies and programs that could address these disparities.

We urge you to consider our recommendations and make changes to the Sunnyvale Housing Element so that it meaningfully addresses the housing needs of its residents with developmental and other disabilities.

Sincerely,

#### Kalisha Webster

Kalisha Webster
Senior Housing Advocate
Email kalisha@housingchoices.org
Cell 650-660-7088

From: <u>Steven Robert Burke</u>

To: Ryan Dyson

Subject: Sunnyvale housing element design Date: Friday, June 17, 2022 7:59:22 PM

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.

#### Hi Ryan,

Steve Burke here from 480 Lincoln Ave. I am writing to you to ask that you reinstitute the mandatory undergrounding of power and communications on new or substantial renovations.

The city recinded this requirement several years ago supposedly to make building more affordable, we have a cluttered airspace on the streets that is unsightly. So while the city of Sunnyvale is under grounding utilities (eg along fair oaks) and doing a very nice job ridding us of the unsightly mess, our neighborhoods are cluttered, messy, congested, drooping masses of wire.

Please help. Thank you.

Steve





April 21, 2022

Dear Sunnyvale City Council:

We are writing on behalf of YIMBY Law and Greenbelt Alliance regarding Sunnyvale's 6th Cycle Housing Element Update. YIMBY Law is a legal nonprofit working to make housing in California more accessible and affordable through enforcement of state law. Greenbelt Alliance is an environmental nonprofit working to ensure that the Bay Area's lands and communities are resilient to a changing climate.

We are writing to remind you of Sunnyvale's obligation to include sufficient sites in your upcoming Housing Element to accommodate your Regional Housing Needs Allocation (RHNA) of 11,966 units.

In the Annual Progress Reports that Sunnyvale submitted to HCD, we observe the following trend of housing units permitted in the last three years:

| Year               | Housing units permitted |
|--------------------|-------------------------|
| 2018               | 559                     |
| 2019               | 674                     |
| 2020               | 482                     |
| Average, 2018-2020 | 572                     |

To meet the 6th cycle RHNA target, the rate of new housing permits in Sunnyvale would need to increase from 572 units per year in 2018–2020 to 1,496 units per year in the next 8 years. This is a 162% increase from recent years. If the current pace were to continue, Sunnyvale would meet only 38% of its new housing target.

Based on these trends, it is unlikely that Sunnyvale's existing realistic zoning capacity is sufficient to meet its 6th cycle RHNA target. According to HCD's Housing Element Site Inventory Guidebook, housing elements must analyze the realistic capacity of their sites, which may include considerations of "[l]ocal or regional track records", "past production trends", and "the rate at which similar parcels were developed during the previous planning period". A housing element that does not include a significant rezoning component is therefore unlikely to be compliant with state law.

We urge Sunnyvale to include a major rezoning component in its Housing Element—a rezoning large enough to close the gap between recent housing production trends and the RHNA target. The rezoning should be within existing communities and should comply with the city's obligation to Affirmatively Further Fair Housing. We also urge Sunnyvale to ease any other constraints, such as discretionary approval processes or impact fees, that may impede the rate of development on your city's housing sites.

Thank you,

Sid Kapur, East Bay YIMBY (sidharthkapur1@gmail.com)
Rafa Sonnenfeld, YIMBY Law (rafa@yimbylaw.org)
Zoe Siegel, Greenbelt Alliance (zsiegel@greenbelt.org)



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#### TRANSMITTED VIA EMAIL

March 6, 2023

City of Sunnyvale, Community Development Department 456 W. Olive Avenue Sunnyvale, CA 94086

Re: SV@Home Recommendations on Sunnyvale Housing Element Update, HCD Review Letter

Dear Jenny Carloni and Ryan Dyson,

We write to you today to support ongoing revisions you are considering in response to the California Department of Housing & Community Development's (HCD) Housing Element Update review letter submitted to the City of Sunnyvale on October 6, 2022. SV@Home appreciates the Housing Division Staff's continued communication with us on this complicated process. We were pleased to hear during our February 7th, 2023 meeting with City Staff that they intended to include policies similar to the recommendations we have made here into the next iteration of Sunnyvale's Housing Element. There remains, however, areas where we believe the City will fall short of the required actions outlined in HCD review letter, including the lack of commitment to identify low-income sites in higher-resourced areas of South Sunnyvale.

We are committed to supporting the City of Sunnyvale's Housing Element certification. These comments are focused on HCD's comments rather than other areas that might warrant additional attention. We have attempted to provide concrete policy recommendations for the City to consider, along with proposed metrics and timelines.

#### Affirmatively Furthering Fair Housing (AFFH) and place-based investments solutions

In Finding A1, HCD notes that the City must complete a robust fair housing analysis. Based on the outcomes of this analysis, the Housing Element should add or modify programs by incorporating place-based investments to affirmatively further fair housing. The Housing Element also needs to demonstrate how such strategies will improve fair housing conditions when paired with the identified sites and include "specific commitment, timing, geographic targeting, and metrics or numerical targets."

In Sunnyvale's initial Draft Housing Element, Implementation Program H35 concerns prioritizing the City's investment in low or moderate resource areas, but lacks specificity. It is our understanding based on discussions with City Staff that this program will include additional specificity, similar to what is proposed below.

SV@Home recommends that the City revise Implementation Program H35 to incorporate a scoring system to prioritize investment in neighborhoods that have been historically underserved, where incomes are low and where residents have relatively low access to economic opportunities.

Re: SV@Home Recommendations on Housing Element Update, HCD Review Letter

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**Proposed Policy**: Establish an infrastructure prioritization process for the City's Capital Improvement Program (CIP) that can be used as a factor to efficiently and equitably deliver infrastructure improvements across the City. The new prioritization process will grant additional points to projects serving tracts where median income falls below that of the city. The goal of this policy is to increase opportunities in low-income areas, while continuing to take into account public safety, state mandates, and protecting the environment. Projects undertaken under this program would include, but not be limited to a new library branch, new or improved park facilities, and street and transit improvements.

**Metric**: 50 percent of the City's new recreational, active transportation, transit infrastructure projects, and other capital improvements, will be located in areas within the city serving specific disadvantaged communities.

**Timeline**: Prioritization process will be developed with public input by the end of 2023 and implemented during the 2024 CIP process. Progress will be evaluated during each year's subsequent review of the CIP.

#### **Sites Inventory Solutions**

#### Correcting unfounded lower-income capacity and development assumptions for Moffett Park

Section A.3 of HCD's comment letter requires the City of Sunnyvale to provide supporting evidence that 5,744 lower-income units will feasibly be built in Moffett Park within the planning period. We believe HCD's concerns and requests are valid and a substantive response is essential. Roughly 70 percent of the City's lower-income Regional Housing Needs Allocation (including the 30 percent No Net Loss buffer) is included as reasonably expected to develop in the Moffett Park Specific Plan (MPSP) area.

We understand that the City intends to lower Moffett Park's lower-income capacity from 5,744 to roughly 4,400 units, similar to the capacity included in the draft circulated in Summer of 2022 (first Draft Housing Element). However, 4,400 units continues to lack credibility for several reasons, including but not limited to:

- 1. It conflicts with the build-out assumptions in the current draft of the Moffett Park Specific Plan (MPSP). The 2022 Draft Housing Element assumed that Moffett Park would reasonably develop low-income homes totalling 29 percent (5,744/20,000) of the MPSP's maximum residential capacity within eight years. Even if this number is reduced to 4,400, this is well above the current MPSP 20-year target of 15-20 percent (3,000 to 4,000 lower-income units). (Please note that 20,000 residential units is the maximum capacity studied in the Environmental Impact Report and the actual development in the area will likely be significantly lower.)
- 2. Not all major landowners are committed to building affordable housing within eight years. Current plans presented in public forums by major landowners who have presented proposed numbers are significantly below those in the Draft Housing Element.
- 3. The MPSP's 15 percent affordable target currently relies on the City's Inclusionary Housing Program, which HCD explicitly prohibited incorporating into the assumptions of the Sites Inventory.

SV@Home is highly supportive of the City's identification of the Moffett Park Specific Plan as a focused area of investment, and agrees that the redevelopment of this area and resulting population growth will likely result in changes to the current census tract boundaries and anticipates that the area will be classified in the future as a high resource area. Integrating affordable homes into newly-planned communities will ensure more equitable access to these neighborhoods in the future, and is essential to efforts to Affirmatively Furthering

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Fair Housing. However, the assumptions about how many lower-income units can be expected to develop in Moffett Park are unrealistic and not supported by existing planning documents and landowners' stated intentions.

SV@Home recommends reducing Moffett Park's lower-income inventory from 5,774 units to approximately 2,310 units (40 percent of 5,774) and reallocating the remaining units to higher-resourced areas. Therefore, we recommend the following changes:

**Proposed Policy:** Update Implementation Program H2's Rezone Program by:

- a. Acknowledging MPSP's 20,000-unit maximum build-out and 15 to 20 percent affordable housing production targets.
- b. Reducing Moffett Park's lower-income inventory.
- c. Transfer remaining lower-income units to high-resourced areas in northern and southern areas of Sunnyvale, targeting the Village Centers (as discussed below).
- d. Transfer the moderate-income capacity in high-resourced areas throughout Sunnyvale to Moffett Park to avoid reduction of the No Net Loss buffer.

**Metric:** Reduce lower-income Regional Housing Needs Allocation in Moffett Park from 5,744 units to roughly 2,310 units. Transfer the remaining allocation of about 2,148 units roughly in half to higher-resourced areas of North Sunnyvale and South Sunnyvale (using El Camino Real as the dividing line), targeting the Village Centers. This would amount to allocating 1,074 lower-income units to higher-resourced areas in each half of the city. Importantly, this reallocation maintains the 25-percent No Net Loss buffer as originally proposed in the first Draft Housing Element.

**Timeline:** Effective immediately, as part of the certified Housing Element.

# Affirmatively Further Fair Housing by establishing a South Sunnyvale Affordable Housing Overlay and local ordinance supporting implementation of AB 2011

Under sections B.1 and C of HCD's comment letter, HCD highlights how Implementation Program H3 must have clear and specific commitments, metrics deliverables, and housing outcomes that promote housing affordability in higher-resourced areas, such as the Village Centers in South Sunnyvale. Section B.4 of the HCD letter also notes that programs should be modified based on a more complete analysis that goes beyond status quo actions in order to AFFH, as discussed in section A. We agree with HCD's assessment and believe the Housing Element needs to reconcile this shortcoming.

As written in the Revised Draft Housing Element, Implementation Program H3 involves only <u>identifying</u> additional housing opportunity sites south of El Camino, such as in the high resourced Village Center areas. Instead, this should be a clear commitment with details on the steps to take to reach the program's objectives. We also believe that setting a goal of 100 units over the planning period dramatically understates the potential of these areas. Collectively, these sites make up approximately 48 acres throughout the city and roughly 23 acres in the southern, highest resourced areas of Sunnyvale. Most of these sites are larger than half an acre, and with appropriate rezoning, would be ideal locations to develop affordable housing, support established AFFH requirements, and accommodate the relocation of units that we believe are unrealistically assigned to Moffett Park.

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Many jurisdictions throughout the state have argued that they are "built out," and have no space for affordable housing, particularly in higher-resourced neighborhoods zoned exclusively for single-family homes. The recommendations below would allow the City to incentivize affordable housing development by leveraging the land-use control they do have, and meet the high AFFH bar set by state law.

SV@Home recommends that the City revise Implementation Program H3 to incorporate an Affordable Housing Overlay in northerly and especially southerly located higher-resourced areas of Sunnyvale, emphasizing Village Centers (1a). SV@Home also recommends utilizing the recently passed AB 2011 state legislation to increase the number of lower-income housing capacity in the northerly and southerly areas of Sunnyvale (1b). Policies 1a and 1b, will together support the same goals and metrics, but with different timelines.

**Proposed Policy 1a:** Produce an Affordable Housing Overlay in higher-resourced areas throughout the city, including Village Center Master Plan areas, North Sunnyvale, and emphasizing areas south of El Camino Real. This overlay would facilitate affordable housing development for lower-income units regardless of the current zoning and General Plan designation of the site. In order to make affordable housing financially feasible, the overlay would allow for incentives, such as reduced parking needs, reduced unit sizes, increased density, fee waivers, and priority processing. The overlay would only apply to developments that are 100 percent deed-restricted affordable housing and have at least a minimum density of 36 units per acre.

**Metric:** a) Develop 1,074 lower-income units in higher-resourced areas of North Sunnyvale and 1,074 lower-income units in higher-resourced areas of South Sunnyvale within the planning period. These metrics would work in combination with this proposed policy and other policies and programs in the Housing Element.

**Timeline**: Propose an overlay structure to the public by December 2023, pass the overlay through City Council by December 2024, and have the overlay implementable by January 1st, 2025.

**Proposed Policy 1b:** Support local implementation of AB 2011 to build lower-income capacity in higher-resourced areas in both northern and southern parts of Sunnyvale, emphasizing the Village Centers:

- a. mapping-out commercial, office, retail or parking use.
- b. assessing how many lower-income units can be generated, while incorporating a site-specific feasibility analysis.
- c. adopting a local ordinance to implement the requirements outlined in AB 2011.
- d. launching a permitting process that is clear for developers.

**Metric:** In combination with the AB 2011 program and other policies and programs, develop 2,148 lower-income units in higher-resourced areas throughout Sunnyvale within the planning period. Allocate 1,074 lower-income units to northerly-located higher-resourced areas of the city and 1,074 lower-income units to higher-resourced areas in South Sunnyvale, including Village Centers.

**Timeline**: a) map AB 2011 sites by final Housing Element submission to HCD (date TBD), b) update sites inventory, including AB 2011 sites with site-specific analysis by final Housing Element submission to HCD, (date TBD), c) adopt local ordinance by December 2023, and d) implement clear permitting process by January 1st, 2024.

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#### **Development Constraints**

HCD highlights under section A.4 that the City's Housing Element lacks significant detail in its analysis of governmental constraints. This is a critical first-step assessment intended to shape policy and program reforms to address these constraints. It is our understanding that staff will be proposing additional analysis of permitting procedures and at least one program to explicitly address plan review permit constraints. We are hopeful that these additions will address the issues we have identified below.

In the prior draft, H18 is the only program that directly addresses HCD's comment on fees and exactions, but it does not explicitly state the need for analysis intended to reduce the governmental constraints of the City's planning and development impact fees on residential development – and instead proposes only a "review". Development fees in Sunnyvale are among the highest in Santa Clara County and the City highlights its high fees as a constraint, but there is not a clear understanding of how planning and development fees are applied to affordable housing projects and their impact.

We also found that the timeline for permitting and approvals is unclear and incomplete, and lacks a clear analysis of how affordable housing moves through the development process. Subsequently it lacks an assessment of the cumulative impacts of the costs created by the development process. Understanding the impact of imposed costs are critical to revising the City's permit and approvals processing. Some of these costs include timing and approval certainty, multiple rounds of plan check, the inclusion of a preliminary review process, the challenges in implementing streamlined processes via SB 330 or SB 35, and the impact of Zoning Amendment approvals by City Council.

SV@Home recommends additional analysis and appropriate action in response to these findings. The first proposed policy below is meant to provide clarity to fees as a housing constraint and specify the considerations for affordable housing development. The second proposed policy addresses the lack of a substantive analysis of any program from the City on its permitting and approvals procedures.

**Proposed Policy:** Conduct a full study of all planning and development fees, and taxes for single-family, small multi-family and large multi-family developments, including an assessment of the value of providing exemptions, waivers, and reductions, for affordable housing.

**Metric:** Clear report on this analysis, outlining the individual and cumulative impact of the various exemptions, waivers and reductions to affordable housing projects.

**Timeline:** Conclusion of study with recommendations by Fall 2024.

**Proposed Policy:** Complete analysis of building permit processing and project approval procedures.

**Metric:** Table 6-23 and Table 6-24 must include timelines for affordable housing and include each procedural "step," include analysis outlining the individual and cumulative impact of the stages in the development process, and propose policy actions to address these impacts on affordable housing projects.

**Timeline:** Completion of analysis by 2023, and adoption of new policies and process guidelines by the end of 2024.

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#### AFFH and protections for tenants facing unequal housing opportunities and displacement risks

In finding B4, HCD recommended that "Programs to AFFH should go beyond status quo actions, include specific commitment, timing, geographic targeting and metrics or numerical targets and should as appropriate, address housing mobility, encourage new housing choices in higher resource areas, improve place-based strategies toward community revitalization and *protect existing residents from displacement*."

For programs H24 and H25, we have expressed our concern directly to City Staff that the City's effort to develop a Tenant Relocation Assistance Ordinance, and right to a one-year lease ordinance, have stalled in the committee review process. These policies were included in the initial draft of the Housing Element, but the revised draft replaced the more impactful actions of "establish and adopt" with "educate", implying that the city will be relying on the protections provided by state laws SB 330 and AB 1482. Each of these laws have produced limited and uneven local implementation and effect. In discussions with City Staff and the contracted consultant supporting the Housing Element Update process we have been assured that the change in language was not intended to undermine the city's commitments to enacting these ordinances. We expect that this language will be changed in the revised document.

SV@Home recommends the City adopt local ordinances that expand on the state laws by creating local solutions to address displacement. Please refer to the letter SV@Home sent in June, it includes <a href="mailto:anti-displacement-policy recommendations">anti-displacement policy recommendations</a> for the Housing Element.

**Proposed Policy in-lieu of H24:** Adopt a local Eviction Reduction Ordinance to expand, and enforce the state's just cause eviction protections included in AB 1482.

**Metric:** Local eviction protection extended to all renters in Sunnyvale, and made effective through landlord/tenant education campaign and information on enforcement.

**Timeline:** Adopt a local ordinance by the end of 2023.

**Proposed Policy (H25):** Adopt a Sunnyvale Tenant Relocation Assistance Ordinance, with benefits greater than those included in SB 330.

**Metric:** 50 percent of tenants receiving a no-fault eviction are able to relocate within Sunnyvale or neighboring jurisdictions.

**Timeline:** Adopt a local ordinance by the end of 2023.

**Proposed Policy:** Institute a Rent Registry Program that would complement the newly adopted tenant protections (above), and provide much needed local data on the level of housing instability faced by the 55 percent of Sunnyvale's population that live in renter households.

**Metric:** Change in rents, tenancy, and the cause of change in tenancy are tracked for 75 percent of units by 2026.

**Timeline:** Adopt ordinance requiring landlord participation by the end of 2024, and implement the registry by the beginning of 2025.

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**Proposed Policy:** Coordinate with other cities to work with the local court to make eviction data publicly available and accessible - including Unlawful Detainers filed with the court that do not result in court ordered evictions.

Metric: Tracking 100 percent of filed Unlawful Detainers, and court order evictions in the city.

Timeline: Receive quarterly data from the courts by the end of 2023.

In Sunnyvale, 55 percent of the households are renters. Renters in Sunnyvale have long faced extremely high rents relative to local wages for many working families. Rent burden and overcrowding are experienced disproportionately by BIPOC residents of the city, particularly LatinX households, senior and people with disabilities on fixed incomes. The City needs to commit to establishing the local protections needed to address displacement impacts in the Sunnyvale community.

#### Conclusion

SV@Home understands and appreciates the work done by City Staff, the prior City Council, and many individuals and organizations committed to Sunnyvale residents. As the City continues to make substantive changes to the Draft Housing Element in response to the detailed comments provided by HCD, our intent here has been to support this effort by proposing concrete policies and programs that will move Sunnyvale closer to adoption of a compliant plan. We look forward to further conversations, and offer our support to any additional work the city is considering to reach this shared goal.

Sincerely,

Regina Celestin Williams

Reyn Welst William

**Executive Director** 



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#### TRANSMITTED VIA EMAIL

September 20, 2022

Shawn Danino
California Department of Housing & Community Development
Attn: Shawn Danino, Housing Policy Specialist
2020 West El Camino Avenue
Sacramento, CA 95833

Re: Comments on City of Sunnyvale's Revised Draft Housing Element Submittal to the California Department of Housing & Community Development (HCD)

Mr. Danino,

We appreciate that this letter will be received by you now as you are well along in your review of the City of Sunnyvale Housing Element Update. We are aware that HCD will consider comments received by local organizations and community members in reviewing this process and the concrete steps proposed to respond to housing needs. We are hopeful that you will find these comments helpful in shaping your forthcoming comments to the City.

The Sixth Cycle Housing Element Update (HEU) process offers important opportunities for local jurisdictions to fully assess housing needs, and to identify new tools to address these needs and constraints in the development of housing. This process is also an opportunity to engage deliberately with the full community, and more specifically, to learn about the depths of the housing needs from the populations that have been historically excluded and are at risk of displacement. This process is supported by clear legal and administrative guidance as outlined by the California Department of Housing and Community Development (HCD) in multiple documents interpreting state law.

This is a difficult process and we appreciate the work that Sunnyvale staff, elected and appointed representatives, and members of the community have done over the last nine to 12 months. We are aware that the expectations for this process are high, and jurisdictions throughout the state have struggled to generate compliant housing elements for this cycle.

After reviewing the City of Sunnyvale's Revised Draft Housing Element as submitted to your office following the required 10-day period to incorporate public comments, we found no significant changes that were made despite the multiple concerns and changes raised by the public during the review period (see attached letter, Appendix A, from local group, Livable Sunnyvale), including our public testimony to the City

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<u>Council on June 21<sup>st</sup>, 2022</u> (public comments begin at 2:25:52/3:24:10). We believe that your (HCD) guidance has been clear about how public participation should be diligent and open throughout the entire Housing Element process, and should inform the content of the HEU.<sup>1</sup> Towards that end, SV@Home is submitting the following comments to HCD, with City of Sunnyvale Councilmembers and staff copied in this transmittal.

#### **Overview of Comments**

SV@Home found the following seven major areas of concern with the Sunnyvale Draft Housing Element Update (hereon as Draft HEU), they include:

- Overdependence on specific plan areas in the sites inventory;
- Unclear realistic capacity assumptions in the sites inventory;
- Significant overdependence on the yet to be adopted, northerly-located, lower-resourced Moffett Park Specific Plan area;
- Missed opportunity to AFFH in the southerly-located, high-resourced Village Center areas;
- Insufficient, meaningful public and stakeholder engagement;
- Lack of transparency and accessibility to the Housing Element process;
- Insufficient targeted AFFH outreach and input;
- Insufficient detail, connection to identified needs, timelines, and metrics in policies and programs; and
- Deficient assessment of governmental and non-governmental constraints.

# Overdependence on Specific Plan Areas and Unclear Realistic Capacity Assumptions in the Sites Inventory

There is a tremendous reliance on major plan areas - El Camino Real, Downtown, Lawrence Station, and more significantly the yet to be adopted Moffett Park Specific Plan (we will address the Moffett Park Specific Plan in more detail below). While these are clearly areas appropriately planned for significant residential development, and are rightly planned to include significant affordable housing, most of them have been adopted relatively recently, and there is reasonable uncertainty about their success in facilitating significant development during the Sixth Cycle.

We recommend the City of Sunnyvale include progress bench-marks for each major plan area in the final HEU, which can be assessed at intervals throughout the planning period

<sup>&</sup>lt;sup>1</sup> California Department of Housing and Community Development, *Affirmatively Furthering Fair Housing: Guidance for All Public Entities and for the Housing Elements*, pg. 10: <a href="https://www.hcd.ca.gov/community-development/affh/docs/affh">https://www.hcd.ca.gov/community-development/affh/docs/affh</a> document final 4-27-2021.pdf

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and allow for policy responses, and adjustments to the realistic capacity if the progress is delayed.

We also find that the City of Sunnyvale has not adequately met the requirements, outlined in HCD's Housing Element Sites Inventory Guidebook: to assess the likelihood that each lower-income site will be redeveloped during the planning period; to outline the process used to determine realistic capacities for the sites identified; or to address factors that will constrain the funding of affordable housing.

The Draft HEU's approach to these requirements is uneven. As noted above, and discussed below, we do not believe the likelihood to redevelopment can be based solely on changes to land-use designations. With the exception of the Lawrence Station Area Plan, where development trends were used to assess both the likelihood and realistic capacity, we did not find realistic capacity calculations for other major plan areas, or sites outside the major plan areas. There are multiple potentially constraining factors outlined in the Guidebook that we did not find evidence of in most of Sunnyvale's Sites Inventory that lead to missing realistic capacity calculations for each site.

Therefore, we recommend that the City either provide significantly more detail about how the likelihood of sites to redevelop was determined and realistic capacities were calculated, or review the selected sites and conduct this analysis as required.

We are also concerned that we the City has not made reasonable efforts to ensure that low-income sites have been selected with the size and locational characteristics to be viable for the development of affordable housing. While selected sites meet the minimum size and zoned-density requirements, nearly half of the lower-income sites (roughly 700 units in total) each have a capacity of under 50 total units, which is well below the level where affordable developments are financially viable and competitive for funding. Of greater concern is that several of these sites are located in moderate-resourced areas, which will further limit their competitiveness for state funding. These are significant constraints on affordable development, and are not addressed as constraints or mitigated through policies or programs.

We recommend that the City re-evaluate the sites inventory, and look to identify additional sites that are large enough to be viable for affordable housing development, and are located in higher-resourced areas so they will be competitive for funding.

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# Significant Overdependence on the Yet-to-be-Adopted Northerly-Located, Lower-resourced Moffett Park Specific Plan Area

Moffett Park is a major planned development area with mostly existing industrial uses located in the northerly portion of Sunnyvale (i.e. north of Highway 101). The City is currently in the process of developing a Specific Plan for Moffett Park, a planning effort that we highly support. We are reassured that the City envisions a truly mixed-use, high-density community growing in this area. We also expect that the City of Sunnyvale, and the major land-owner in the area, Google, are committed to including a significant proportion of affordable homes, likely 20 percent, into the residential components of the Plan area.

<u>The Moffett Park Specific Plan (MPSP)</u> area is largely made up of underutilized parcels that would seem to meet the basic requirements of the site selection methodology. However, the Sites Inventory Guidebook is very clear that there must be a reasonable expectation that the sites would develop during the planning period, and we believe that this requirement has not been met for the MPSP.

The City has located roughly 66 percent of the total lower-income units in the Sixth Cycle Regional Housing Needs Allocation ([RHNA] [inclusive of a 30 percent No Net Loss buffer]) in the plan area – 4,545 new homes. We believe this is an unrealistic assumption for the MPSP given the following:

- The plan has yet to be adopted, although it is underway. On June 21<sup>st</sup>, 2022, staff presented a last-minute change to the City Council on the day they were to decide whether the Draft HEU should be submitted to HCD. This update included reclassifying the MPSP sites and moving them to an <u>Adequate Sites Program</u> due to delays with the environmental review process (we would also note that this change happened without any prior public engagement). This would be the third delay the MPSP process has seen since May of 2021. The current projected adoption date for the MPSP is sometime in July 2023;
- The entire plan area is expected to have a residential capacity between 12,000 and 20,000 new homes at complete build-out. As noted above, this is a major mixed-use plan which will be contingent on office, commercial/retail, and residential development, that could reasonably be expected to develop over a 15 to 30-year timeframe. The low-income sites included in the inventory would be 23 percent of the maximum residential capacity for the area (4,545 units divided by 20,000 units). This is a greater percentage than is likely to be included in the plan, when adopted, and the current Draft HEU indicates that it can be reasonably expected to be met in 8.5 years;
- The incorporation of affordable housing in the MPSP area is expected to come largely from land dedications for 100 percent affordable projects in lieu of either integrated inclusionary housing units or fees. Given that Google is the primary landholder in the area, this would seem an ideal case in which direct communication with the owners of specific sites about

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their intention to redevelop, which might elicit a tentative timeline on when these land dedications are likely to occur. If these land dedications are expected to be made immediately following adoption of the Specific Plan, that may make development more likely during the Sixth Cycle. If however, the dedications will be phased along with other development, it should be possible to more accurately assess the timing of their availability;

- The land dedications, as the sole mechanism for producing the majority of affordable units, explicitly require the leveraging of public funds to construct affordable housing. Land dedications may create opportunities for more units than required by a local inclusionary ordinance, and may create opportunities for new homes to be built at deeper levels of affordability, but this is made possible by public funding and there is no estimate of the magnitude of the funding required, nor plan for even the local share of these funds;
- The MPSP is located in a low-resourced part of the City, which will make 100 percent affordable projects much harder to finance through existing state and federal programs. The area falls in a low-resourced category primarily because it has no existing residents. In fact, even though the area is planned to be redeveloped as a vibrant new community with great jobs and new market rate housing, it is unlikely that the demographics of the area, drawn from an American Community Survey five-year sample, will change during the planning period. While we believe that this element of the state process for allocating low income housing tax credits and bonds is flawed, it will nonetheless make it difficult to build a truly mixed income community regardless of the City's commitments; and
- While no city can be held fully accountable for the shortfall of state or federal funds for affordable housing, they should be expected to address the core funding assumptions of a Specific Plan where the mechanisms for creating affordable housing are clear and discuss the steps that can be taken to address the structural short falls. There is no discussion in the Draft HEU of the known constraints to affordable development in the MPSP area to the development of affordable housing. There is also no discussion of policies and programs that might be put in place to further incentivize the production of 100 percent deed-restricted affordable housing developments on what will be city-owned land, for the MPSP area in the Draft HEU. We believe that this area cannot reasonably be expected to produce 66 percent of total lower-income RHNA allocation (inclusive of the 30 percent No Net Loss buffer), and unlike many other potential sites, there is ample opportunity to provide supporting evidence to the contrary.

We recommend the City of Sunnyvale reassess the realistic development potential of the MPSP, or produce additional information supporting the assumptions in the current Draft HEU. We recommend revising the Sites Inventory/Adequate Sites Program, along with incorporating explicit policies and programs that would mitigate the existing constraints on affordable development in the Plan Area.

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## Missed Opportunity to AFFH in the Southerly-Located, High-Resourced Village Center Areas

Under the guidance provided on Affirmatively Furthering Fair Housing through the Housing Element process, it is clear that low-income opportunity sites are to be planned throughout the City. The Housing Element must include a serious assessment of historic patterns of exclusion, and steps must be taken to affirmatively create opportunities for low-income housing in high resourced areas that are otherwise available only to the wealthiest members of the community. The primary response to this requirement, Program H3, which introduces the potential of "Village Centers south of El Camino Real," is lacking in both detail and timelines. The objective, as stated, of the future program is to accommodate 100 lower-income units by rezoning the Village Centers south of El Camino.

We believe that additional opportunities for high-density residential development, that could support low-income housing development, should have been clearly identified in areas in the southern part of the City. The failure to include the details and commitments of this Village Centers program is particularly important because the policy intends to address the failure to meet AFFH requirements in the sites inventory, which is focused almost entirely on northern, lower-resourced areas of the City. We believe that setting a goal of 100 units over the planning period dramatically understates the potential of these areas. Collectively, these sites make up approximately 48 acres throughout the City and roughly 23 acres in the southern, highest resourced areas of Sunnyvale. Most of these sites are larger than half an acre, and with appropriate zoning, would be ideal locations for the development of affordable housing that would support the established AFFH requirements.

We recommend the City of Sunnyvale include the Village Centers in the Sites Inventory to produce more lower-income units with the intention of rezoning these areas to higher densities in order to take advantage of their sizes, safely meet the No Net Loss buffer, and to meet AFFH requirements.

### **Insufficient Meaningful Public and Stakeholder Engagement**

Under current Housing Element Law, cities must document broad stakeholder outreach and meaningful, frequent, and ongoing community participation, consultation, and coordination that includes all economic segments of the community, and demonstrate how this input shaped the Draft HEU, particularly to Affirmatively Further Fair Housing (AFFH). We do not believe that this required level of engagement has been met.

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While we do not have direct knowledge of all of the meetings and discussions conducted by the City to date, we are concerned that, based on our experience and discussions with others who participated in these meetings, this outreach fell short of meaningful participation. Many of these public meetings and engagement opportunities appear to have focused primarily on very high-level overviews of the housing element process followed by solicitation of online feedback through the online community survey. State guidance is clear that these traditional tools alone are unlikely to illicit the level of required engagement, and that affirmative steps must be taken to make the process accessible and substantive. In general, there appears to have been few engaged discussions about housing needs or input on strategies to mitigate these needs, and potentially no opportunities to provide reflective input and comments on staff's findings prior to the release of the Draft HEU.

We would strongly recommend that a concerted and robust effort to collect substantive community input on the findings, assumptions, and solutions included in the current Draft HEU be required of the City.

#### **Insufficient Targeted AFFH Outreach and Input**

We believe the limits of the public outreach and engagement efforts likely had a disproportionate impact on the requirements under AFFH to reach enumerated populations with the greatest housing needs. There is little evidence that there was sufficient targeted outreach to collect and integrate "local knowledge" from communities most impacted by the local housing crisis into the assessment of housing needs. The result is an over-dependence in assessing housing needs on descriptive demographic tables, and little discussion about the causes and constraints that might have been identified through deeper, qualitative engagement with these communities.

This pattern persists across the different sections of the Housing Element. Latinx, Black, and "Other Race or Multiple Races, Non-Hispanic" households represent roughly 22 percent of the City's population. These groups of people are more likely to live in the northern, lower-resourced area of Sunnyvale, and are disproportionately impacted by housing inequities and housing needs. They were significantly underrepresented in the online community survey, and were less likely to have participated in other public meetings. Nonetheless, there is no record that these communities were included in targeted focus group outreach.

As a result, the Housing Element does not articulate the connection between racial and economic segregation and the disproportionate housing need for protected classes. There is little effort to identify disparities in access to opportunity, or the concentration of housing needs, instability or displacement risks; and, there are subsequently few proposed policies and programs to respond to these needs. Replacing segregated housing patterns with truly integrated living patterns is one of the most important goals in statewide AFFH requirements, as is expanding housing opportunities for

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those traditionally underserved. 2 We believe the shortcomings in meaningful and ongoing outreach and engagement have limited the scope and quality of the City's discussion of housing needs and constraints, and subsequently the policies and programs proposed to respond to these needs.

We recommend that the City of Sunnyvale engage with protected populations left out of the process to date and incorporate policy responses that address housing issues that disproportionately impact communities of color and racialized households, such as is the case with Latinx, Black, and "Other Race or Multiple Races, Non-Hispanic".

### Lack of Transparency and Accessibility to the Housing Element Process

SV@Home believes stakeholder engagement with the City was deficient in continuity and transparency. Our concerns are supported by our own participation in one of the stakeholder meetings listed in the Draft HEU, which we believe may have been one of the more in-depth engagement opportunities provided.

SV@Home participated in a meeting on February 1st, 2022 with other housing and service-based non-profit organizations, listed as "Focus Group #1: Housing for Special Needs" in the Draft HEU. While a short description is provided of this meeting, it does not reflect the full breadth and magnitude of the needs, constraints, and solutions that were provided to staff that day. It also is impossible to track how the input from this focus group was incorporated into the housing needs assessment or the proposed policies and programs. To our knowledge, none of the participants in the February 1st, 2022 meeting was contacted again to discuss and further comment on the range of needs that had been identified through the cumulative outreach process, or the range of policies that were being considered. As such, the group was not empowered to engage throughout the process. Given the limited documentation of the content of other such meetings, we are concerned that opportunities for ongoing engagement were lacking for others as well.

We recommend the City of Sunnyvale provide a significantly more detailed account of the input received through stakeholder engagements, and how (or whether) this input was incorporated in the policy and programmatic solutions in the current Draft HEU.

The Housing Element update process requires open and ongoing public engagement, including opportunities to understand and respond to the needs and constraints that have been identified, and to subsequently provide input and comment on policies and programs to address these needs. Towards this end, SV@Home and Livable Sunnyvale had a correspondence with City of Sunnyvale staff in which we requested a copy of the Housing Needs Assessment and the Assessment of Fair Housing. We felt it was essential that the findings of these documents be publicly available to inform

<sup>&</sup>lt;sup>2</sup> Association of Bay Area Governments, Affirmatively Furthering Fair Housing (AFFH) Policy Tips Memo - Learning from Southern California & Sacramento: Early Experiences in Complying with AB686, pg 2: https://abag.ca.gov/sites/default/files/documents/2022-03/Affirmatively Furthering Fair Housing Policy Tips Memo.pdf

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meaningful engagement on the development of policies and programs and selection of housing opportunity sites for the inventory. This correspondence stretched between February and April 2022, ahead of the release of the Draft HEU on May 6, 2022 (see Appendix B for attached letters and email correspondences). Ultimately, we were denied access to these documents, and they were available to the public only when the Draft HEU was released.

Throughout this correspondence we reiterated the importance of having a rich, meaningful, and transparent public participation process, open to collaboration and constructive feedback with the community – all of which were ingredients to meeting the HCD Building Blocks recommendations and AFFH requirements. There is very little evidence in the current Draft HEU that identified needs and responses from the limited input received through this process. Further, the restricted engagement with the public throughout the process left the community with only the comment period to review all the pieces of the robust Draft HEU document, including the entire sites inventory, in 30 days and provide meaningful input. As a result, we believe the shortcomings of the outreach and engagement process has seriously impacted the extent to which the Draft HEU reflects the breadth of housing needs in Sunnyvale.

Under AB 686 and changes to Housing Element Law, the City must demonstrate how the input from the public shaped the Draft HEU, particularly to Affirmatively Further Fair Housing (AFFH). The housing element must describe meaningful, frequent, and ongoing community participation, consultation, and coordination throughout the entire process and source the housing needs and possible solutions from the community.

We recommend that, given the shortcomings of the process to date, the current Draft HEU should serve as the foundation for robust re-engagement with stakeholder groups and communities with the greatest housing needs, and that this additional input should be incorporated into future drafts of the Housing Element Update prior to certification.

#### Insufficient Detail, Connection to identified needs, Timelines, and Metrics in Policies and Programs

As with many other jurisdictions that we are tracking and reviewing across the state, we believe the lack of detail in many of the policies and programs included in the Draft HEU will not prove to be compliant with HCD guidance. Policies and programs are intended to address identified housing needs and mitigate constraints. They must set:

...forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy

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programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c)).

Many of the important policies and programs identified in the current Draft HEU lack clear articulation of what actions will be taken within a timeline that will produce beneficial impacts during the planning period. Instead, the descriptions lean on language such as "identify" and "evaluate" or "monitor and revise", which are similar to "explore" and "study"; wording that HCD has warned jurisdictions are indications of a lack of confidence in clear outcomes and expected impact. <sup>3</sup> We understand that, while ideal, many policies responsive to identified housing needs will not be fully formulated and adopted prior to certification. However, short of this, cities must commit to tangible actions, with concrete timelines, intended to generate specific policy and program responses to these needs, and the metrics which will be used to assess their impact. HCD has been clear that the Housing Element Update is intended to be a working document, whose implementation which will be assessed at least annually. For this to be effective, significantly clearer courses of action must be articulated.

Below are some examples of the City of Sunnyvale's policies and programs that are missing details we believe HCD is looking for:

- Program H3, which involves <u>identifying</u> additional housing opportunity sites in the high resourced Village Centers discussed above, lacks detail and a clear commitment to the steps that will be taken to reach this objective. This detail should include an explicit articulation of the goal to create additional capacity for high density residential development at the Village Centers south of El Camino Real and other areas in the southern part of the city, so that there are more opportunities for affordable housing in areas of high resource and ensure that lower-income housing opportunities are available throughout the City;
- Policy H-5.6 commits to <u>continuing</u> to "enforce the adopted limitations on rent increases consistent with the Tenant Protections Act of 2019" (i.e. AB 1482). Policy H-5.5 asserts the same for the Just Cause eviction protection measures in the state law. It would be extremely helpful to know how these policies are being implemented in the City of Sunnyvale, and what is being done to assess the impact of the local enforcement. A number of jurisdictions are taking the additional steps, as proposed by HCD and ABAG guidance documents, of adopting local ordinances to extend the Just Cause eviction protections of AB 1482 to additional rental units and tenants, and to lower the current cap on rent increases to a level that would provide further protection for households in Sunnyvale that are at risk of displacement if such actions were to be taken. This local ordinance could be built around the assessment on the effectiveness of current enforcement measures in responding to the patterns of

<sup>&</sup>lt;sup>3</sup> Association of Bay Area Governments, Summary of Housing Element Review Letters: Learning from Southern California & Sacramento, pg 4: <a href="https://citiesassociation.org/documents/summary-of-housing-element-review-letters/">https://citiesassociation.org/documents/summary-of-housing-element-review-letters/</a>

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displacement in the Sunnyvale. As they are currently described, lacking detail on what steps are taken or an assessment of their impact, Policies H-5.5 and H-5.6 are impossible to assess as a response to local needs; and

• There is no program or plan provided for Policy H-2.1, which speaks to the dire need for additional affordable housing funding resources. Without a commitment to a process of evaluating specific actions that could be taken, there is nothing here that shows a commitment or timeline for responding to the identified housing need. For example, commitments could be on a local parcel tax with a dedicated expenditure plan, an increase in existing Commercial Linkage Fees, a title transfer tax, a head tax on current employers, etc. The availability of resources for affordable development is arguably the most significant constraint on meeting RHNA goals, and will require a far more substantive local effort.

We recommend that the City provide significantly more detail on how each policy and program will have measurable outcomes and be realistically operationalized by providing the concrete, actionable steps that will be taken to achieve their intended goals.

We also recommend, that in future drafts, the City explore how the Housing Element can align with the affordable housing protection, preservation, and production requirements of the upcoming adoption of the Metropolitan Transportation Commission's <u>Transit Oriented Communities Policy</u> as a way to acquire transportation funding in 2023 for the REAP 2.0/PDA Planning and Technical Assistance Grants and in 2027 under the One Bay Area Grant 4 program. This would provide opportunities to invest in lower-resourced areas and meet AFFH requirements.

#### **Deficient Assessment of Governmental and Non-Governmental Constraints**

We believe that the assessment of constraints on housing production is short of what is required by HCD, and less than a city like Sunnyvale should expect for itself. The constraints discussion is mostly a list of existing conditions, an explanation of processes, and what is going well, rather than a robust assessment of where additional progress could be made.

For example, there is not an assessment of the development and plan review process except to note that the average time frame is within a reasonable range. We recommend that the City take a harder look at how the process can be improved, given that the regional averages for permitting times are themselves governmental constraints. There is mention of developer feedback in the introduction to the current Draft HEU, but there is little elaboration in the later chapter focused specifically on constraints. It is subsequently very difficult to know what substantive concerns or solutions were identified. We have heard consistently from the developers we work with that the discussion of

Re: Comments on City of Sunnyvale's Revised Draft Housing Element Submittal to the California Department of Housing & Community Development (HCD)

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governmental constraints have excluded the pre-application process and timeline. There is real concern that, much of the discretionary delay and hurdles have shifted from the formal review process to the less formal process ahead of a completed application.

We recommend that the governmental and non-governmental constraints be reassessed more thoroughly and that additional feedback be collected, carefully documented and shared for reaction and comment, and be incorporated into future drafts of the discussion of constraints.

We appreciate the communication we have had and the efforts made by the City of Sunnyvale thus far in what is a challenging, but essential Housing Element Update process. We do believe that the City has been and will continue to be committed to a successful outcome, however, the bar is higher now, and we expect this first HCD review to draw out the significant limitations of the current Draft Housing Element Update. We expect to continue to engage in this process as HCD's comments are received by the City, and made available to the Sunnyvale community. We are hopeful that we can continue to enhance the City's collaboration with local organizations and the public in the coming months. We are here to support the City through these next rounds of revisions, as we are confident that the Housing Element Update can rise to this new level and be sustained over the coming years. This is an opportunity to take on the true magnitude of the housing needs in Sunnyvale and to commit to sustaining the City's rich diversity by making it more inclusive and accessible.

Sincerely,

Regina Celestin Williams

Reyn Welst William

**Executive Director** 

Mathew Reed Director of Policy

Kenneth Javier-Rosales Planning Senior Associate

#### **Attachments:**

Appendix A – Livable Sunnyvale July 2022 Letter to HCD

Appendix B – Joint Livable Sunnyvale and SV@Home Letters and Email Correspondences to City of Sunnyvale on Request to Release Draft Housing Needs Assessment and Assessment of Fair Housing Ahead of Draft Housing Element Public Review Period



Submitted via email <a href="mailto:shawn.danino@hcd.ca.gov">shawn.danino@hcd.ca.gov</a>

c: Jenny Carloni, Housing Officer, City of Sunnyvale JCarloni@sunnyvale.ca.gov

Ryan Dyson, Housing Specialist, City of Sunnyvale RDyson@sunnyvale.ca.gov

July 26, 2022

Dear Shawn Danino,

Livable Sunnyvale is sending this letter as a follow up to the 2023-2031 Housing Element submitted by the City of Sunnyvale on July 8th.

**Who we are:** Livable Sunnyvale <a href="https://www.livablesunnyvale.org/">https://www.livablesunnyvale.org/</a> was formed in 2016. We are an organization working toward a more vibrant, inclusive and people-friendly Sunnyvale. We educate and activate residents and office-holders to secure an environmentally sustainable future with broadly shared prosperity and a high quality of life.

Over the past several months we have focused on the 2023-2031 Housing Element (HE). Our HE Committee would like to bring to your attention a few concerns we have regarding Sunnyvale's Housing Element, the City's process and share with you the correspondence we sent to City staff and City council.

**AFFH:** Income isolation in Sunnyvale has increased over time with wealthier households concentrated in the southern portion of the City, and lower-income households concentrated in the north. The northern area of the City has lower access to opportunity, overcrowding and a higher risk of displacement. Although the HE notes investments in northern Sunnyvale are expected to increase, there is no analysis of how these investments will improve the economic and environmental indicators in this area. The only commitment in the HE is Program H35 (Page 2-16), which will establish a single school, a single library branch, and an unquantified number of park facilities across all the low and moderate resource areas in Sunnyvale. We would like to see: either a) an analysis that this level of investment is sufficient to transform the low and moderate opportunity areas in northern Sunnyvale into high opportunity areas or b) a commitment to find a substantial number of additional lower-income sites in areas that are already identified as high opportunity.

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In addition, nearly all of the new sites identified for lower-income units are in areas of the city with below-average incomes. In Figure 4-42 (Page 4-70) 91% of the lower-income capacity in the sites inventory are in census tracts in the northern parts of the City which have an income below Santa Clara County's AMI of \$151,300. The HE does not contain any analysis to evaluate the impact of placing the vast majority of lower-income units in census tracts with below average income. One approach would be to repeat the analysis done for Tables 4-8 (Page 4-24), Table 4-9 (Page 4-26) and Table 4-10 (Page 4-27) with the units projected to be developed in the sites inventory. Without such an analysis, it is difficult to understand how the proposed sites inventory would improve fair housing in Sunnyvale.

Sites Inventory: The Housing Element assigns approximately 60% of units in the Lawrence Station, Downtown, El Camino Real, and proposed Moffett Park areas in the lower income category. Most of those four areas are currently low or moderate opportunity areas. Planning for more than half of its new housing to be in the lower income category would likely doom the areas to remain low or moderate opportunity areas. In addition, projects which have been completed or are currently in development in these areas average only about 15% lower income units. If new developments at Lawrence Station, Downtown, El Camino Real, and Moffett Park follow historic trends, Sunnyvale will fall short of its lower income RHNA goals by nearly 2,000 units. We would like the housing element to reclassify the majority of lower income units in Lawrence Station, Downtown, El Camino Real, and Moffett Park as above-moderate income units and find additional sites for lower-income units throughout the city.

**Livable Sunnyvale's Suggestions to Distribute and Increase the Number of Lower-Income Sites in High Opportunity Areas:** In letters to the City, Livable Sunnyvale suggested a number of possible changes to the Housing Element which would increase the number of lower income sites and more equitably distribute these lower income sites throughout the city. These suggestions included:

- Substantially increase the commitment in program H3 (Page 2-8) to find additional low-income sites in high resource areas. Program H3 only commits to finding sites for 100 new units in high-resource areas of Sunnyvale. We would like to see an analysis to determine the number of lower-income units that are needed in the southern parts of the city to improve the income isolation issues identified in Tables 4-8, 4-9, and 4-10, and then a commitment to find that number of units in program H3. Our initial suggestion was to increase the commitment to 1.500 units.
- Increase density at the Village Center sites to more than 30 units/acre.
- Add new Village Centers. Possible sites include:

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- The 12 acre site at the corner of Hollenbeck and Homestead (Loehmann's Plaza APNs 323-26-007, 323-26-014, 323-26-016, 323-26-033, 323-26-034)
- The 3 acre area at the SE corner of Fremont and Wright (APNs 320-27-019, 320-27-020, 320-27-021, 320-27-022)
- The 3 acres of commercial/office at the corner of Wolfe and Homestead (APNs 309-51-005, 309-51-027, 309-51-028, 313-38-037, 313-38-073)
- Increase Sunnyvale's inclusionary rate to 20%
- Increase density or allow more mixed use on El Camino Real
- Rezone most small strip malls to be mixed use sites

Thank you for reviewing our letter and considering the concerns we presented. Is it possible to schedule a time with you to discuss this letter? Please let us know your availability and we will schedule a Zoom Meeting with you. We are available after August 17th.

Chuck Fraleigh <a href="mailto:chuck@fraleigh.com">chuck@fraleigh.com</a>

Agnes Veith <a href="mailto:acmduff@gmail.com">acmduff@gmail.com</a>

#### Regards,

Livable Sunnyvale Housing Element Committee

#### Attachments:

- 1. Letter sent to City of Sunnyvale Housing Staff, Housing and Human Services Commission and City Council dated January 18, 2022: sent via email
- 2. Letter sent to City of Sunnyvale Housing Staff, Housing and City Council dated March 11, 2022: sent via email
- 3. Letter sent to City of Sunnyvale City Council dated June 8, 2022: sent via email

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### **ATTACHMENT 1**

Letter sent to City of Sunnyvale Housing Staff, Housing and Human Services Commission and City Council dated January 18, 2022: sent via email

**Subject:** Livable Sunnyvale - Housing Element Committee

Date: Tuesday, January 18, 2022 at 8:21:08 PM Pacific Standard Time

From: Agnes Veith

To: Jenny Carloni, Ryan Dyson

CC: PlanningCommission@sunnyvale.ca.gov,

HousingHumanServices@sunnyvale.ca.gov, kleincouncil@sunnyvale.ca.gov, hendrickscouncil@sunnyvale.ca.gov, larssoncouncil@sunnyvale.ca.gov, meltoncouncil@sunnyvale.ca.gov, cisneroscouncil@sunnyvale.ca.gov,

dincouncil@sunnyvale.ca.gov



City Staff and Consultants,

Thank you for the informative presentation at the December 13 study session with the Planning and HHS commissions. There has clearly been a lot of work put into that presentation and it was a great step to educate our community about how the City is approaching the 2023-2031 Housing Element. Livable Sunnyvale's Housing Element Committee has several questions and comments about the information presented.

The sites inventory listed 1619 VLI/LI units in the Lawrence Specific Plan (LSP) and 298 lower income LVI/LI units in the Downtown Specific Plan (DSP). There were no moderate or above moderate units listed in either of these sites. What are the number of units planned at these income levels? The numbers presented seem to indicate the only way Sunnyvale will be successful at meeting its VLI/LI housing targets is if every unit developed in the LSP and DSP sites are lower income units which seems an unlikely scenario. A much more realistic inventory would have 10% - 15% of the units in these two sites in the lower income category. We bring this up because during our current cycle, as of August 2021 we have attained 8% of our goal for very low income and 6.7% for low income. We are concerned this scenario

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may be repeated if we do not plan for more units at the VLI/LI levels.

In addition, the presentation did not have any lower income units identified in the highest opportunity areas of Sunnyvale (<a href="https://belonging.berkeley.edu/2022-tcac-opportunity-map">https://belonging.berkeley.edu/2022-tcac-opportunity-map</a>). We encourage the city to identify meaningful numbers of lower income units in the highest opportunity areas. Designing the village centers to be more dense and increase building heights may be a good solution to meet our RHNA targets as well as sustainability concerns.

The site inventory also noted a number of units currently in the development pipeline. Is it expected that the permits for all of these units will not be issued until after January 31, 2023? If the permits are issued before that date, wouldn't the units be counted towards the current cycle?

Thank you again for all your work and we look forward to continuing to partner with you on this important process.

Livable Sunnyvale Housing Element Committee

Cc: Planning Commissioners Housing and Human Services Commissioners, City Council

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### **ATTACHMENT 2**

Letter sent to City of Sunnyvale Housing Staff, Housing and City Council dated March 11, 2022: sent via email

March 11, 2022

Jenny Carloni, Housing Officer Ryan Dyson, Housing Specialist

Thank you for your comments at the City Council Study Session and the community workshops on the topics we raised in our letter from January 18th. We have a few more questions, follow up comments, and suggestions for policies to include in the Housing Element.

We are still concerned with the lack of affordable units in the highest resource areas of Sunnyvale. One particular area of concern is access to high schools. The two high schools (Fremont and Homestead) that serve nearly all of Sunnyvale including areas north of Highway 101 are located in the far southern part of the city. We have attached the 2022 TCAC/HCD Opportunity Map of Sunnyvale with the location of the two high schools highlighted.

Why does the site inventory exclude low and very low income housing from the highest resource areas of Sunnyvale which are the closest areas to these high schools? The proposed Village Centers at the corner of Fremont and Mary and the corner of Fremont and Sunnyvale-Saratoga are good potential sites for some affordable housing. The area zoned C1 at the northwest corner of Hollenbeck and Homestead is another good candidate for a Village Center. While the Village Center Plans are not yet in place, if we commit to completing them early in the cycle and zone them for enough density to support affordable housing, can they be counted in the site inventory?

In addition to developing affordable housing in the highest resource areas in Sunnyvale, we can also work to increase the resource level of lower resource areas which are all in north Sunnyvale. We would like the draft housing element to contain policies to address this.

We are also still concerned about the number of low and moderate income units listed in the Lawrence, Downtown, and El Camino corridor sites inventory. In all of those sites, over 80% are listed in the low or very low income categories with the remaining units listed as moderate income. What analysis has been done to determine that 80% of these sites are suitable for L/VL development? In the downtown and Lawrence areas, the vast majority of the units developed have been market rate and only 10-15% of the units have been low and very low income units.

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This gives us pause for concern that this allocation is merely noted to meet a target but is unrealistic given past experience. A realistic development capacity for low and very-low income units in these areas seems to be 10-15% of what is currently proposed.

Using realistic development capacities for these sites requires finding other suitable affordable housing sites. Some options our committee suggests are:

- Increase the inclusionary rate from 15 to 20%.
- Increase density in the ECR, DSP, Moffett Park, Village Centers and future specific plan sites.
- Rezoning sites such as the former Fry's location, the C1 zoned sites along Maude between Mathilda and Fair Oaks and along Fair Oaks south of 101, as well as underutilized industrial parks and other location(s) throughout the city zoned exclusively for commercial use. Is there a reason why current commercial developments cannot be reconfigured to include mixed use (commercial and residential) in the same building?

We also hope to see policies in the draft housing element to support the development of affordable and missing middle housing such as:

- Require payment of in lieu fees at the time the first permit is issued rather than at the
  end of the development cycle. Neighboring cities such as Mountain View have
  implemented this.
- Encourage SB 9 development by creating pre-approved building plans to facilitate the
  permitting approval process and create a single point of contact for SB 9 development.
  Broaden the city's outreach program to increase homeowners' knowledge of this new
  legislation.
- Design and build form-based multifamily housing throughout the city.

Finally, there are some additional policies we hope to see in the housing element, some of which we have already brought up to city leadership.

- Establish safe parking sites for vehicle residents.
- Partner with LifeMoves or another organization to build transitional housing for Sunnyvale's unhoused.
- Anti-displacement policies such as first right of return to residents as well as policies to financially assist displaced residents subjected to higher rental costs when displaced as well as relocation expenses.
- Support the basic needs of residents aging in place (transportation, safe home review, home repairs, rental assistance...).

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- Support the needs of residents with physical and cognitive challenges at all ages (housing, job counseling and transportation).
- Rent stabilization programs for residential units (single family homes as well as multifamily units) and small businesses. Consider limiting rent increases to annual increases not to exceed the CPI.
- Fund retrofit EV charging stations in existing developments.
- Prioritize green space by encouraging taller buildings with smaller footprints. This could be paired with a green density bonus to encourage more greenspace, especially for mid-density (R-3) projects.
- Encourage the use of carbon-negative cross-laminated timber as opposed to concrete, which is carbon intensive.
- Consider a redevelopment density bonus. As an example, if an existing
  apartment complex over a designated age is redeveloped, set aside deedrestricted units for existing residents. These units would not count toward the
  maximum dwelling units on the site, but could be counted for the state density
  bonus and to satisfy the city's inclusionary zoning requirement. This should also
  come with increased maximum heights.

Thank you for considering our comments and suggestions and we look forward to your response.

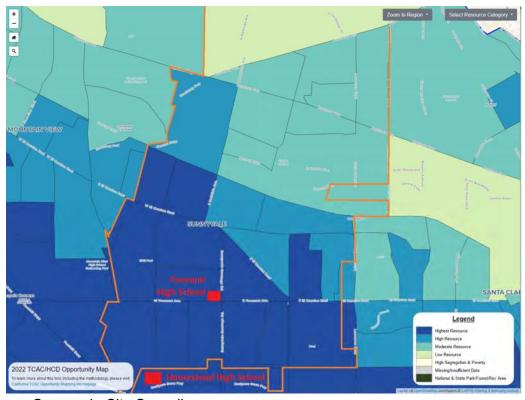
Regards,

Livable Sunnyvale Housing Element Committee

Attachment: 2022 TCAC/HCD Opportunity Map of Sunnyvale

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cc: Sunnyvale City Council

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### **ATTACHMENT 3**

# Letter sent to City of Sunnyvale City Council dated June 8, 2022: sent via email

June 8, 2022

Dear Mayor Klein and Council Members,

Livable Sunnyvale reviewed the Housing Element (HE) draft and many of our members attended and contributed to the meetings staff conducted with Council and City Commissions. We wish to acknowledge the effort that has been extended on this Housing Element. With that in mind, we have the following input.

This HE Draft classifies about 60% of housing at high density sites like Moffett Park to be in the lower-income category. That is not realistic. Even if several large 100% affordable housing projects are developed there, based on our city's history, 20% lower-income is a much more realistic number.

Currently HCD allows this unrealistic assignment because of Moffett's high density designation; however, as Moffett is developed and reality hits, Sunnyvale will be required to back-fill those missing lower-income sites. If Sunnyvale becomes non-compliant, the City may have to pay fines & fees, lose valuable state and regional grants, and possibly face court-issued takeover of our land-use authority (see attachment).

A second issue is that 89% of the lower-income sites are located in census tracts where the average income is already below Santa Clara County's AMI. The HE Draft does not address how putting the vast majority of lower-income sites in locations that are already lower income will improve the fair housing issues identified in Chapter 4. There is not even a Goal listed in section 2.1 to address the fair housing issues identified in Chapter 4.

The HE Draft indicates that as Moffett is built out, more resources will also be built. However, there is no analysis to demonstrate how much the opportunity index of the Moffett Park area will improve. Furthermore, the only commitment in the HE Draft is program H34 which would build a library, park, and zone for a school. It seems unlikely that a low resource area can be transformed into a high resource area simply by building a library, park, and elementary school.

The way to alleviate both of the above problems is to increase our pool of available lower-income housing sites, especially in the southern parts of the city. Specifically, change program

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H2 to provide a total of 1,500 lower-income units rather than just 100. Some possible ways to do this are:

- Zone Village Centers to be greater than 30 du/ac
- Add new Village Centers. Possible sites include:
  - o Hollenbeck and Homestead (Loehmann's Plaza)
  - o Fremont and Wright
  - Wolfe and Homestead (Sunnyvale side)
- Increase density or allow more mixed use on ECR
- Increase Sunnyvale's inclusionary rate to 20%
- Rezone most small strip malls to be mixed use sites

We believe these actions need to happen sooner than later because the longer the City waits, the fewer options we will have; for example, if we don't increase the density for Village Centers as soon as possible, many Village Center sites will have been built at lower density and with less lower income housing.

Another option to increase density and better meet our RHNA goals is to address the parking standards. To be clear we are not asking to get rid of parking, we would like to see parking spaces not wasted. The ABAG-MTC Parking policy, <a href="https://abag.ca.gov/sites/default/files/documents/2021-10/Parking Policy Playbook compiled vF20211020.pdf">https://abag.ca.gov/sites/default/files/documents/2021-10/Parking Policy Playbook compiled vF20211020.pdf</a>, is a great resource that specifically outlines parking ideas such as unbundling, parking minimums and parking maximums. Unbundling parking would give the developers flexibility to build denser. We can also review Mountain View's plans such as their North Bay Precise plan, <a href="https://www.mountainview.gov/civicax/filebank/blobdload.aspx?BlobID=31204">https://www.mountainview.gov/civicax/filebank/blobdload.aspx?BlobID=31204</a>, that is constraining parking. The past Housing Element and this current Housing Element essentially mention the same ideas for parking. We would like to see the city go further and implement these parking standards or at the very least commit to studying unbundling, parking minimums and parking maximums.

Livable Sunnyvale supports the City's commitment to meeting RHNA goals and providing housing to all income levels. We all desire a city that can sustain diversity and a livable environment. Our input for a moderate lower-income density in Moffett Park and increased density in high opportunity areas in the southern parts of the city will give us a better chance of meeting our RHNA goals. It will also lead to a Sunnyvale where households at all income levels can live throughout the city in an integrated and sustaining environment.

Sincerely,

Livable Sunnyvale Housing Element Committee

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## Housing Element Compliance Incentives

Incentives for Housing Element Compliance: Various state grant and loan programs require an HCD-certified housing element. Examples of active state funding sources that require housing element compliance for eligibility include the following:

Permanent Local Housing Allocation (PLHA): Helps cities and counties increase the supply of housing for households at or below 60% of area median income, increase assistance to affordable owner-occupied workforce housing, assist persons experiencing or at risk of homelessness, facilitate housing affordability, meet RHNA requirements, and ensure geographic equity in fund distribution.

Affordable Housing and Sustainable Communities (AHSC): The AHSC Program funds landuse, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas ("GHG") emissions. Funding for the AHSC Program is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.

<u>SB 1 Planning Grants</u>: State-funded Sustainable Communities grants help cities pay for local transportation improvements.

<u>CalHOME Program</u>: The purpose of the CalHOME Program is to enable low- and very low-income households to become or remain homeowners through grants to local public agencies and nonprofit developers to assist individual first-time homebuyers through deferred-payment loans for down payment assistance, home rehabilitation, including manufactured homes not on permanent foundations, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance, or technical assistance for self-help homeownership.

Infill Infrastructure Grants (IIG): IIG provides grant assistance, available as gap funding for infrastructure improvements necessary for specific residential or mixed-use infill development projects or areas.

Prohousing Designation Program: Prohousing designated jurisdictions will be awarded preference points on competitive funding applications (e.g. IIG, AHSC, Transformative Climate Communities (TCC), etc.). Local Early Action Planning (LEAP) and Regional Early Action Planning (REAP) grants can be utilized to establish prohousing policies for the purposes of eventually earning a Prohousing Designation.

<u>Local Housing Trust Fund Program (LHTF)</u>: The LHTF Program provides matching funds to local and regional housing trust funds dedicated to the creation, rehabilitation, or preservation of affordable housing, transitional housing and emergency shelters.

Regional Transportation Funding: Transportation funding for some regions depend on local jurisdiction housing element compliance (e.g. One Bay Area Grant funding (OBAG), SANDAG's Active Transportation Grant Program, etc.).

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# Housing Element Noncompliance Consequences

#### Penalties and Consequences of Housing Element Noncompliance

HCD is authorized to review any action or failure to act by a local government that it determines is inconsistent with an adopted housing element or housing element law. This includes failure to implement program actions included in the housing element. HCD may revoke housing element compliance if the local government's actions do not comply with state law. Examples of penalties and consequences of housing element noncompliance:

<u>General Plan Inadequacy</u>: The housing element is a mandatory element of the General Plan. When a jurisdiction's housing element is found to be out of compliance, its General Plan could be found inadequate, and therefore invalid. Local governments with an invalid General Plan can no longer make permitting decisions.

<u>Legal Suits and Attorney Fees</u>: Local governments with noncompliant housing elements are vulnerable to litigation from housing rights' organization, developers, and HCD. If a jurisdiction faces a court action stemming from its lack of compliance and either loses or settles the case, it often must pay substantial attorney fees to the plaintiff's attorneys in addition to the fees paid by its own attorneys. Potential consequences of lawsuits include: mandatory compliance within 120 days, suspension of local control on building matters, and court approval of housing developments.

<u>Loss of Permitting Authority</u>: Courts have authority to take local government residential and nonresidential permit authority to bring the jurisdiction's General Plan and housing element into substantial compliance with State law. The court may suspend the locality's authority to issue building permits or grant zoning changes, variances, or subdivision map approvals – giving local governments a strong incentive to bring its housing element into compliance.

## Newer Consequences of Housing Element Noncompliance

<u>Financial Penalties</u>: Court-issued judgement directing the jurisdictions to bring its housing element in substantial compliance with state housing element law. If a jurisdiction's housing element continues to be found out of compliance, courts can multiply financial penalties by a factor of six.

<u>Court Receivership</u>: Courts may appoint an agent with all powers necessary to remedy identified housing element deficiencies and bring the jurisdiction's housing element into substantial compliance with housing element law.

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**APPENDIX B**: Joint Livable Sunnyvale and SV@Home Letters and Email Correspondences to City of Sunnyvale on Request to Release Draft Housing Needs Assessment and Assessment of Fair Housing Ahead of Draft Housing Element Public Review Period

1st Letter





Jenny Carloni, Housing Officer Ryan Dyson, Housing Specialist

Livable Sunnyvale and SV@Home have a request to support a more robust community outreach for the Housing Element.

At a Housing Element Stakeholder Meeting with the City of Sunnyvale on February 1st, 2022, we were made aware by Staff that the Housing Needs Assessment and the Assessment of Fair Housing would be completed concurrently and would not be made available until they are released with the Draft Housing Element in May or June, 2022. We believe that a plan based on meeting the needs of the community cannot be created without the full assessment of those needs. Moreover, the quality of site selections and policies and programs to implement the plan is dependent on the assessment of community needs. The housing element process is supposed to assess needs, evaluate constraints, evaluate existing tools, and then develop plans to meet needs where the tools are ineffective or insufficient. The main point is that it is difficult for the public to respond to proposed solutions without understanding the needs they are intended to address.

Therefore, it would be helpful if Staff could release the Housing Needs Assessment (outlining the problems identified), which would also include the Assessment of Fair Housing, ahead of the presentation of their proposed policies to address these needs, which may not be made public until the Draft Housing Element is released.

Since the Housing Element update is designed to address the Housing Needs Assessment, making this information available to the public will enable some feedback before the release of the full Housing Element. Otherwise, if there are concerns about the Housing Needs Assessment, we may hear that it is too late to make any changes. No one wants to delay the completion of the Housing Element. Below are key references to our concerns from varying guidance sources provided by the California Department of Housing and Community Development (HCD):

• From the HCD's Housing Element webpage, site under "Public Participation":

"The inclusion of community stakeholders (including residents) in the housing-element public participation process helps ensure appropriate housing strategies are more efficiently and effectively evaluated, developed, and implemented. An inadequate public participation process may lead to anti-development initiatives, and strong, vocal community opposition to greatly needed housing development. Successful public participation is important because a diverse cross section of the population can be engaged in defining the housing problem and in crafting solutions that work for everyone in the community. Broad participation and true engagement of the public increases the likelihood that the community members involved in the discussion and planning processes will support new housing strategies and housing developments."

• From HCD's Housing Element webpage, "Building Blocks" section:

## "Housing Needs

Housing-element law requires local governments to adequately plan to meet their existing and projected housing needs, including their share of the regional housing needs allocation. A complete analysis should include a quantification and a descriptive analysis of the specific needs and resources available to address these needs.

## **Existing**

- Assisted Housing Developments at Risk of Conversion
- Extremely Low-Income Housing Needs
- Housing Stock Characteristics
- Overpayment and Overcrowding
- Population, Employment, and Household Characteristics

### **Projected**

Projected Housing Needs - Regional Housing Needs Allocation

#### Special

- Farmworkers
- Large Families and Female-Headed Households
- People Experiencing Homelessness
- People with Disabilities, Including Developmental Disabilities

## Seniors"

 And from HCD's <u>Affirmatively Furthering Fair Housing Guidance Memorandum</u> (pages 22 and 23):

"The housing element includes a housing needs assessment, which includes various requirements such as analysis of household characteristics (e.g., overpayment, overcrowding), housing conditions, and persons with special needs. These analyses, in turn, guide policy and action formulation. As part of the housing needs assessment, the element is now required to include an assessment of fair housing, including a summary of fair housing issues. A summary of fair housing issues is an essential step to informing and prioritizing contributing factors and, eventually, goals and actions."

We appreciate the City of Sunnyvale's recent efforts in public outreach, such as holding a stakeholder meeting with special housing needs groups, community workshops with interactive polls, and asking for our help to expand the online survey's broadcast. We would also like to recommend that the City bolster its public participation efforts with the community at-large to one that is more inclusive, encourages more discussion between participants, and increases interaction with City Staff to allow for frank conversations and a deeper understanding of Sunnyvale's housing needs. The current model the City is using is one that is primarily information collection that gives off a cold sense of "checking-off a list of checkboxes". For example, the community workshop's polling system was limited to people with access to smartphones or computers. Additionally, the Q&A portion of the community workshop did not leave room for City Staff to discuss participant inputs, but rather only to respond to participant questions. As we factor in the requirements for Affirmatively Furthering Fair Housing, it is increasingly important that the City pursue the curb-cut effect approach to its outreach efforts so that the needs of special needs populations and those deeply impacted by housing gaps are clearly identified and responded to appropriately. We acknowledge that outreach is challenging, especially with virtual limitations, and the Housing Element process is challenging, but they are essential to conforming to state guidance and either have not been as visible or have been less than ideal in Sunnyvale.

We appreciate the hard work that is ongoing to complete the Housing Element update and your collaboration with Livable Sunnyvale and SV@Home. Given the timeline to complete the Housing Element update, we ask that this Housing Needs Assessment be

made available as soon as possible so that community outreach and feedback can take place in parallel with the work on the main document.

Best Regards,

Livable Sunnyvale Housing Element Committee Kenneth Rosales, Planning Senior Associate| **SV@Home** 

# **City of Sunnyvale Email Response to 1st Letter**

RE: Livable Sunnyvale and SV@Home: Request for Housing Needs Assessment

# Ryan Dyson < RDyson@sunnyvale.ca.gov>

Wed 3/9/2022 3:38 PM

To: Mike Serrone <mjserrone@gmail.com>

Cc: Agnes Veith <acmduff@gmail.com>;Charles Fraleigh <chuck@fraleigh.com>;Kenneth Rosales

- <kenneth@siliconvalleyathome.org>;Mathew Reed <mathew@siliconvalleyathome.org>;Jenny Carloni
- <JCarloni@sunnyvale.ca.gov>;Trudi Ryan <tryan@sunnyvale.ca.gov>

Good afternoon Mike,

We understand Livable Sunnyvale and SV@Home's concern. The Housing Needs Assessment, which contains the Assessment of Fair Housing, is a vital component of the Housing Element and we are absolutely taking it into account as a guide for our policies and programs.

Since late 2021, the City and our consultant, Ascent Environmental, have been actively working to complete each component of the Housing Element based on available information. Portions of the Assessment of Fair Housing rely on data supplied by the State's Housing and Community Development Department (HCD) and the Association of Bay Area Governments (ABAG). Unfortunately, delays in this information have meant that we are unable to substantially complete our Housing Needs Assessment. For example, one critical segregation report from ABAG and UC Merced was only released in draft form in late February. Additionally, the City and other jurisdictions within Santa Clara County are awaiting a separate fair housing analysis from the Santa Clara County Planning Collaborative.

With the Assessment of Fair Housing, the City must also include an analysis of how our Sites Inventory relates to fair housing issues. We are still working to complete the full Sites Inventory, so another integral part of our Assessment of Fair Housing is still incomplete at this time.

Nevertheless, the information that we do have from the Housing Needs Assessment can already be used to help inform and guide the other sections of our Housing Element. We can begin to analyze our sites, policies, and programs based on the housing needs and the segregation patterns that we do know. As more data become available, we can continue to refine and revise these components so that we can release a comprehensive (but by no means final) draft of the Housing Element to the public.

Once all components of the Housing Element are substantially complete, they will be presented to the public as a draft version for review in May 2022. The Public Review Draft is not a final, finished product. There will be ample opportunity for public review and comment. The City will continue to incorporate public input, hold a community workshop, and conduct three separate public hearings prior to readying the draft for submission to HCD (tentatively in July 2022). We fully expect that this draft will continue to be revised throughout the year based on HCD and public comment until it is approved by the City Council in December 2022.

Please let us know if you have any other questions or concerns on the Housing Element.

Thank you,

**RYAN DYSON Housing Specialist** Community Development Department 408-730-7466

From: Mike Serrone <mjserrone@gmail.com> Sent: Tuesday, March 8, 2022 12:18 PM

To: Jenny Carloni <JCarloni@sunnyvale.ca.gov>; Ryan Dyson <RDyson@sunnyvale.ca.gov>; Kent Steffens

<KSteffens@sunnyvale.ca.gov>; Council AnswerPoint <council@sunnyvale.ca.gov>

Cc: Agnes Veith <acmduff@gmail.com>; Charles Fraleigh <chuck@fraleigh.com>; Kenneth Rosales

<kenneth@siliconvalleyathome.org>; Mathew Reed <mathew@siliconvalleyathome.org>

Subject: Livable Sunnyvale and SV@Home: Request for Housing Needs Assessment

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.



Jenny Carloni, Housing Officer Ryan Dyson, Housing Specialist

## Livable

Sunnyvale and SV@Home have a request to support a more robust community outreach for the Housing Element.

# Αt

a Housing Element Stakeholder Meeting with the City of Sunnyvale on February 1st, 2022, we were made aware by Staff that the Housing Needs Assessment and the Assessment of Fair Housing would be completed concurrently and would not be made available until they

are released with the Draft Housing Element in May or June, 2022. We believe that a plan based on meeting the needs of the community cannot be created without the full assessment of those needs. Moreover, the quality of site selections and policies and programs

to implement the plan is dependent on the assessment of community needs. The housing element process is supposed

to assess needs, evaluate constraints, evaluate existing tools, and then develop plans to meet needs where the tools are ineffective or insufficient. The main point is that it is difficult for the public to respond to proposed solutions without understanding

the needs they are intended to address.

### Therefore,

it would be helpful if Staff could release the Housing Needs Assessment (outlining the problems identified), which would also include the Assessment of Fair Housing, ahead of the presentation of their proposed policies to address these needs, which may not be made public until the Draft Housing Element is released.

## Since

the Housing Element update is designed to address the Housing Needs Assessment, making this information available to the public will enable some feedback before the release of the full Housing Element. Otherwise, if there are concerns about the Housing Needs Assessment, we may hear that it is too late to make any changes. No one wants to delay the completion of the Housing Element. Below are key references to our concerns from varying guidance sources provided by the California Department of Housing and Community Development (HCD):

- From the HCD's Housing Element
- webpage, site under "Public
- Participation":

"The inclusion of community stakeholders

(including residents) in the housing-element public participation process helps ensure appropriate housing strategies are more efficiently and effectively evaluated, developed, and implemented. An inadequate public participation process may lead to anti-development

initiatives, and strong, vocal community opposition to greatly needed housing development. Successful public participation is important because a diverse cross section of the population can be engaged in defining the housing problem and in crafting solutions

that work for everyone in the community. Broad participation and true engagement of the public increases the likelihood that the community members involved in the discussion and planning processes will support new housing strategies and housing developments."

- From HCD's Housing Element webpage,
- "Building
- **Blocks**" section:

# "Housing Needs

Housing-element law requires local

governments to adequately plan to meet their existing and projected housing needs, including their share of the regional housing needs allocation. A complete analysis should include a quantification and a descriptive analysis of the specific needs and resources

available to address these needs.

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- **Assisted**
- Housing Developments at Risk of Conversion

- <u>Extremely</u>
- **Low-Income Housing Needs**

- **Housing**
- **Stock Characteristics**

- <u>Overpayment</u>
- and Overcrowding

- Population,
- **Employment, and Household Characteristics**

# **Projected**

- **Projected**
- <u>Housing Needs Regional Housing Needs Allocation</u>

**Special** 

- **Farmworkers**

- <u>Large</u>
- Families and Female-Headed Households

- <u>People</u>
- **Experiencing Homelessness**

- **People**
- with Disabilities, Including Developmental Disabilities

- Seniors"

- And from HCD's
- <u>Affirmatively</u>
- Furthering Fair Housing Guidance Memorandum
- (pages 22 and 23):

"The housing element includes

a housing needs assessment, which includes various requirements such as analysis of household characteristics (e.g., overpayment, overcrowding), housing conditions, and persons with special needs. These analyses, in turn, guide policy and action formulation.

As part of the housing needs assessment, the element is now required to include an assessment of fair housing, including a summary of fair housing issues. A summary of fair housing issues is an essential step to informing and prioritizing contributing factors

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# We

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also like to recommend that the City bolster its public participation efforts with the community atlarge to one that is more inclusive, encourages more discussion between participants, and increases interaction with City Staff to allow for frank conversations

and a deeper understanding of Sunnyvale's housing needs. The current model the City is using is one that is primarily information collection that gives off a cold sense of "checking-off a list of checkboxes". For example, the community workshop's polling system

was limited to people with access to smartphones or computers. Additionally, the Q&A portion of the community workshop did not leave room for City Staff to discuss participant inputs, but rather only to respond to participant questions. As we factor in the

requirements for Affirmatively Furthering Fair Housing, it is increasingly important that the City pursue the curb-cut effect approach to its outreach efforts so that the needs of special needs populations and those deeply impacted by housing gaps are clearly

identified and responded to appropriately. We

acknowledge that outreach is challenging, especially with virtual limitations, and the Housing Element process is challenging, but they are essential to conforming to state guidance and either have not been as visible or have been less than ideal in Sunnyvale.

# We

appreciate the hard work that is ongoing to complete the Housing Element update and your collaboration with Livable Sunnyvale and SV@Home. Given the timeline to complete the Housing Element update, we ask that this Housing Needs Assessment be made available as soon as possible so that community outreach and feedback can take place in parallel with the work on the main document.

Best Regards, Livable

Sunnyvale Housing Element Committee

Kenneth

Rosales, Planning Senior Associate SV@Home





Hi Ryan,

Regarding our request for an early draft of the Housing Needs Assessment, thank you for getting back to us so quickly. We understand the challenges of this process and appreciate your thoughtful response.

Livable Sunnyvale has a long history of engagement with city staff and council. Our members have and continue to appreciate the transparency of these exchanges. At this stage in the Housing Element process we are surprised by the lack of transparency we have come to expect and appreciate.

Because the Housing Needs Assessment is the bedrock of the Housing Element and designed to evaluation current policies and programs, identify their constraints, update/develop new ones including those that reflect AFFH requirements, without even seeing a draft, how is our community expected to collaborate with staff to provide informed solutions to the challenges identified in the 6th cycle? Per AB 215, there will only be 30 days for the public to comment on the Housing Element draft and the City will have only 10 days to edit. This short timeframe will not allow for a robust exchange of ideas and solutions to the challenges staff have identified.

Another concern we have is, with such a tight timeframe between release of the draft Housing Element and finalization we will hear from staff that incorporating changes to the Housing Needs Assessment will significantly delay the completion of the Housing Element. This response will hamper public comment and engagement which is integral to the Housing Element process.

Regarding the City's need for additional information to complete the Housing Needs Assessment, we believe there is ample available information to produce a basic draft Housing Needs Assessment. While we understand that MTC/ABAG is providing some basic data on housing needs based on both publicly available census data and regularly updated analysis in the ABAG data portal, these data were made available last year and explicitly indicate that they should not serve as a substitute for a local assessment of needs. We also understand that the segregation maps forthcoming from the state have the potential to provide insights into the differential access of specific racial and ethnic groups as part of the AFFH requirements of the update.

Absent this information from the state, we still believe there is enough data available to complete a draft Housing Needs Assessment.

Again, we ask for the transparency we have become accustomed to and ask staff to please release a draft Housing Needs Assessment so the public can partner with staff to identify solutions to the issues that have been identified.

Thank you for the work you are doing and have done. If it would be helpful to set a time to talk in more detail about how we can help in this process, please let us know.

Sincerely,

Livable Sunnyvale Housing Element Committee Kenneth Rosales, Planning Senior Associate | SV@Home

# City Email Response to 2nd Letter

# RE: Livable Sunnyvale and SV@Home request for draft of Housing Needs Assessment

# Ryan Dyson < RDyson@sunnyvale.ca.gov>

Thu 4/7/2022 4:06 PM

To: Mike Serrone <mjserrone@gmail.com>

Cc: Agnes Veith <acmduff@gmail.com>;Charles Fraleigh <chuck@fraleigh.com>;Kenneth Rosales

- <kenneth@siliconvalleyathome.org>;Jenny Carloni <JCarloni@sunnyvale.ca.gov>;Kent Steffens
- <KSteffens@sunnyvale.ca.gov>;Council AnswerPoint <council@sunnyvale.ca.gov>;Trudi Ryan
- <tryan@sunnyvale.ca.gov>

Hello Mike and Kenneth,

Thank you for your letter. We understand your concern around transparency and hope to provide some clarification on the City's Housing Element schedule and the HCD review process.

Currently, City staff is reviewing the first draft of the Needs Assessment. We will release the Needs Assessment chapter along with the rest of Public Draft Housing Element to the public in the first week of May. We agree that the Needs Assessment is an important component of the Housing Element and an integral part of a transparent process. However, at this time, City staff needs an opportunity to review the document to ensure that it is clear, comprehensible, and professional prior to its release. Our hope is that the public can meaningfully use the Needs Assessment to review and respond to the proposed policies and programs included in the Housing Element.

The City intends to provide ample opportunity for public review and comment on the draft Housing Element throughout the year. In the upcoming months, the City will hold the following engagement meetings:

- May 11: Community Workshop #3 Public Draft Review
- May 23: Planning Commission Public Draft Review Hearing
- May 25: Housing and Human Services Commission Public Draft Review Hearing
- June 21: City Council Public Draft Review Hearing

After these meetings, a revised draft Housing Element will be submitted to HCD for review. However, the Housing Element will still be in draft form. Public comments will continue to be accepted during this review period and additional engagement meetings will be scheduled for Fall 2022.

We also want to clarify that AB 215 only sets a *minimum* time of 30 days for public review prior to submittal to HCD. The City will not submit the draft to HCD for their initial review until after the June 21 City Council Public Hearing. This will allow for closer to 60 days of public review prior to HCD review. Furthermore, the Housing Element will still be in draft form during the HCD review period and is not considered final until it is adopted in January 2023. As stated above, any public comment will still be considered during HCD review.

We hope that this provides some clarification on the City's Housing Element schedule and future opportunities for public comment and engagement. We look forward to hearing from Livable Sunnyvale and all Sunnyvale residents throughout the year as we complete the Housing Element update.

Thanks again,

RYAN DYSON
Housing Specialist
Community Development Department
408-730-7466

From: Mike Serrone <mjserrone@gmail.com> Sent: Thursday, March 31, 2022 1:29 PM To: Ryan Dyson <RDyson@sunnyvale.ca.gov>; Jenny Carloni <JCarloni@sunnyvale.ca.gov>; Kent Steffens <KSteffens@sunnyvale.ca.gov>; Council AnswerPoint <council@sunnyvale.ca.gov>

Cc: Agnes Veith <acmduff@gmail.com>; Charles Fraleigh <chuck@fraleigh.com>; Kenneth Rosales <kenneth@siliconvalleyathome.org>

Subject: Re: Livable Sunnyvale and SV@Home request for draft of Housing Needs Assessment

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.

### Ηi

Ryan,

# Regarding

our request for an early draft of the Housing Needs Assessment, thank you for getting back to us so quickly. We understand the challenges of this process and appreciate your thoughtful response.

# Livable

Sunnyvale has a long history of engagement with city staff and council. Our members have and continue to appreciate the transparency of these exchanges. At this stage in the Housing Element process we are surprised by the lack of transparency we have come to expect and appreciate.

### **Because**

the Housing Needs Assessment is the bedrock of the Housing Element and designed to evaluation current policies and programs, identify their constraints, update/develop new ones including those that reflect AFFH requirements, without even seeing a draft, how is our community expected to collaborate with staff to provide informed solutions to the challenges identified in the 6th cycle? Per AB 215, there will only be 30 days for the public to comment on the Housing Element draft and the City will have only 10 days to edit. This short timeframe will not allow for a robust exchange of ideas and solutions to the challenges staff have identified.

### Another

concern we have is, with such a tight timeframe between release of the draft Housing Element and finalization we will hear from staff that

incorporating changes to

the Housing Needs Assessment will significantly delay the completion of the Housing Element. This response will hamper public comment and engagement which is integral to the Housing Element process.

# Regarding

the City's need for additional information to complete the Housing Needs Assessment, we believe there is ample available information to produce a basic draft Housing Needs Assessment. While we understand that MTC/ABAG is providing some basic data on housing needs based on both publicly available census data and regularly updated analysis in the ABAG data portal, these data were made available last year and explicitly indicate that they should not serve as a substitute for a local assessment of needs. We also understand that the segregation maps forthcoming from the state have the potential to provide insights into the differential access of specific racial and ethnic groups as part of the AFFH requirements of the update. Absent this information from the state, we still believe there is enough data available to complete a draft Housing Needs Assessment.

# Again,

we ask for the transparency we have become accustomed to and ask staff to please release a draft Housing Needs Assessment so the public can partner with staff to identify solutions to the issues that have been identified.

#### Thank

you for the work you are doing and have done. If it would be helpful to set a time to talk in more detail about how we can help in this process, please let us know.

Sincerely,

Livable
Sunnyvale Housing Element Committee
Kenneth
Rosales, Planning Senior Associatel SV@Home

# **Chelsey Payne**

From: Danino, Shawn@HCD <Shawn.Danino@hcd.ca.gov>

**Sent:** Friday, August 5, 2022 1:43 PM

**To:** Kim Untermoser; Chelsey Payne; tryan@sunnyvale.ca.gov; Jenny Carloni; Ryan Dyson

Cc: McDougall, Paul@HCD

**Subject:** FW: Sunnyvale Barrier to Development

Hello City of Sunnyvale Team -

I just wanted to share this public comment we received from YIMBY regarding the City's element for your review.

Please make sure to forward any public comments you receive as well.

From: Mendoza, Kathyren@HCD <Kathyren.Mendoza@hcd.ca.gov> On Behalf Of Housing Elements@HCD

**Sent:** Friday, July 29, 2022 1:16 PM

**To:** Danino, Shawn@HCD <Shawn.Danino@hcd.ca.gov>

Subject: FW: Sunnyvale Barrier to Development



Kathyren Mendoza | Division of Housing Policy Development Office Technician California Department of Housing & Community Development 2020 W. El Camino Avenue, Suite 500 | Sacramento, CA 95833 Phone (916) 694-2607

From: Davis White < davis@yesinmybackyard.org>

Sent: Thursday, July 28, 2022 11:24 AM

**To:** Housing Elements@HCD < Housing Elements@hcd.ca.gov >

Cc: Rafa Sonnenfeld <rafa@yimbylaw.org>; commdev@sunnyvale.ca.gov; PlanningCommission@sunnyvale.ca.gov

**Subject:** Sunnyvale Barrier to Development

To whom it may concern,

The City of Sunnyvale is currently severely restricting the implementation of Senate Bill 9 (SB 9) within its community and restricting the rights of its residents. The City has a Park Dedication In-lieu fee for large subdivisions to facilitate either the development of parks in those subdivisions or gathering funds for park projects by the city itself. This fee, for large developments, makes sense. However, the city has not exempted SB 9 projects from this fee, putting homeowners on the hook for a thirty to ninety thousand dollar fee if they wish to split their lot or convey units built separately. An exemption should be made or it will risk entirely discouraging residents from utilizing the rights brought by SB 9. As it

stands, this fee represents a significant barrier to development. If the city wants to follow through with Policy H-1.6 of their Housing Element, this exemption must be made. This could greatly benefit house-rich homeowners who are cashpoor, since the prospect of selling off the newly-created lot can make such projects feasible in the first place. Simply relying on ADUs alone is not enough.

Please encourage the city to exempt SB 9 projects from their Park In-lieu fee.

## Sunnyvale Housing Element:

https://www.sunnyvale.ca.gov/home/showpublisheddocument/3614/637928808544770000 [sunnyvale.ca.gov]

Sunnyvale Park Dedication Fee (Municipal Code §19.74):

https://library.qcode.us/lib/sunnyvale\_ca/pub/municipal\_code/item/title\_19-article\_5-chapter\_19\_74 [library.qcode.us]

Current Fee Levels set by Sunnyvale City Council:

https://www.sunnyvale.ca.gov/home/showpublisheddocument/3398/637889955002670000 [sunnyvale.ca.gov]

*SF Chronicle* Article on High Fee: <a href="https://www.sfchronicle.com/politics/article/California-housing-density-law-SB9-17295074.php">https://www.sfchronicle.com/politics/article/California-housing-density-law-SB9-17295074.php</a> [sfchronicle.com]

Sincerely, Davis White

Davis White he/him <a href="mailto:yimbylaw.org">yimbylaw.org</a> [yimbylaw.org] 415 298 0788

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Dear Sunnyvale City Council,

In our past two comment letters we have noted the exorbitant multi-family park-in-lieu fee that is a significant impediment to development. HCD in their July comment letter states, "pursuant to public comments, the City should analyze its \$72,560 park in lieu fee applied to all multifamily units".

Since we provided our feedback we have done additional analysis of the methodology for the park-in-lieu fee. We have a number of concerns in our findings:

# I. The city should not appraise the park-in-lieu-fee based off of residential land sales

The city's appraisals specifically target residential land sales, which is problematic because this method uses the price of one of the most expensive types of properties to set the fee and implies the City will purchase residentially zoned properties for parks.

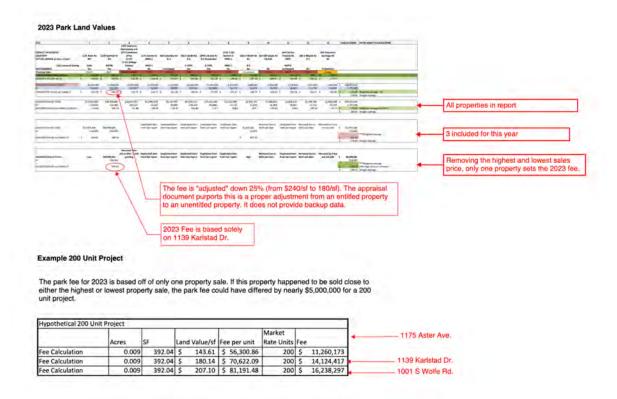
One, this conflicts with the Housing Element sites inventory if the City intends to purchase residential property for parks. Two, if the City purchases more appropriately zoned property at lower prices for parks, the City is inflating the park impact fee on new housing.

# II. The methodology the city is using is inappropriate to justify the exorbitant park-in-lieu fee

In order to calculate the park-in-lieu fee the city analyzes all the residential property sales of the given year. They remove the outliers (the highest and the lowest sale) and find the average. The fee is then "adjusted" by 25% in order to account for the adjustment from an entitled property to an unentitled property.

In the following exhibit we analyzed the three residential property sales that occurred in 2022, (1175 Aster Ave.) (1139 Karlstad Dr.) and (1101 S Wolfe Rd). In order to find the average and calculate the 2023 park-in-lieu fee, the highest sale (Wolfe) and the lowest sale (Aster) would be

removed as outliers, and the only sale left to analyze is the (Karlstad) sale.



# As such,

- The park-in-lieu fee for 2023 is reportedly based on **one property sale**, which is inappropriate for determining a high fee on new housing.
- Additionally, there is an unsupported assumption that entitled property is worth 25%-30% more than unentitled property. Given the significant time and expense of entitling property in California, the value increase is likely much more. The city needs to provide backup for this adjustment, especially since the properties used to set the fee are entitled sales comps but they intend to value unentitled land.

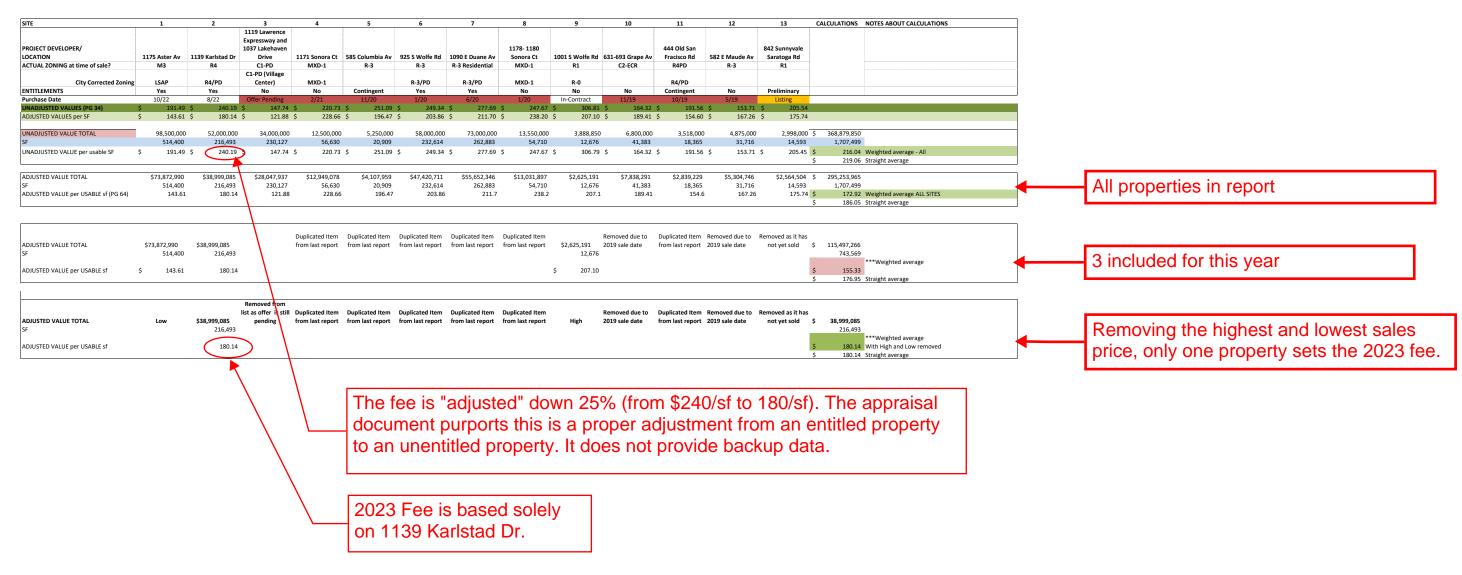
We recommend that the city does not base the park-in-lieu fee based on this methodology. As stated in previous letters, Sunnyvale's park-in-lieu fee is exorbitantly high relative to the region. As such, we recommend that the city reduces the fee by at least 50% in order to allow development to occur in Sunnyvale.

In solidarity,

Ali Sapirman, Housing Action Coalition

Jordan Grimes, Greenbelt Alliance

# 2023 Park Land Values



# **Example 200 Unit Project**

The park fee for 2023 is based off of only one property sale. If this property happened to be sold close to either the highest or lowest property sale, the park fee could have differed by nearly \$5,000,000 for a 200 unit project.

| Hypothetical 200 Unit | Project |        |               |              |            |     |            |                   |
|-----------------------|---------|--------|---------------|--------------|------------|-----|------------|-------------------|
|                       |         |        |               |              | Market     |     |            | 1175 Aster Ave.   |
|                       | Acres   | SF     | Land Value/sf | Fee per unit | Rate Units | Fee |            |                   |
| Fee Calculation       | 0.009   | 392.04 | \$ 143.61     | \$ 56,300.86 | 200        | \$  | 11,260,173 |                   |
| Fee Calculation       | 0.009   | 392.04 | \$ 180.14     | \$ 70,622.09 | 200        | \$  | 14,124,417 | 1139 Karlstad Dr. |
| Fee Calculation       | 0.009   | 392.04 | \$ 207.10     | \$ 81,191.48 | 200        | \$  | 16,238,297 | 1001 S Wolfe Rd.  |

# Dear Sunnyvale City Council,

I'm following up on behalf of the Housing Action Coalition on my April 27, 2023 letter with additional comments on the current draft Housing Element (the Element). The Element update is a great opportunity for Sunnyvale to proactively promote abundant, affordable, and secure housing opportunities for its existing and future residents. We commend the work city staff have put into both processes. Given the city's hard work on the Moffett Park Specific Plan (MPSP) and its pending approval in the very near future, we think these comments are timely for your consideration with this plan.

Unfortunately, some of the City's existing ordinances will hinder the success of the goals outlined in the Housing Element draft, and should be remedied before HCD certifies a final Element. Specifically, Sunnyvale's in-lieu park fee and inclusionary affordable housing requirements impose excessive cost burdens that undermine the financial feasibility of multifamily development, which will, in turn, defeat the 2031 housing production goals outlined in the Element.

## **Excessively High In-lieu Park Fees**

Sunnyvale's \$72,527-per-unit in-lieu fee for multifamily projects is 300% higher than the average park fee in Santa Clara County (see Appendix A for a list of comparable cities and their respective in lieu fees). Even nearby jurisdictions that command higher average rents have substantially lower fees such as Palo Alto at \$47,893 per multi-family unit and Los Altos at \$48,800 per multi-family unit. Additionally, high park in-lieu fees incentivize lower density developments that include on-site parks, disincentivizing dense development in areas where it's most needed. Finally, the city's park "level of service," pegged at 5 acres per 1,000 residents, is 67% higher than many of its neighbors, including adjacent Mountain View, which requires 3 acres per 1,000 residents. This high level of service deters developers from offering land dedication in-lieu of paying the fee, further undermining the financial feasibility of development.

#### Inflexible & Expensive Inclusionary Affordable Housing Requirements

Sunnyvale's 15% inclusionary affordable housing requirement is generally consistent with the requirements of neighboring jurisdictions, but the *depth* of affordability required--5% of units affordable to very low income households and 10% of units affordable to low income households--is much deeper (and therefore much more expensive) than many surrounding jurisdictions, which only require that units be affordable, on average, to households earning 100% AMI. In addition, the city has adopted regulatory 'penalties' that discourage land dedication as a means of compliance. Compared to Mountain View, **the Sunnyvale code is ~33% more expensive to satisfy.** 

A large portion of Sunnyvale's 11,966 unit RHNA obligation is required to be affordable to very low and low income households. Land dedication is an efficient and proven means to deliver a large number of these deeply affordable units because non-profit developers building 100% affordable units can take advantage of federal Low Income Housing Tax Credits that aren't available for on-site inclusionary units. Accordingly, it is critical that cities encourage--not penalize--compliance options like land dedication to meet their affordable housing targets.

#### **Other Considerations**

As you know, Sunnyvale's average rents are 15-20% less than similar units located in many neighboring cities, which reduces the economic feasibility of new construction from the start. This disparity means that Sunnyvale must be more flexible with its fee requirements and compliance methods to promote housing development now, ideally in time to encourage timely construction in the MPSP area.

In addition to rent disparities, we encourage the city to look at other unique factors that may hinder development, such as infrastructure costs. When looking at the recently approved North Bayshore Master Plan, there is an overall FAR of 1.92 across 123 acres. The Moffett Park Specific Plan, by comparison, is seeking to approve an overall FAR of just 0.92, across a significantly larger area of 1,156 acres. To connect needed infrastructure across this larger area, for only half the resulting density per acre, suggests a high likelihood of much more infrastructure costs per acre, and consequently per dwelling unit, needed to serve similar development needs. And, we might observe that the new Moffett Park aspirations are seeking a much more ambitious level of transformation than the existing, more built out Mountain View North Bayshore area, implying higher infrastructure costs as well. By implication, infrastructure costs are ~50% higher in Sunnyvale.

#### Conclusions

In this challenging economic climate the City of Sunnyvale should ensure that its development policies actually incentivize the production of more housing at all income levels, in line with the City's RHNA requirement to add 11,966 units by 2031. With fees 40%+ higher than adjacent cities and rents 15-20% lower, the plan zones for housing but it doesn't enable the building of housing. It can accomplish this by reducing its in-lieu fee park/open space requirements to be in line with neighboring cities, right-sizing the infrastructure burden on projects, and being more flexible with its inclusionary housing requirements to support land dedication and alternate compliance methods. In conclusion, we support the October 6, 2022 HCD letter to the City and recommend the City perform a feasibility study in 2023 that compares the plans to adjacent plans that have proven production of housing, thus enabling the 20,000 MPSP residential units to be built, not just zoned.

We appreciate your time and consideration and hope you'll recognize this amazing opportunity Sunnyvale has right now.

In solidarity,

Ali Sapirman South Bay & Peninsula Organizer / Affordable Housing Advocate Housing Action Coalition

# Appendix A: Comparison between Sunnyvale's Multifamily In-Lieu Park Fee vs. Comparable Jurisdictions

| Sunnyvale        | \$72,527 (multi-family) per the Housing Element  |  |  |  |  |  |  |
|------------------|--|--|--|--|--|--|--|
| Mountain View    | \$50,180 to \$58,545*  *The City of Mountain View's 2023-2031 Housing Element recommended that its park in-lieu fees be reduced by 20%; current fees are \$62,726 to \$73,181/unit |  |  |  |  |  |  |
| <u>Saratoga</u>  | <b>\$21,562</b> (multi-family)   | \$21,562 (multi-family)  |  |  |  |  |  |
| Palo Alto        | <b>\$45,885</b> (multi-family)   | \$45,885 (multi-family)  |  |  |  |  |  |
| Los Altos        | \$48,800 (multi-family)  |  |  |  |  |  |  |
| Santa Clara      | ranged from \$37,609-\$65,263  - Formula = average density for specified dwelling land dedication standard / one thousand popular.   | • • • • •  |  |  |  |  |  |
| Redwood City     | <b>\$11,940</b> (condo 8-20 units), <b>\$12,793</b> (apartment 8-20 units), \$12,430.70 (apartment 21+ units)  | units), \$9,382.42 (condo  |  |  |  |  |  |
| San Carlos       | \$2,651 per bedroom  |  |  |  |  |  |  |
| <u>Cupertino</u> | Park Land Dedication In-Ligu Fee*  Density of Dwelling Units/Ac  0 - 5  5 - 10  10 - 20  20+  Senior Citizen Housing Dev.  | \$105,000/DU<br>\$60,000/DU<br>\$60,000/DU<br>\$54,000/DU<br>\$30,000/DU<br>\$15,000 or proportional<br>to the size of the main<br>DU, whichever is less |  |  |  |  |  |

877 Cedar Street #150 Santa Cruz, CA 95060 hello@yimbylaw.org



6/5/2023

# **Department of Housing & Community Development**

HousingElements@hcd.ca.gov; shawn.danino@hcd.ca.gov

RE: Sunnyvale Housing Element

To Whom It May Concern,

YIMBY Law wishes to call attention to the City of Sunnyvale's extreme Park Dedication In-Lieu Fees. We encourage HCD to withhold certification of Sunnyvale's Housing Element absent clearer and far more rapid commitments to mitigate this fee. We believe this fee warrants additional HCD scrutiny for four reasons:

1. **Sunnyvale's Park In-Lieu Fee is among the highest in California**. According to the city's own housing element, Sunnyvale's park in-lieu fee is "significantly higher than other jurisdictions." (p.6-50). We understand the fee to be as high as \$72,527 for each unit of housing in densities above 14 dwelling units per acre (higher than Housing Element cites a per-unit cost of \$62,726).

| ırisdiction        | Park Dedication In-Lieu Fee @ highest density tie |
|--------------------|---|
| Sunnyvale          | \$72,560/unit                                     |
| Mountain View      | \$62,726 - \$73,181/unit                          |
| Palo Alto          | \$45,884/unit                                     |
| Santa Clara (city) | \$43,472 - \$48,852/unit                          |
| Cupertino          | \$54,000/unit                                     |
| Redwood City       | \$12,430/unit                                     |
| San Carlos         | \$2,651/bedroom                                   |
| Los Altos          | \$48,800/unit                                     |
| Saratoga           | \$21,562/unit                                     |

The park fee has a significant impact on the cost of housing, and increases costs for future renters and owners, making Sunnyvale less affordable.

2. Sunnyvale's Park In-Lieu Fee has increased too much in the past decade. The fee has averaged a 10% increase per year since the 2013/2014 Fiscal Year - a 168% total increase in that period. This extreme rise in fee costs places a significant burden on the already high costs of residential development. The chart below - created from City of Sunnyvale data - demonstrates the rapid fee increase on a square foot and per-unit basis.

|                                     | 2013/2014 | 2014/2015    | 2015/2016     | 2016/2017 | Fiscal Year<br>2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 |
|-------------------------------------|-----------|--------------|---------------|-----------|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Land Valuation<br>(per square foot) | \$69      | \$96         | \$96          | \$129     | \$126                    | \$130     | \$130     | \$134     | \$160     | \$185     |
| Impact Fee per<br>MFR Unit          | \$27,051  | \$37,636     | \$37,636      | \$50,573  | \$49,397                 | \$50,965  | \$50,965  | \$52,533  | \$62,726  | \$72,527  |
| Year Over Year %<br>Increase        | ₹1        | 39%          | 0%            | 34%       | -2%                      | 3%        | 0%        | 3%        | 19%       | 16%       |
|                                     | 10%       | Annual inc   | rease since 2 | 2013      |                          |           |           |           |           |           |
|                                     | 168%      | Total incred | ase in 2013   |           |                          |           |           |           |           |           |

- 3. The City's methodology in assessing property value and justifying fee increases is unclear. The zoning code authorizes the City's Community Development Director to propose increasing fees to the City Council, but <u>provides no guidance on assessing the "fair market value"</u> of land. There is no obvious source of economic analysis provided by the City to support its yearly reassessments.
- 4. The City's plan for expanding the availability of park land within city limits is unknown. No vision or master plan for new park space is apparent, raising questions as to where fee revenue is getting allocated. If the City continues to levy steep park fees on new housing developments, sites should be identified as potential acquisitions for conversion into much-needed park land.

In closing, HCD should have Sunnyvale commit to reduce its Park In-lieu fee. The fee adds outsized costs to new multi-family development, disincentivizes density, and adds a great deal of financial uncertainty to housing development projects. Please find the City's latest draft housing element out of compliance absent much stronger commitments to remove this constraint on the development of housing.

Sincerely,

Sonja Trauss

**Executive Director** 

Dongo Trauss

YIMBY Law

From: <u>Danino, Shawn@HCD</u>

To: Chelsey Payne; Ryan Dyson; Trudi Ryan; Jenny Carloni; McDougall, Paul@HCD

Subject: FW: Errata to Revised HCD Draft 2023-2031 Housing Element Available

**Date:** Friday, July 7, 2023 10:52:51 AM

# <u>WARNING</u> - This email came from an EXTERNAL source. Confirm the sender and its contents are safe before responding, opening attachment or links.

FYI – new public comment received regarding fees.

From: Keith Diggs <keith@yimbylaw.org> Sent: Thursday, July 6, 2023 6:48 PM

To: Danino, Shawn@HCD <Shawn.Danino@hcd.ca.gov>; Housing Elements@HCD

<HousingElements@hcd.ca.gov>

Subject: Fwd: Errata to Revised HCD Draft 2023-2031 Housing Element Available

Hi Shawn --

Wanted to chime in quickly on Sunnyvale's recent errata (below), responding in part to our letter about their park in-lieu fees.

Sunnyvale imposes some of the highest fees in the Bay Area. We're glad to see the city partially address the problem in program H19, but it appears only to apply to lot splits. In order to make a dent in housing production, we'd like to see the city reduce its park in-lieu fees for multifamily projects in addition to lot splits.

Appreciate your time. Thanks,

Keith Diggs & Attorney

703-409-5198

# [yimbylaw.org]

----- Forwarded message -----

From: **City of Sunnyvale, CA** <<u>cityofsunnyvale@public.govdelivery.com</u>>

Date: Fri, Jun 30, 2023 at 1:40 PM

Subject: Errata to Revised HCD Draft 2023-2031 Housing Element Available

To: < keith@yesinmybackyard.org >

From: Agnes Veith

To: <u>Danino, Shawn@HCD</u>

Cc: Jenny Carloni; Ryan Dyson; ryan@sunnyvale.ca.gov; Council AnswerPoint

**Subject:** Livable Sunnyvale: Revised Housing Element Draft

**Date:** Saturday, July 15, 2023 4:22:46 PM

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#### Submitted via email

Shawn Danino, MPP/MSI Housing and Community Development shawn.danino@hcd.ca.gov

C: Jenny Carloni, Housing Officer, City of Sunnyvale <a href="mailto:JCarloni@sunnyvale.ca.gov">JCarloni@sunnyvale.ca.gov</a>

Ryan Dyson, Housing Specialist, City of Sunnyvale RDyson@sunnyvale.ca.gov

Trudi Ryan, AICP
Director, Community Development Department, City of Sunnyvale
<a href="mailto:tryan@sunnyvale.ca.gov">tryan@sunnyvale.ca.gov</a>

Sunnyvale City Council council@sunnyvale.ca.gov

July 15, 2023

Dear Shawn,

We understand you are in conversation with City Staff regarding the Revised HCD Draft. We have read the Errata published on June 30, 2023 and are in complete support of these revisions. As you probably remember, Livable Sunnyvale has been working closely with City Staff for well over a year to ensure the Housing Element identifies and meets the needs of our community. As residents of Sunnyvale who also represent our community we have a vested interest in the outcome of this process.

**Programs:** In general, the language is more definitive and the completion dates have been pulled in. We commend City Staff for listening to our concerns and editing programs we discussed. A few programs of interest to us are noted below.

**Program H3**. Increase Affordable Housing Opportunities in High Resource Areas

In the initial stages of the HE process, Livable Sunnyvale advocated for affordable housing throughout our city as well as increasing the units per acre in the Village Centers from 18 units/acre to 30 units/acre. This program creates at least 750 lower-income units of additional capacity for high density residential by increasing the allowed density in the Village Centers to 30 units/acre. Again, City Staff listened to our request to increase the units/acre in the Village Centers.

# Program H4. Accessory Dwelling Units (ADU)

Livable Sunnyvale asked to pull in the initial completion date and the City did. In addition, the City has included language regarding monitoring ADU affordability and production every 2 years. This program will increase housing stock in mixed-income neighborhoods in areas of high and highest resources, providing additional housing throughout our City.

Reducing park dedication fees for lot splits will encourage building in existing neighborhoods. This in turn will support affirmatively furthering fair housing in single family neighborhoods throughout our city. Again, this program supports Livable Sunnyvale's request to add housing stock throughout our City.

# **Program H33.** Capital Projects to Address Homelessness

**Program H19.** Review Park Dedication Requirements

Addressing the needs of our unhoused community members is extremely important to our organization and a concern we have repeatedly expressed to the city council and staff for many years. Supporting the creation of 200 units serving individuals experiencing homelessness will address our concerns.

Livable Sunnyvale has advocated for a 20% inclusionary rate. We

understand some housing advocates and others believe raising the inclusionary rate will dissuade developers from building in Sunnyvale because their builds will not pencil out. By creating a study issue, the City will have the data it needs to make an informed decision which we think is a sound approach and one we support.

If you have any questions regarding the content of this letter and would like to discuss them, please let us know.

Agnes Veith acmduff@gmail.com

Chuck Fraleigh chuck@fraleigh.com

Regards, Livable Sunnyvale Housing Element Committee From: <u>Agnes Veith</u>

To: <u>Danino, Shawn@HCD</u>

Cc: <u>Jenny Carloni</u>; <u>Ryan Dyson</u>; <u>Trudi Ryan</u>; <u>Council AnswerPoint</u>

**Subject:** Livable Sunnyvale: Housing Element Comments

**Date:** Friday, August 11, 2023 1:35:25 PM

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August 11, 2023

Submitted via email

Shawn Danino, MPP/MSI Housing and Community Development shawn.danino@hcd.ca.gov

C: Jenny Carloni, Housing Officer, City of Sunnyvale JCarloni@sunnyvale.ca.gov

Ryan Dyson, Housing Specialist, City of Sunnyvale RDyson@sunnyvale.ca.gov

Trudi Ryan
Director, Community Development Department, City of Sunnyvale
<a href="mailto:tryan@sunnyvale.ca.gov">tryan@sunnyvale.ca.gov</a>

Sunnyvale City Council council@sunnyvale.ca.gov

#### Dear Shawn:

As you may remember, Livable Sunnyvale <a href="https://www.livablesunnyvale.org/">https://www.livablesunnyvale.org/</a> was formed in

2016. We are an organization which promotes a livable, sustainable city with affordable housing and transportation solutions for all members of our community through education, outreach and advocacy. We educate and activate residents and office-holders to secure an environmentally sustainable future with broadly shared prosperity and a high quality of life. Livable Sunnyvale has been working closely with City Staff for well over a year to ensure the Housing Element identifies and meets the needs of our community. As residents of Sunnyvale who also represent our community we have a vested interest in the outcome of this process.

Livable Sunnyvale has been working closely with City Staff for well over a year to ensure the Housing Element identifies and meets the needs of our community. As residents of Sunnyvale who also represent our community we have a vested interest in the outcome of this process.

We would like to address several of the points raised in Paul McDougall, Senior Program Manager's letter of July 21. Appendix A1 and B3 mention concerns about AFFH. Livable Sunnyvale shared many of these concerns with respect to the original draft housing element Sunnyvale submitted in July 2022. We highlighted these concerns in a previous letter to HCD and discussed the concerns with the City. We feel that the City listened to our concerns and that the second draft housing element submitted in May 2023 made significant progress addressing AFFH. Specifically, we support the revised program H3. The revised program is specific in terms of the location of additional sites (the Village Centers), it contains specific density targets (30 units/acre or more), and it commits to finding additional sites in South Sunnyvale beyond the existing Village Centers. We also think the total number of units, 750, is a substantial improvement over the initial commitment of 100 and is a good compromise with our initial request of 1,500 units.

Appendix A3 and B2 mention concerns about development constraints, specifically commercial requirements, open space requirements, and park fees. Our experience in Sunnyvale is that these requirements and fees have not been a barrier to development for market-rate housing. In the previous RHNA cycle, Sunnyvale's target for above-moderate income units was 1,974 and it permitted 4,638 units. The commercial requirements, open space requirements, and park fees do not seem to have imposed a constraint on development. In fact, we feel that these requirements and fees are necessary to provide the retail and open space needed to support additional Sunnyvale residents.

We do agree with Program H17 as written in the May 2023 draft. Sunnyvale has fallen short of its RHNA targets for moderate income and below units, so reducing or ideally eliminating the commercial requirements for 100% affordable developments makes sense, but we would be opposed to removing commercial requirements for market-rate developments. Sunnyvale is losing grocery stores and other retail, especially in the lower-income sections of the city, and the commercial requirements are one of the few tools the city has to

maintain retail.

We also support Program H19 as written in the May 2023 draft. The park fees are a burden for individual homeowners wishing to do a lot split, but we do not feel it is a significant burden for large multifamily developments. Developers have managed to afford the fees for the thousands of units built in the previous cycle and the funds have been a valuable source of revenue to maintain and grow Sunnyvale's park system.

Appendix A2 discusses the realistic capacity analysis and analysis of non-vacant sites. Livable Sunnyvale believes that the City has done a thorough, good-faith analysis of the development potential of the sites listed in the sites inventory. In fact, we thought this was one of the stronger parts of both the July 2022 and May 2023 housing element drafts.

Virtually all of the recent developments in Sunnyvale that we are aware of reach or exceed the maximum base density. This is, in part, the result of advocacy Livable Sunnyvale has done to increase housing density Downtown, along El Camino, at Lawrence Station, and in Moffett Park; as well as the advocacy we do to maximize the amount of housing when individual proposals come before the Planning Commission and City Council. We are not concerned that mixed-use developments will be proposed at anything less than the maximum base density. We also think that the City did a thorough analysis and was fairly conservative when selecting which parcels are likely to redevelop during the next cycle.

If you have any questions regarding the content of this letter and would like to discuss them, please let us know.

Agnes Veith acmduff@gmail.com

Chuck Fraleigh chuck@fraleigh.com

Regards,

Livable Sunnyvale Housing Element Committee

# Holland & Knight

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June 30, 2023

Aastha Vashist 456 W Olive Ave Sunnyvale, CA 94086

Re: 1154 Sonora Court Project – UPDATED State Density Bonus Law Application

#### Dear Aastha:

We represent SKS Partners ("SKS") in connection with its application for the 1154 Sonora Court Project (the "Project"), a mixed-use development at 1154 Sonora Court (the "Project Site") in Sunnyvale, California. The 1.887 acre Project Site is within the Lawrence Station Area and is currently developed with a single story building and surface parking lot. The Project would redevelop the Project Site with a total of 174 multi-family residential rental units and 142,270 square feet of office space. Consistent with both the City's inclusionary housing requirements and the requirements of the State Density Bonus Law, 24% of the Project's base residential units (28 total units – see below for further details) would be provided at the lower income affordability level – consisting of 19% low income (22 units) and 5% very low income (6 units).

The purpose of this letter is to serve as SKS's application for certain rights under the State Density Bonus Law. Pursuant to the State Density Bonus Law and Zoning Code Chapter 19.18.025, because it will provide 24% of its base units at the lower income affordability level, the Project is entitled to all of the following *separate* categories of incentives:

- (1) An up to 50% density bonus over the maximum allowable residential density<sup>1</sup>;
- (2) Up to three mandatory concessions or incentives (three identified see details below);
- (3) any required physical waivers of development standards to accommodate the Project (three identified see details below); and
- (4) applicable mandatory maximum residential parking standards (not required due to SB 2907 see details below).

Details on each of the above categories is provided below:

<sup>&</sup>lt;sup>1</sup> Gov. Code Section 65915(f), 65915(o)(4).

# 1. Up to 50% Density Bonus

The Project proposes 28 lower income units (24% of the base maximum with 7 LSAP incentive points – please see below and enclosed Plan Set for details). The State Density Bonus Law provides that the base density used to calculate the affordable housing requirements do not include any bonus units under the State Density Bonus Law.<sup>2</sup> Because the Project provides 24% of its base density units as lower income units, the Project qualifies for a mandatory density bonus of up to 50%.<sup>3</sup>

| Base Maximum (per LSAP)                            | 54 du/acre  |
|--|---|
| LSAP Incentive Points                              | 7 du/acre   |
| <ul> <li>Below Grade Parking – 7 points</li> </ul> |   |
| Base + 7 Incentive Points Maximum                  | 61 du/acre  |
| Total Base Maximum Units                           | $61 \times 1.887 \text{ acres} = 116 \text{ units}^4$ |
| Lower Income Units Required for 50% Bonus          | 24% x 116 units = 27.84 rounded to 28 units           |
| Maximum Units w/ 50% Density Bonus                 | 116  units + 50% = 174  total permitted units         |
| Total Units Proposed                               | 174, consistent with 174 unit maximum                 |

# 2. Up to Three Mandatory Concessions or Incentives – Three Identified

Because the Project provides 24% of its base density units as lower income units, it is eligible for up to three (3) mandatory concessions or incentives.<sup>5</sup> A concession is defined to include "approval of mixed-use zoning in conjunction with the housing project if commercial, office, industrial or other land uses will reduce the cost of the housing development." It is also defined to include, among other things, "reduction in site development standards or a modification of zoning code requirements or architectural design requirements," including a reduction in setbacks and square footage requirements, and "[o]ther regulatory incentives or concessions proposed by the developer or the city, county, or city and county that result in identifiable and actual cost reductions to provide for affordable housing costs."<sup>6</sup>, SKS has identified three concessions or incentives at this time.

<sup>&</sup>lt;sup>2</sup> Gov. Code Section 65915(b)(3).

<sup>&</sup>lt;sup>3</sup> Gov. Code Section 65915(b)(1)(A), (f)(1).

<sup>&</sup>lt;sup>4</sup> 61 x 1.887 acres = 115.107, which is rounded up to 116 pursuant to Gov. Code Section 65915(q), which specifies that "each component of any density calculation...resulting in fractional units shall be separately rounded up to the next whole number."

<sup>&</sup>lt;sup>5</sup> Gov. Code Section 65915(d)(2)(C).

<sup>&</sup>lt;sup>6</sup> Gov. Code Section 65915(k).

<sup>&</sup>lt;sup>7</sup> Pursuant to Gov. Code Section 65915(d)(4), "the city...shall bear the burden of proof for the denial of a requested concession or incentive." Further, the City cannot require a pro forma or other study from the applicant, beyond reasonable documentation to establish eligibility. (Gov. Code 65915(a)(2)).

# Incentives:

3) Exceed Maximum Office Floor Area Ratio by 23%

SKS has identified a need to exceed the 150% maximum Floor Area Ratio (FAR) provided in the recently amended Lawrence Station Area Plan for projects zoned MXD-I/S, <sup>8</sup> by 23% (for a total of 173%. Please see Sheet G.A.007 for FAR calculation details.

For this mixed-use project, the conjunction of commercial office with housing reduces the cost of housing. The office component yields higher returns than the residential component, and when combined, makes the overall project financially feasible. It is clear that the State has recognized this fact, given that as noted above, one of the specific incentives provided for in Govt. Code Section 65915(k) is to allow mixed-use zoning on a property. Furthermore, the additional office square footage results in identifiable and actual cost reductions for both the affordable and market rate units. Feasible and marketable office area is critical to the economic health of the project and ensures a high-density project can be built, consistent with the Lawrence Station Area Plan and the City's Housing Element. The Bay Area has the highest multi-family construction costs in the state, rising 119% between 2008 and 2018, compared to 25% statewide. In 2019 The Bay Area was ranked the third most expensive region to build in the world, behind only Tokyo and Hong Kong, and construction costs escalated 15% in 2021. Given the high, and ever-rising, costs of developing multi-family housing, the revenue from the office component will help to secure commercially reasonable financing and subsidize the construction of housing units.

The specific amount of office requested is a result of building layout and construction efficiencies. Given site constraints, such as setbacks and fire access, and required functional ground floor services, 150% FAR would limit the office area to two and a half building levels. The result is a split third level, with both office and residential uses. The most cost-efficient way to construct housing over an office is to build units with a wood stud structural system (Type V or Type III). In the scenario of a split level, the units on the third level would be built in the more robust and costly system of the office, most likely concrete and metal studs (Type I), *increasing* the already high cost of the housing, contrary to the intent of the State Density Bonus Law. <sup>12</sup> Structural and constructability factors would warrant a full third level concrete slab, similar to lower building levels. Further, the California Building Code would require these units to have higher fire ratings than the upper levels and the third level would need an additional vertical fire separation between the office and residential portions. Additionally, a small handful of units would need to be built in

<sup>&</sup>lt;sup>8</sup> City of Sunnyvale, Ordinance No. 3181-21, Section 19.35.060, Table 19.35.060.

<sup>&</sup>lt;sup>9</sup> "The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California" Terner Center for Housing Innovation UC Berkeley March 2020.

<sup>&</sup>lt;sup>10</sup> See <a href="https://www.mercurynews.com/2021/07/26/bay-area-tops-list-as-one-of-the-worlds-most-expensive-regions-to-build/">https://www.mercurynews.com/2021/07/26/bay-area-tops-list-as-one-of-the-worlds-most-expensive-regions-to-build/</a>

<sup>11</sup> Engineering News-Records Building Cost Index

<sup>&</sup>lt;sup>12</sup> "The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California" Terner Center for Housing Innovation UC Berkeley March 2020.

a different system from the rest, requiring separate building trades. For these reasons, construction costs of the residential units would rise, and any economic benefits captured from the half level of office would be eliminated by added costs. To offset this impact, the project would need to remove the third split level, limiting the office to two full levels, *and reducing affordable units*.

In addition to the proposed office area directly reducing housing costs, the economic benefits also enable higher quality spaces. They allow more flexibility and creativity to provide terraced open spaces and courtyards, giving both office and residential tenants higher access to fresh air and sunlight. The proposed office space also enables a wider range of architectural expression and higher quality materials. Overall, the project will be better positioned to deliver a dense mixed-use project and help Sunnyvale meet its housing goals, with a higher FAR.

# 2) No Development Agreement

The LSAP purports to require a Development agreement ("DA") for projects that propose FAR above the 35% office base maximum through the LSAP incentive program. However, we note that a DA is a fully voluntary contract, and a jurisdiction may not *require* an applicant to enter into one. While SKS has been voluntarily negotiating the potential terms of a DA in good faith with City staff for approximately a year, on March 30<sup>th</sup> the City relayed a "best offer" for the Project's community benefit contribution that would make the Project financially infeasible for SKS, in part because the offer fails to provide credit for significant contributions SKS is making, including 60% more affordable housing than the LSAP requires. Accordingly, SKS has decided not to pursue a Development Agreement. The City did not ever issue SKS an invoice for the associated \$7,313 fee and SKS never submitted (nor does the City have) an application form for a DA. However, to the extent the City does consider SKS to have formally applied for a Development Agreement, we hereby revoke that application/request.

As explained above in relation to the Project's first incentive request, the revenue from the office component will help to secure commercially reasonable financing and subsidize the construction of housing units. In order to achieve a rate of return that makes the Project economically feasible, the Project cannot also pay an additional over \$5 Million<sup>16</sup> in an "over and above" contribution that outweighs the incentive provided to the Project by allowing the office space. Not entering into a Development Agreement will also directly reduce entitlement costs for the Project, by avoiding the need for any hearings at City Council (without a Development Agreement the Project will only be required to proceed to Planning Commission), the \$7,313 Development Agreement processing fee, and the assessment of any further fees for staff and legal time (in addition to our own fees) in a protracted negotiation process.

<sup>&</sup>lt;sup>13</sup> LSAP pages ES.3, ES.5, 3.10.

<sup>&</sup>lt;sup>14</sup> Gov. Code Section 65865.

<sup>&</sup>lt;sup>15</sup> The LSAP requires 15% affordable housing, whereas the Project is providing 24%.

<sup>&</sup>lt;sup>16</sup> This total includes both this project and 1170 Sonora Court. While they are separate projects, they are being entitled and evaluated at the same time as related projects, and, at this stage, have integrated financial aspects.

3) Extend Two-Year Entitlement Expiration (With One-Year Potential Extension) to Five Years (With 1-Year Potential Extension) for Total of Six Years

At this time, the City's Zoning Code specifies that a Major Special Development Permit expires in two years, with a potential discretionary one-year extension. In order to maintain the certainty that it may accomplish the construction of the large and complicated Project (which SKS is losing due to the stalling of its voluntary Development Agreement), SKS hereby requests an incentive to extend the life of its Major Special Development Permit to 5 years, with a potential discretionary 1-year extension (for a total of 6 years as opposed to 3 years).

Automatically extending the life of the Major Special Development Permit will result in actual and identifiable costs reductions for the Project because it will avoid the need for SKS to go through a process to obtain a discretionary one-year extension, which process has associated processing costs. And, most importantly, an extended life to the entitlement would mitigate the risk of raising additional capital, and spending additional time, to re-entitle the project if the City does not decide to issue a discretionary extension, all of which increases the cost of housing. In the current economic environment, Including the highest inflation in forty years and large bank failures, longer approvals are critical to securing construction financing.

### 3. Waivers – Three Identified

In addition to a limited number of concessions/incentives, the State Density Bonus Law specifies that a project is entitled to a waiver from "any development standard that will have the effect of physically precluding the construction of a development . . . at the densities or with the concessions or incentives permitted by this section." Waivers are separate from and additional to concessions/incentives, are unlimited, and approval is mandatory if the standard would preclude development of the Project at its permitted density and with its incentives/concessions incorporated. SKS has identified the need for three waivers, as follows:

## 1) Landscape frontage strip

The Zoning Code requires a 15' wide landscaped frontage strip from the inside of a public sidewalk. The requirement to preserve the redwood trees fronting Sonora Court, and the need to locate the public sidewalk behind them, prevents the Project from meeting this requirement. The Project is in a somewhat unique position relative to other sites to which this requirement would apply, and strict compliance would negatively impact the project. As a result of the redwood trees, the proposed sidewalk on Sonora Court is already set back 25' and the building is set back 35' from the curb. Requiring the 15' landscaped frontage strip behind the proposed sidewalk would result in a front setback of 46', which would reduce the Project's density, precluding it from being constructed at its permitted densities and qualifying it for a waiver from this requirement.

<sup>&</sup>lt;sup>17</sup> Gov. Code Section 65915(e)(1).

<sup>&</sup>lt;sup>18</sup> Zoning Code Section 19.37.040(c).

The proposed design includes 25' of landscaping between the curb and sidewalk, and a 4' planting strip between the sidewalk and building façade. SKS believes preserving the redwood trees and incorporating appropriate landscaping features is still in line with the City's goals. The proposed design is illustrated below:



#### 2) Solid waste and recycling management

The Zoning Code requires that solid waste enclosures be located within 150 feet by path of travel from any dwelling unit or commercial business. However, the proposed vertical mixed-use development combines both residential and office uses, and strictly meeting the requirement would greatly impact the usability of the office space. This would not only be detrimental to the project, but also to future office tenants who want to locate their business in Sunnyvale. Further, strict compliance with the requirement would reduce the Project's density, as residential units would need to be lost in order to provide an additional chute or chutes. Accordingly, the Project qualifies for a waiver from this requirement. We note that relatively few residential units are out of compliance with the requirement, and the furthest distance for units is 230 feet.

SKS hereby reserves the right to identify any further necessary modifications or waivers through the City's application review and approval process.

#### 3) Reduce minimum landscape area

The Zoning Code requires a minimum of 20% landscaped area. SKS requires a waiver from this requirement because the project is providing a public sidewalk within the project lot area, which takes up land that would otherwise be planted and counted as landscaped area. This is necessary

<sup>&</sup>lt;sup>19</sup> Zoning Code Section 19.38.030(e)(1)(K).

<sup>&</sup>lt;sup>20</sup> Zoning Code Section 19.25.090.

to preserve the mature redwood trees lining Sonora Court, and to provide a safe and accessible sidewalk for the public.

Due to the sidewalk being located within the lot, the project does not provide the required landscaped area (it is short on decorative stone and provides 18.59% overall – please see detail below), and in order to do so it would need to reduce its residential density, qualifying it for a waiver pursuant to the State Density Bonus Law. Nonetheless, the project is still within the 80% maximum lot coverage. In addition, it provides 25' of frontage landscaping that includes the redwood trees and a variety of other vegetated areas on site, as well as low landscaping within the emergency vehicle access area which will be available unless there is a serious emergency.

| ITEM                          | REQUIREMEN | IT (sf)   | PRO    | PROPOSED (sf) |       |  |
|-------------------------------|------------|-----------|--------|---------------|-------|--|
| PLANTING                      | 0.70 MIN.  | 11,470.62 | 15.15% | 12,415        | 81,5% |  |
|                               |            |           |        |               |       |  |
| DECORATIVE STONE ON GRADE     | 0.70.1417  | 4.045.00  | 2.85%  | 2,339         | 18.0% |  |
| DECORATIVE STONE ON STRUCTURE | 0.30 MAX.  | 4,915.98  | 0.59%  | 481           | 18,0% |  |
| TOTAL                         | 20% MIN.   | 16,386.60 | 18.59% | 15,235        | 100%  |  |

#### 4. Mandatory Maximum Residential Parking Standards

Pursuant to the State Density Bonus Law, the Project has the right to meet mandatory maximum residential parking standards under the State Density Bonus law of no more than: 0.5 spaces per unit, because it provides at least 20 percent lower income units (19% low income, 5% very low income); and is within 1/2 mile of a major transit stop with unobstructed access.<sup>21</sup>

However, the Project is not applying for a parking reduction under the State Density Bonus Law. Rather, SKS hereby applies under AB 2097, which became effective on January 1, 2023. <sup>22</sup> We have been unable to locate a City form to assert the Project's qualification under AB 2097, and are therefore including this statement regarding qualification here. Under AB 2097, the City may not impose minimum automobile parking requirements for residential and commercial uses

<sup>&</sup>lt;sup>21</sup> Gov. Code Section 65915(p)(2).

<sup>&</sup>lt;sup>22</sup> Bill Text - AB-2097 Residential, commercial, or other development types: parking requirements. (ca.gov)

Aastha Vashist June 30, 2023 Page 8

for projects within 1/2 mile of a major transit stop, and the Project qualifies.<sup>23</sup> Accordingly, the Project is not required to provide parking, but will voluntarily provide 254 parking spaces.

Thank you for your attention to this matter, we look forward to working with the City on bringing this project to fruition.

Sincerely yours,

HOLLAND & KNIGHT LLP

Tamsen Plume Genna Yarkin

<sup>&</sup>lt;sup>23</sup> Gov. Code Section 65863.2(a), (e)(5).

## Holland & Knight

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July 11, 2023

Shawn Danino
California Department of Housing and
Community Development

Re: Stakeholder Comments on the Sunnyvale Housing Element and Errata – SKS

**Partners** 

#### Dear Shawn:

We represent SKS Partners ("SKS") in connection with two pending applications for the 1154 Sonora Court Project and the 1170 Sonora Court Project (together, the "Projects"), located within the area governed by the Lawrence Station Area Plan (the "LSAP")<sup>1</sup> in Sunnyvale (the "City"). On behalf of SKS, we hereby submit the enclosed comments in response to the City's 2023-2031 Housing Element Update, including the draft the City submitted on May 24th, and the Errata Sheet that the City most recently published on June 30, 2023.<sup>2</sup> We understand that the California Department of Housing and Community Development ("HCD") prefers that the public provide comments during the first 30 days of its review of a Housing Element where possible, but we hope that these comments are still helpful at this later date, especially in light of the recent Errata. We may also submit a request for technical guidance to HCD as it pertains to this matter.

#### Projects and Procedural Background

As currently proposed, the 1154 Sonora Court Project would contain 174 multifamily residential units (including 28 low income units) and 142,270 square feet of office space, and the 1170 Sonora Court Project would contain 107 multifamily residential units (including 18 low income units) and 79,211 square feet of office space. Because the Projects do not provide at least 2/3 residential square footage, the Projects do not qualify for the protections of the Housing Accountability Act. However, both Projects have been designed to meet the requirements of the LSAP, as well as the City's Vision Zero Plan, Climate Action Playbook, and the General Plan.

<sup>&</sup>lt;sup>1</sup> Available at: <a href="https://www.sunnyvale.ca.gov/business-and-development/projects-in-sunnyvale/long-range-planning-initiatives/lawrence-station-area-plan">https://www.sunnyvale.ca.gov/business-and-development/projects-in-sunnyvale/long-range-planning-initiatives/lawrence-station-area-plan</a>.

<sup>&</sup>lt;sup>2</sup> Available at: https://www.sunnyvale.ca.gov/home/showpublisheddocument/4577/638237288729500000.

Shawn Danino July 11, 2023 Page 2

The Projects also provide 24% low income housing units (as applied to the maximum base density), and therefore qualify for the benefits of the State Density Bonus Law. An essential part of the Projects' State Density Bonus Law approach is an incentive request to exceed the LSAP's overall maximum office Floor Area Ratio ("FAR") of 150%, by 23% for the 1154 Sonora Court Project and 17% for the 1170 Sonora Court Project. The office component yields higher returns than the residential component, and when combined, makes the Projects financially feasible. The rentable, marketable office floor area is critical to the economic health of the Projects and ensures a high-density product can be built, including the Project's affordable units. Please see the enclosed State Density Bonus Law applications provided as Exhibit A and Exhibit B to this letter for further details regarding the Projects' current requests.

As revised in 2021, the LSAP purports to require a Development Agreement ("DA") for projects that propose an FAR above the 35% office base maximum (up to an absolute maximum of 150% as expressed above). However, the Project is entitled to and has requested a State Density Bonus Law incentive/concession to exceed the FAR. Further, as we have previously discussed with the City, a DA is a fully voluntary contract that cannot be *required* by a jurisdiction. <sup>4</sup>

While SKS voluntarily negotiated the terms of a DA with the City for more than a year in good faith (during which time the City cancelled multiple meetings, further extending the Projects' review time), on March 30 of this year the City abruptly announced a "final offer" (in the absence of any previous offers) for a community benefit contribution amount that would make the Projects financially infeasible in combination with the City's already high development impact fees (including its park in-lieu fee which HCD previously advised that the City must analyze more deeply in its Housing Element as a significant impediment to providing housing).

Thus after two full years of working on the Projects and meeting with the City, SKS was presented with a potentially insurmountable barrier to bringing much-needed housing to this community, on sites that are ideal for housing and would assist the City in meetings its RHNA obligations. Both Projects are accounted for in the Housing Element as inventory sites on which projects are currently "proposed," with the following assumptions:

<sup>&</sup>lt;sup>3</sup> LSAP pages ES.3, ES.5, 3.10.

<sup>&</sup>lt;sup>4</sup> Govt. Code Section 65865.

<sup>&</sup>lt;sup>5</sup> Housing Element Table 5-8 on page 5-30.

| Assessor                  | Address        | Size             | General Plan             | Zoning  | Maximum | Maximum              | Realistic            | Tier | Redevelop          | op-            |                           | <u>Inventoried Units</u>     |                                       |  |
|---------------------------|----------------|------------------|--------------------------|---------|---------|----------------------|----------------------|------|--------------------|----------------|---------------------------|------------------------------|---------------------------------------|--|
| Parcel<br>Number<br>(APN) |                | (Gross<br>Acres) | Land Use<br>Designation  |         |         | Potential<br>Units 1 | Density <sup>2</sup> |      | ment<br>Likelihood | Total<br>Units | Lower-<br>Income<br>Units | Moderate<br>-Income<br>Units | Above<br>Moderate<br>-Income<br>Units |  |
| 20550014                  | 1170 Sonora Ct | 1.09             | TRANSIT MIXED USE (TMIX) | MXD-I/S | 80      | 87                   | 76                   | 1    | 100%               | 83             | <u>50</u>                 | 12                           | 21                                    |  |
| 20550016                  | 1154 Sonora Ct | 1.89             | TRANSIT MIXED USE (TMIX) | MXD-I/S | 80      | <u>151</u>           | <u>76</u>            | 1    | 100%               | 144            | 86                        | 22                           | 36                                    |  |

To ensure the continued feasibility of the Projects, SKS has added a concession/incentive request to each State Density Bonus Law application to eliminate the purported requirement for a DA.<sup>7</sup> It appears from follow up conversations with the City that staff may oppose this request.

The following provides more detailed information about the Projects' review timeline:

- July 1, 2021: Informal introductory meeting with the Planning Department
- July 17, 2021: Informal introductory meeting with the Fire Department
- August 20, 2021: Follow up meeting with the Planning Department
- September 7, 2021: SKS submitted preliminary informal application for the Projects
- October 27, 2021: Planning comments on preliminary application
- March 16, 2022: Meeting with Planning
- April 13, 2022: Meeting with Planning re State Density Bonus Law approach and requests
- April 22, 2022: Planning Submittal Formal Application #1
- June 1, 2022: Planning comments Formal application #1
- June 22, 2022: Meeting with Planning re Development Agreement
- July 12, 2022: Staff cancelled Development Agreement meeting
- July 14, 2022: Meeting with Planning and Waste Management
- July 21, 2022: Meeting with Planning
- July 27, 2022: Meeting with Planning re Development Agreement
- August 8, 2022: Meeting with Planning re Development Agreement
- August 15, 2022: Meeting with Planning
- August 25, 2022: Staff cancelled Development Agreement meeting
- September 6, 2022: Meeting with Planning
- September 8, 2022: Meeting with Planning regarding Development Agreement
- September 21, 2022: SKS inquired about Local Transportation Analysis ("LTA")
- September 22, 2022: Staff cancelled Development Agreement meeting
- October 7, 2022: Planning Submittal Formal Application #2

<sup>&</sup>lt;sup>6</sup> Housing Element Table 5-9 on page 5-35.

<sup>&</sup>lt;sup>7</sup> A DA is a negotiated contract that "<u>may</u>" be entered into. Govt. Code Section 65865. The nature of a DA as a voluntary, negotiated agreement means that the City is not permitted to mandate an applicant enter into a DA. Nonetheless, SKS has made an incentive request to ensure the Projects can exceed the applicable FAR maximum without a DA.

- October 18, 2022: Meeting with Planning re Development Agreement
- October 31, 2022: Staff cancelled Development Agreement meeting
- November 4, 2022: Planning comments Formal application #2
- November 8, 2022: Meeting with Planning re Development Agreement
- November 30, 2022: Meeting with Planning regarding Development Agreement
- December 5, 2022: Meeting with Public Works
- December 13, 2022: Meeting with Planning
- December 14, 2022: Meeting with Planning re Development Agreement
- December 16, 2022: SKS inquires again about beginning LTA
- January 12, 2023: SKS inquires again about beginning LTA
- January 13, 2023: Planning Submittal Formal Application #3
- January 24, 2023 Staff cancelled Development Agreement meeting
- February 2, 2023: Meeting with Planning re Development Agreement
- February 9, 2023: SKS inquires again about beginning LTA
- February 15, 2023: Planning comments Formal application #3
- February 22, 2023: SKS holds community meeting regarding the Projects
- February 27, 2023: Planning Commission Study Session (positive feedback)
- March 29, 2023: LTA consultant fee paid and received by City
- March 30, 2023: Planning abruptly emails a "best offer" for the Project's community benefit contribution that would make the Projects financially infeasible for SKS, in part because it failed to give any credit for significant contributions that SKS would be making, including 60% more affordable housing than the LSAP requires<sup>8</sup>
- April 26, 2023: SKS formally rescinds request for Development Agreement, amends State Density Bonus Law requests to include an incentive/concession for each project to avoid a DA
- May 1, 2023: LTA finally begins almost 6 months after SKS inquired
- May 12, 2023: Planning Submittal Formal Application #4, including revisions to address Planning Commission feedback
- May 24, 2023: Sunnyvale submits draft Housing Element to HCD, including the above-listed assumptions for development on the Properties
- June 13, 2023: Planning comments Formal Application #4
- June 30, 2023: Sunnyvale publishes Errata to the Housing Element

#### Comments/Requests

Given the history of the Projects thus far, SKS remains deeply concerned about its ability to achieve approval of the Projects without HCD intervention, and in a timely enough manner to maintain the Projects' economic feasibility. SKS shares this concern as it relates to other projects in the LSAP area, which the Housing Element relies on to achieve its RHNA goals. SKS is also concerned about the assumptions the City has made with regard to these Properties in the site

<sup>&</sup>lt;sup>8</sup> The LSAP requires 15% of base maximum be affordable, whereas the Projects each provide 24%.

inventory, which issues likely carry over to other sites. We would therefore like HCD to consider the following in its review of the Housing Element and Errata:

- The Housing Element's inventory assumptions for the Properties are unrealistic and not based on the Projects proposed with applications pending. The inventory assumes that of 227 total units on the Properties (SKS proposes a total of 281), 136 would be low income (SKS proposes 46 low income), 34 would be moderate income (SKS does not propose any), and only 57 would be market rate or above moderate (SKS proposes 235). SKS is providing 24% of the base maximum units as on-site low income units, consistent with the City's regulations and the State Density Bonus Law. SKS is concerned that especially if other sites have similarly unrealistic assumptions for affordable unit counts, the City will be forced to make "no-net-loss" findings for these Properties and other sites pursuant to SB 166, even with a buffer.
- The LSAP process purports to require Development Agreements for any mixed use development that contains enough commercial use to make dense residential development economically feasible. The process of negotiating a Development Agreement with the City has been incredibly long and difficult, and eventually yielded an abrupt "final offer" (without any previous offers) that would make the Projects economically infeasible. Other projects may face this same significant barrier to producing housing, and this should be taken account of in the City's Housing Element.
- The City's process requires that it contract directly with consultants to prepare required environmental studies such as the Projects' LTA. SKS originally inquired about beginning the LTA in September, 2022 and followed up often thereafter. The LTA did not begin until May, 2023, and will take a significant amount of time to complete. This significantly impacts the Project's schedule. Other projects may face this same barrier to producing housing, and this should be taken account of in the City's Housing Element.
- The Housing Element assumes that there is a 100% chance of the Projects being constructed (see above chart with assumptions indicating 100% "redevelopment likelihood"). This does not reflect the significant barriers SKS has experienced and is continuing to experience.

Shawn Danino July 11, 2023 Page 6

Thank you for your consideration of this matter. We would be happy to discuss this further if desired.

Sincerely yours,

**HOLLAND & KNIGHT LLP** 

Tamsen Plume Genna Yarkin

Henry Jin

cc: Kent Steffens - City Manager

Connie Verceles - Deputy City Manager

Trudi Ryan - Community Development Director

George Schroeder - Principal Planner

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June 30, 2023

Aastha Vashist 456 W Olive Ave Sunnyvale, CA 94086

Re: 1170 Sonora Court Project – UPDATED State Density Bonus Law Application

#### Dear Aastha:

We represent SKS Partners ("SKS") in connection with its application for the 1170 Sonora Court Project (the "Project"), a mixed-use development at 1170 Sonora Court (the "Project Site") in Sunnyvale, California. The 1.088-acre Project Site is within the Lawrence Station Area and is currently developed with a single-story building and surface parking lot. The Project would redevelop the Project Site with a total of 107 multi-family residential rental units and 79,211 square feet of office space. Consistent with both the City's inclusionary housing requirements and the requirements of the State Density Bonus Law, 24% of the Project's base residential units (18 total units - see below for further details) would be provided at the lower income affordability level-consisting of 19% low income (14 units) and 5% very low income (4 units).

The purpose of this letter is to serve as SKS's application for certain rights under the State Density Bonus Law. Pursuant to the State Density Bonus Law and Zoning Code Chapter 19.18.025, because it will provide 24% of its base maximum units at the lower income affordability level, the Project is entitled to all of the following *separate* categories of incentives:

- (1) An up to 50% density bonus over the maximum allowed residential density<sup>1</sup>;
- (2) Up to three mandatory concessions or incentives (three identified see details below);
- (3) any required physical waivers of development standards to accommodate the Project (three identified- see details below); and
- (4) applicable mandatory maximum residential parking standards (not required due to SB 2907 see details below).

Details on each of the above categories is provided below:

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<sup>&</sup>lt;sup>1</sup> Gov. Code Section 95915(f); (o)(4).

#### 1. Up to 50% Density Bonus

The Project proposes 18 lower income units (24% of the base maximum with 11 LSAP incentive points applied - please see below and enclosed Plan Set for details). The State Density Bonus Law provides that the base density used to calculate the affordable housing requirements do not include any bonus units under the State Density Bonus Law.<sup>2</sup> Because the Project provides 24% of its base density units as lower income units, the Project qualifies for a mandatory density bonus of up to 50%.<sup>3</sup>

| Base Maximum (per LSAP)                            | 54 du/acre   |
|--|--|
| LSAP Incentive Points                              | 11 du/acre   |
| <ul> <li>Below grade parking - 7 points</li> </ul> |  |
| <ul> <li>Bike repair station - 2 points</li> </ul> |  |
| • Street furniture - 2 points                      |  |
| Total: 11 points                                   |  |
| Base + 11 Incentive Points Maximum                 | 65 du/acre   |
| Total Base Maximum Units                           | $65 \times 1.088 \text{ acres} = 71 \text{ units}^4$ |
| Lower Income Units Required for 50% Bonus          | 24% x 71 units = 18 <sup>5</sup>                     |
| Maximum Units w/ 50% Density Bonus                 | 71 units $+50\% = 107^6$ total permitted units       |
| Total Units Proposed                               | 107, consistent with 107 unit maximum                |

#### 2. Up to Three Mandatory Concessions or Incentives - Three Identified

Because the Project provides 24% of its base density units as lower income units, it is eligible for up to three (3) mandatory concessions or incentives. A concession is defined to include "approval of mixed-use zoning in conjunction with the housing project if commercial, office, industrial or other land uses will reduce the cost of the housing development." It is also defined to include, among other things, "reduction in site development standards or a modification of zoning code requirements or architectural design requirements," including a reduction in setbacks and square footage requirements, and "[o]ther regulatory incentives or concessions proposed by the developer or the city, county, or city and county that result in identifiable and actual cost reductions to provide

<sup>&</sup>lt;sup>2</sup> Gov. Code Section 65915(b)(3).

<sup>&</sup>lt;sup>3</sup> Gov. Code Section 65915(b)(1)(A), (f)(1).

<sup>&</sup>lt;sup>4</sup> 65 x 1.008 acres = 70.72, which is rounded up to 71 pursuant to Gov. Code Section 65915(q), which specifies that "each component of any density calculation...resulting in fractional units shall be separately rounded up to the next whole number."

 $<sup>^{5}</sup>$  .24 x 71 = 17.04, rounded up to 18 pursuant to Gov. Code Section 65915(q).

 $<sup>^{6}</sup>$  71 + 50% = 106.5, rounded up to 107 pursuant to Gov. Code Section 65915(q).

<sup>&</sup>lt;sup>7</sup> Gov. Code Section 65915(d)(2)(C).

Aastha Vashist June 30, 2023 Page 3

for affordable housing costs."<sup>8</sup>, <sup>9</sup> SKS has identified three concessions or incentives at this time.

#### Incentives:

1) Exceed Maximum Office Floor Area Ratio by 17%

SKS has identified a need to exceed the 150% maximum office Floor Area Ration (FAR) provided in the recently amended Lawrence Station Area Plan for projects zoned MXD-I/S, <sup>10</sup> by 17% (for a total of 167%). Please see Sheet G.B.008 for FAR calculation details.

For this mixed-use project, the conjunction of commercial office with housing reduces the cost of housing. The office component yields higher returns than the residential component, and when combined, makes the overall project financially feasible. It is clear that the State has recognized this fact, given that as noted above, one of the specific incentives provided for in Govt. Code Section 65915(k) is to allow mixed-use zoning on a property. Furthermore, the additional office square footage results in identifiable and actual cost reductions for both the affordable and market rate units. The rentable, marketable office floor area is critical to the economic health of the project and ensures a high-density project can be built, consistent with the Lawrence Station Area Plan and the City's Housing Element. The Bay Area has the highest multi-family construction costs in the state, rising 119% between 2008 and 2018, compared to 25% statewide<sup>11</sup>. In 2019 The Bay Area was ranked the third most expensive region to build in the world, behind only Tokyo and Hong Kong,<sup>12</sup> and construction costs escalated 15% in 2021.<sup>13</sup> Given the high, and ever-rising, costs of developing multi-family housing, the revenue from the office component will help to secure commercially reasonable financing and subsidize the construction of housing units.

The specific amount of office requested is a result of building layout and construction efficiencies. Given site constraints, such as setbacks and fire access, and required functional ground floor services, 150% FAR would limit the office area to two and a half building levels. The result is a split third level, with both office and residential uses. The most cost-efficient way to construct housing over an office is to build units with a wood stud structural system (Type V or Type III). In the scenario of a split level, the units on the third level would be built in the more robust and costly system of the office, most likely concrete and metal studs (Type I), *increasing* the already

<sup>&</sup>lt;sup>8</sup> Gov. Code Section 65915(k).

<sup>&</sup>lt;sup>9</sup> Pursuant to Gov. Code Section 65915(d)(4), "the city...shall bear the burden of proof for the denial of a requested concession or incentive." Further, the City cannot require a pro forma or other study from the applicant, beyond reasonable documentation to establish eligibility. (Gov. Code 65915(a)(2)).

<sup>&</sup>lt;sup>10</sup> City of Sunnyvale, Ordinance No. 3181-21, Section 19.35.060, Table 19.35.060.

<sup>&</sup>lt;sup>11</sup> "The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in Californis" Terner Center for Housing Innovation UC Berkeley March 2020."

<sup>&</sup>lt;sup>12</sup> See <a href="https://www.mercurynews.com/2021/07/26/bay-area-tops-list-as-one-of-the-worlds-most-expensive-regions-to-build/">https://www.mercurynews.com/2021/07/26/bay-area-tops-list-as-one-of-the-worlds-most-expensive-regions-to-build/</a>.

<sup>&</sup>lt;sup>13</sup> Engineering News-Records Building Cost Index.

high cost of the housing, contrary to the intent of the State Density Bonus Law. <sup>14</sup> Structural and constructability factors would warrant a full third level concrete slab, similar to lower building levels. The California Building Code would require these units to have higher fire ratings than the upper levels and the third level would need an additional vertical fire separation between the office and residential portions. Additionally, a small handful of units would need to be built in a different system from the rest, requiring separate building trades. For these reasons, construction costs of the residential units would rise, and any economic benefits captured from the half level of office would be eliminated by added costs. To offset this impact, the project would need to remove the third split level, limiting the office to two full levels, *and reducing affordable units*.

In addition to the proposed office area directly reducing housing costs, the economic benefits also enable higher quality spaces. They allow more flexibility and creativity to provide terraced open spaces and courtyards, giving both office and residential tenants higher access to fresh air and sunlight. The proposed office space also enables a wider range of architectural expression and higher quality materials. Overall, the project will be better positioned to deliver a dense mixed-use project and help Sunnyvale meet its housing goals, with a higher FAR.

#### 2) No Development Agreement

The LSAP purports to require a Development agreement ("DA") for projects that propose FAR above the 35% office base maximum through the LSAP incentive program. However, we note that a DA is a fully voluntary contract, and a jurisdiction may not *require* an applicant to enter into one. However, we have the SKS has been voluntarily negotiating the potential terms of a DA in good faith with City staff for approximately a year, on March 30th the City relayed a "best offer" for the Project's community benefit contribution that would make the Project financially infeasible for SKS, in part because the offer fails to provide credit for significant contributions SKS is making, including 60% more affordable housing than the LSAP requires. Accordingly, SKS has decided not to pursue a Development Agreement. The City did not ever issue SKS an invoice for the associated \$7,313 fee and SKS never submitted (nor does the City have) an application form for a DA. However, to the extent the City does consider SKS to have formally applied for a Development Agreement, we hereby revoke that application/request.

As explained above in relation to the Project's first incentive request, the revenue from the office component will help to secure commercially reasonable financing and subsidize the construction of housing units. In order to achieve a rate of return that makes the Project economically feasible, the Project cannot also pay an additional over \$5 Million in an "over and above" contribution<sup>18</sup>

<sup>&</sup>lt;sup>14</sup> "The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California" Terner Center for Housing Innovation UC Berkeley March 2020.

<sup>&</sup>lt;sup>15</sup> LSAP pages ES.3, ES.5, 3.10.

<sup>&</sup>lt;sup>16</sup> Gov. Code Section 65865.

<sup>&</sup>lt;sup>17</sup> The LSAP requires 15% affordable housing, whereas the Project is providing 24%.

<sup>&</sup>lt;sup>18</sup> This total includes both this project and 1154 Sonora Court. While they are separate projects, they are being entitled and evaluated at the same time as related projects, and, at this stage, have integrated financial aspects.

that outweighs the incentive provided to the Project by allowing the office space. This will also directly reduce entitlement costs for the Project, by avoiding the need for any hearings at City Council (without a Development Agreement the Project will only be required to proceed to Planning Commission), the \$7,313 Development Agreement processing fee, and the assessment of any further fees for staff and legal time (in additional to our fees) in a protracted negotiation process.

3) Extend Two-Year Entitlement Expiration (With One-Year Potential Extension) to Five Years (With 1-Year Potential Extension) for Total of Six Years

At this time, the City's Zoning Code specifies that a Major Special Development Permit expires in two years, with a potential discretionary one-year extension. In order to maintain the certainty that it may accomplish the construction of the large and complicated Project (which SKS is losing due to the stalling of its voluntary Development Agreement), SKS hereby requests an incentive to extend the life of its Major Special Development Permit to 5 years, with a potential discretionary 1-year extension (for a total of 6 years as opposed to 3 years).

Automatically extending the life of the Major Special Development Permit will result in actual and identifiable costs reductions for the Project because it will avoid the need for SKS to go through a process to obtain a discretionary one-year extension, which process has associated processing costs. And, most importantly, an extended life to the entitlements would mitigate the risk of raising additional capital, and spending additional time, to re-entitle the project if the City does not decide to issue a discretionary extension, all of which increases the cost of housing. In the current economic environment, including the highest inflation in forty years and large bank failures, longer approvals are critical to securing construction financing.

#### 3. Waivers – Three Identified

In addition to a limited number of concessions/incentives, the State Density Bonus Law specifies that a project is entitled to a waiver from "any development standard that will have the effect of physically precluding the construction of a development . . . at the densities or with the concessions or incentives permitted by this section." Waivers are separate from and additional to concessions/incentives, are unlimited, and approval is mandatory if the standard would preclude development of the Project at its permitted density and with its incentives/concessions incorporated. SKS has identified the need for three waivers, as follows:

#### 1) Landscape frontage strip

The Zoning Code requires a 15' wide landscaped frontage strip from the inside of a public sidewalk.<sup>20</sup> The requirement to preserve the redwood trees fronting Sonora Court, and the need to

<sup>&</sup>lt;sup>19</sup> Gov. Code Section 65915(e)(1).

<sup>&</sup>lt;sup>20</sup> Zoning Code Section 19.37.040(c).

locate the public sidewalk behind them, prevents the Project from meeting this requirement. The Project is in a somewhat unique position relative to other sites to which this requirement would apply, and strict compliance would negatively impact the project. As a result of the redwood trees, the proposed sidewalk on Sonora Court is already set back 25' and the building is set back 35' from the curb. Requiring the 15' landscaped frontage strip behind the proposed sidewalk would result in a front setback of 46', which would reduce the Project's density, precluding it from being constructed at its permitted densities and qualifying it for a waiver from this requirement.

The proposed design includes 25' of landscaping between the curb and sidewalk, and a 4' planting strip between the sidewalk and building façade. SKS believes preserving the redwood trees and incorporating appropriate landscaping features is still in line with the City's goals. The proposed design is illustrated below:



#### 2) Solid waste and recycling management

The Zoning Code requires that solid waste enclosures be located within 150 feet by path of travel from any dwelling unit or commercial business. However, the proposed vertical mixed-use development combines both residential and office uses, and strictly meeting the requirement would greatly impact the usability of the office space. This would not only be detrimental to the project, but also to future office tenants who want to locate their business in Sunnyvale. Further, strict compliance with the requirement would reduce the Project's density, as residential units would need to be lost in order to provide an additional chute or chutes. Accordingly, the Project qualifies for a waiver from this requirement. We note that relatively few residential units are out of compliance with the requirement, and the furthest distance for units is 240 feet.

<sup>&</sup>lt;sup>21</sup> Zoning Code Section 19.38.030(e)(1)(K).

#### 3) Reduce minimum landscape area

The Zoning Code requires a minimum of 20% landscaped area. SKS requires a waiver from this requirement because of two important considerations. First, the project is providing a public sidewalk within the project lot area, which takes up land that would otherwise be planted and counted as landscaped area. This is necessary to preserve the mature redwood trees lining Sonora Court, and to provide a safe and accessible sidewalk for the public. Second, the project is also providing a hardscaped public access path to the Caltrain station within the lot area. Public transportation ridership and area connectivity are key goals of the LSAP and the city. The path connection serves an important purpose by making the station more identifiable, accessible, and convenient for pedestrians and bicyclists. Again, this is a paved path within the lot that would otherwise be counted as landscaped area.

Due to the sidewalk and Caltrain access path being located within the lot, the project does not provide the required landscaped area (it is low on planted area but provides 19.54% overall, please see details below), and in order to do so it would need to reduce its residential density, qualifying it for a waiver pursuant to the State Density Bonus Law. Nonetheless, the project is still within the 80% maximum lot coverage. In addition, it provides 25' of frontage landscaping that includes the redwood trees and a variety of other vegetated areas on site.

| LANDSCAPE AREA CALCULATIONS (SMC | 19.12.130)  |          |        |             |       |
|----------------------------------|-------------|----------|--------|-------------|-------|
| ITEM                             | REQUIREMEN' | T (sf)   | PRO    | DPOSED (sf) | %     |
| PLANTING                         | 0.70 MIN.   | 6,635.72 | 8.57%  | 4,062       | 43.9% |
| DECORATIVE STONE ON GRADE        | 0.30 MAX.   | 2,843.88 | 8.18%  | 3,877       | 56.1% |
| DECORATIVE STONE ON STRUCTURE    | 0.30 MAX.   | 2,043.86 | 2.79%  | 1,324       | 30.1% |
| TOTAL                            | 20% MIN.    | 9,479.60 | 19.54% | 9,263       | 100%  |
| SITE AREA:                       | 100%        | 47,398   |        |             |       |

SKS hereby reserves the right to identify any further necessary modifications or waivers through the City's application review and approval process.

#### 4. Mandatory Maximum Residential Parking Standards

Pursuant to the State Density Bonus Law, the Project has the right to meet mandatory maximum residential parking standards of no more than: 0.5 spaces per unit, because it provides at least 20

<sup>&</sup>lt;sup>22</sup> Zoning Code Section 19.25.090.

Aastha Vashist June 30, 2023 Page 8

percent lower income units (19% low income, 5% very low income); and is within 1/2 mile of a major transit stop with unobstructed access.<sup>23</sup>

However, the Project is not applying for a parking reduction under the State Density Bonus Law. Rather, SKS hereby applies under AB 2097, which became effective on January 1, 2023.<sup>24</sup> We have been unable to locate a City form to assert the Project's qualification under AB 2097, and are therefore including this statement regarding qualification here. Under AB 2097, the City may not impose minimum automobile parking requirements for residential and commercial uses for projects within 1/2 mile of a major transit stop, and the Project qualifies .<sup>25</sup> Accordingly, the Project is not required to provide parking, but will voluntarily provide 135 parking spaces.

Thank you for your attention to this matter, we look forward to working with the City on bringing this project to fruition.

Sincerely yours,

HOLLAND & KNIGHT LLP

Tamsen Plume Genna Yarkin

<sup>&</sup>lt;sup>23</sup> Gov. Code Section 65915(p)(2).

<sup>&</sup>lt;sup>24</sup> Bill Text - AB-2097 Residential, commercial, or other development types: parking requirements. (ca.gov)

<sup>&</sup>lt;sup>25</sup> Gov. Code Section 65863.2(a), (e)(5).





December 11, 2023

RE: Sunnyvale's Draft Housing Element

Dear HCD Representatives: Shawn Danino and Paul McDougall,

CC: Sunnyvale City Council and Staff

In our past two comment letters we have noted the exorbitant Multi-Family Park-in-lieu fee that is a significant impediment to development. HCD in their July comment letter states, " *pursuant to public comments, the City should analyze its \$72,560 park in lieu fee applied to all multifamily units.*" We have updated our comment letter with our outstanding concerns.

#### I. Impercise Park-in-lieu Methodology

## A) The City Should Not Appraise the Park-In-Lieu-Fee Based on Residential Land Sales

The city's appraisals specifically target residential land sales, which is problematic because this method uses the price of one of the most expensive types of properties to set the fee and implies the City will purchase residentially zoned properties for parks.

There are two issues with this approach. First, this conflicts with the Housing Element sites inventory if the City intends to purchase residential property for parks. Second, if the City purchases more appropriately zoned property at lower prices for parks, the City is inflating the park impact fee on new housing.

## B) The Methodology the City is using is Inappropriate to Justify the Exorbitant Park-In-Lieu Fee

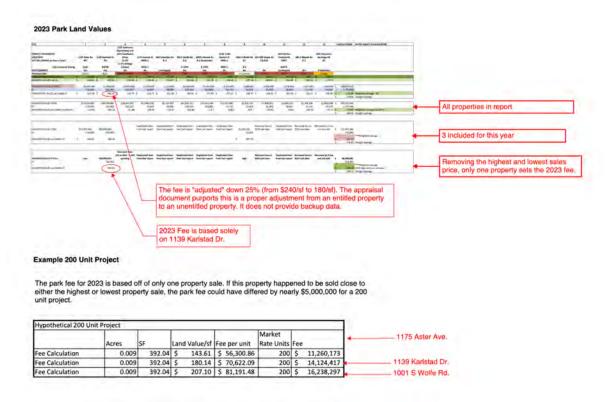
In order to calculate the park-in-lieu fee the city analyzes all the residential property sales of the given year. They remove the outliers (the highest and the lowest sale) and find the average. The fee is then "adjusted" by 25% in order to account for the adjustment from an entitled property to an unentitled property.

In the following exhibit we analyzed the three residential property sales that occurred in 2022, (1175 Aster Ave.) (1139 Karlstad Dr.) and (1101 S Wolfe Rd). In order to find the average and calculate the 2023 park-in-lieu fee, the highest sale (Wolfe) and the lowest sale (Aster) would be





removed as outliers, and the only sale left to analyze is the (Karlstad) sale.



#### As such,

- The park-in-lieu fee for 2023 is reportedly based on **one property sale**, which is inappropriate for determining a high fee on new housing.
- Additionally, there is an unsupported assumption that entitled property is worth 25%-30% more than unentitled property. Given the significant time and expense of entitling property in California, the value increase is likely much more. The city needs to provide backup for this adjustment, especially since the properties used to set the fee are entitled sales comps but they intend to value unentitled land.

The starting point of the Park-in-lieu fee is high, and based on arbitrary methodology, and as such, they shouldn't reduce the fee based on such a high starting point.





#### II. Sunnyvale's Park Fee is Currently the Highest Relative to the Region

#### Regional Park-In-Lieu Fees Ranked Highest to Lowest

| City                 | Per unit Multi-family in-lieu park fee |
|----------------------|--|
| Sunnyvale            | \$72,560                               |
| Cupertino            | <u>\$54,000-\$60,000</u>               |
| Mountain View        | <u>\$45,600-\$58,560</u>               |
| Palo Alto            | <u>\$54,472</u>                        |
| Santa Clara          | <u>\$43,472-\$52,561</u>               |
| Los Altos            | <u>\$48,800</u>                        |
| San José             | <u>\$8,000-\$41,600</u>                |
| *South San Francisco | <u>\$14,125.08-\$23,647.54</u>         |
| *Redwood City        | <u>\$11,939.84-\$23,647.54</u>         |
| Saratoga             | <u>\$21,562</u>                        |
| *Campbell            | <u>\$17,669</u>                        |

<sup>\*</sup> Indicates Cities with a Pro-Housing dedication

After reviewing cities surrounding Sunnyvale, Sunnyvale ranks the highest in their Park-in-lieu fee at \$72,560 per unit.

#### III. Lack of Clarity on how Sunnyvale will Impose the Park-In-Lieu Fee Reduction

Since our last comment letter and engagement with the City Council and City staff, the city has updated *H19*. *Review Park Dedication Requirements*. The updated language commits staff to, "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." The implementation of the fee reduction would occur by the end of 2024, with a mid-cycle review in 2027, and if a constraint is identified, the City will take action within 6 months.





We appreciate the City's attention to addressing the Park-in-lieu fee. A 30% reduction would be significant progress towards making development feasible in Sunnyvale. However, if the city intends to have a 30% reduction in the fee, the city should make that clear in the language. Based on the current draft, it is unclear how the City intends to implement the "tiered based approach", this language is vague, confusing, could trigger unintended incentives, and add unknowns to projects which add additional costs. On this language alone, it is unclear what developers should expect to pay for the Park-in-lieu fee, and it would be detrimental to development if the City waits to provide clarification until the end of 2024. We recommend the City updates the language to clearly identify the reduction in the Multi-family Park-in-lieu fee.

## IV. If the Park-In-Lieu Fee is Reduced, it will be Progress, but the Fee is still High Relative to the Region

## Regional Park-In-Lieu Fees Ranked Highest to Lowest With a 30% Reduction in Sunnyvale's Fee

|                      | To recure tion in Sunny vale 51 ee |
|----------------------|------------------------------------|
| Cupertino            | <u>\$54,000-\$60,000</u>           |
| Mountain View        | <u>\$45,600-\$58,560</u>           |
| Palo Alto            | <u>\$54,472</u>                    |
| Santa Clara          | <u>\$43,472-\$52,561</u>           |
| Sunnyvale            | (If reduced by 30%) 50,792         |
| Los Altos            | <u>\$48,800</u>                    |
| San José             | <u>\$8,000-\$41,600</u>            |
| *South San Francisco | <u>\$14,125.08-\$23,647.54</u>     |
| *Redwood City        | <u>\$11,939.84-\$23,647.54</u>     |
| Saratoga             | <u>\$21,562</u>                    |
| *Campbell            | <u>\$17,669</u>                    |

<sup>\*</sup> Indicates Cities with a Pro-Housing dedication





Although a 30% reduction would make progress towards feasible development in Sunnyvale, a 30% reduction would still keep the Sunnyvale fee higher than many surrounding cities. All of the cities that have received a pro-housing designation are half of the cost of proposed Sunnyvale fee reduction. We recommend the City considers a 50% reduction for the fee to eliminate constraints to housing production. We also note that the City is evaluating this fee in a vacuum and we ought to consider the cumulative fees of development, in which we recommend the City has a feasibility analysis prior to 2027.

In solidarity,

Ali Sapirman, Housing Action Coalition

Jordan Grimes, Greenbelt Alliance

| APPEN      | DIX A - COMMUNITY ENGAGEMENT |  |
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| Λ 2        | Community Engagement Flyers  |  |
| <b>A.2</b> | Community Engagement Flyers  |  |
| A.2        | Community Engagement Flyers  |  |

# City of Sunnyvale 2023-2031 HOUSING ELEMENT



## Sunnyvale is updating its Housing Element and needs your input.

What types of housing should we have in Sunnyvale? Where should we locate new housing? The Housing Element is our 8-year plan to address the housing needs of everyone in the community and shows how the City will accommodate its fair share of housing.

#### Get involved!

Share your concerns, ideas, and solutions for housing at upcoming workshops or in a survey.

### **Attend a Virtual Workshop**

#### **ENGLISH & ESPAÑOL**

Feb. 3<sup>rd</sup>, 2022 6:30pm – 8:00pm Register here: grco.de/sunnyvale1

#### ENGLISH & 中文

Feb. 9<sup>th</sup>, 2022 6:30pm – 8:00pm Register here: grco.de/sunnyvale2

### Take the Community Survey

Available from January 31 to February 23 in the following languages:



**ENGLISH** 



**ESPAÑOL** 



中文



Visit the project website, sunnyvale ca.gov, search "housing element" to learn more about the City's Housing Element Update



## Sunnyvale 市 2023-2031 年住房要素



#### Sunnyvale 正在更新《住房要素》, 需要您的宝贵意见。

Sunnyvale 应该拥有哪些类型的住房?应该在哪里建造新住房?《住房要素》是 Sunnyvale的八年计划,旨在满足社区中每个人的住房需求,并阐释本市公平分配住房的方式。

#### 请您参与!

请在即将举行的研讨 会或调查问卷中,分 享您对住房的疑虑、 想法和解决方案。

### 参加虚拟研讨会

#### 英文&西班牙文

2022年2月3日 下午6:30至晚上8:00 在此注册:

qrco.de/sunnyvale1

#### 英文&中文

2022年2月9日 下午6:30至晚上8:00 在此注册:

<u>qrco.de/sunnyvale2</u>

## 填写社区调查问卷

1月31日至2月23日提供以下语言版本:





西班牙文



中文



访问项目网站 sunnyvale ca.gov,搜 索"住房要素",了解本 市《住房要素更新》的更 多信息。



CIUDAD DE SUNNYVALE

## ELEMENTO DE VIVIENDA DEL 2023 AL 2031



## Sunnyvale está actualizando su elemento de vivienda y necesita su opinión.

¿Qué tipos de viviendas deberíamos tener en Sunnyvale? ¿Dónde deberíamos ubicar las nuevas viviendas? El elemento de vivienda es nuestro plan de 8 años para abordar las necesidades de vivienda de todos en la comunidad y demuestra cómo la ciudad tendrá una distribución adecuada de viviendas.

#### ¡Participe!

Comparta sus preocupaciones, ideas y soluciones en materia de vivienda en los próximos talleres o en una encuesta.

#### Asista a un taller virtual

#### INGLÉS Y ESPAÑOL

3 de febrero de 2022 De 6:30 p.m. a 8:00 p.m. Regístrese aquí: grco.de/sunnyvale1

#### **INGLÉS Y CHINO**

9 de febrero de 2022 De 6:30 p.m. a 8:00 p.m. Regístrese aquí: grco.de/sunnyvale2

#### - Realice la encuesta a la comunidad -

Disponible del 31 de enero al 23 de febrero en los siguientes idiomas:



**INGLÉS** 



**ESPAÑOL** 



**CHINO** 



Visite el sitio web del proyecto, sunnyvale.ca.gov, y busque "housing element" (elemento de vivienda) paraobtener más información sobre la actualización del elemento de vivienda de la ciudad.



| APPENDIX A – COMMUNITY ENGAGEMENT |
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| A.3 February 3 Polling Responses  |
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## Sunnyvale HE Community Workshop - English

03 - 10 Feb 2022

Poll results



#### **Table of contents**

- Which statement best describes you? /
- What is your housing situation?
- What is your age?
- How long have you lived in Sunnyvale?
- What do you like about living and/or working in Sunnyvale?
- What do you think are the greatest housing challenges in Sunnyvale?
- What do you think are the greatest fair housing issues in Sunnyvale?
- What ideas do you have for addressing housing challenges in Sunnyvale?



## Which statement best describes you? /

0 1 6

I am a resident of Sunnyvale

63 %

I work in Sunnyvale

25 %

I am a developer in the area

0 %

I represent/work at a nonprofit or advocacy group

6 %

Other

6 %

### What is your housing situation?

0 1 5

I own my home

53 %

I rent my home

33 %

I own my mobile home

7 %

I rent my mobile home

0 %

I live with family/friends (i.e., do not pay rent)

7 %

Do not currently have a permanent home

0 %

## What is your age? Under 18 0 % 18-24 0 % 25-34 29 % 35-49 12 % 50-64 29 % 65 or older 29 %



## How long have you lived in Sunnyvale?

0 1 5

Less than 1 year

0 %

1-4 years

7 %

5-9 years

0 %

10+ years

67 %

I do not live in Sunnyvale, but I work here

27 %

## What do you like about living and/or working in Sunnyvale?

0 1 6

(1/2)

- Great folks working in the housing department
- I like the svc as well
- It's a delightful community, it works well, it has great accessibility - and its government works really well. It has terrific diversity - and diversity in housing that goes along with it.
- Crows
- Great neighborhoods
- Great nearby businesses and restaurants. Strong non-profits.
   Opportunity for development, housing, and new growth.

- People are friendly The city has good public policies Good transportation Diversity
- Safe, nice place to live with everything you need very close
- I like how clean and it is.
- Everything! Love the environment, convenience, people, government, safe city
- Parks and community services
- Diverse and safe city with lots of parks and a welcoming community.
- city services



## What do you like about living and/or working in Sunnyvale? (2/2)



- Variety of housing types
- safety
- Safe, well-run city. Good diversity, good jobs. Fairly boring.
- Convenience
- The parks and restaurants
- Sunnyvale values diversity of all types.



## What do you think are the greatest housing challenges in Sunnyvale? (1/2)



- Build more!
- Anyone making less than \$200000 a
   year cannot live here. Absurb
- Senior housing
- NIMBY attitudes in south Sunnyvale neighborhoods.
- The cost to live in Sunnyvale as a renter or possible owner.
- Serving the housing needs of low-tomodest income residents.
- Housing for people with developmental disabilities many with very low income
- I ventory

- Affordability. I hardly have nothing left to buy food and other necessities.
- Lack of housing affordable to lowincome households. Displacement of long-time residents due to unaffordable rents.
- Affordability
- Not enough density or height allowed
- High prices, not enough housing stock
- Prices are very high for most people



# What do you think are the greatest housing challenges in Sunnyvale? (2/2)



- Not enough housing for everyone who wants to live here.
- Affordability
- Affordability
- Affordability
- Cost



## What do you think are the greatest fair housing issues in Sunnyvale? (1/2)



- Historical segregation and lack of housing in low resource areas. Also build all new housing in low resource areas
- Need more housing for people with only ssi income
- The income restrictions should be higher
- Affordability to live in Sunnyvale and low-income areas
- Correlation between low opportunity area and nonwhite residents.
- Homelessness...
- Not been able to make

- enough money to pay rent.
- Not enough housing. Affordability.
- Lowest income people are people of color and people with disabilities, who can least afford to live in Sunnyvale
- Fewer good schools and shopping areas in north Sunnyvale.
- Landlords not accepting vulnerable populations
- Not enough affordable housing for people with disabilities and low income



## What do you think are the greatest fair housing issues in Sunnyvale? (2/2)



- South Sunnyvale has much more resources including both high schools
- Lack of low and very low income units in new development
- Lack of affordable housing South of El Camino



## What ideas do you have for addressing housing challenges in Sunnyvale? (1/3)



- Build housing on golf course
- Mixed use along ECR and Mathilda
- How to stop people leaving dilute to high rents
- Pre-approved plans for ADUs like
   San Jose
- More mixed use units residential/commercial
- Universal income would be great with the pandemic.
- Build different types of housing duplex/fourplex/missing middle. EV chargers in all new builds.
- Que nos apoyen con

- mas viviendas de bajos ingresos en la ciudad de Sunnyvale
- Don't be afraid to build near public transportion
- Adopt Moffett ASAP
- For those who have developmental disability and have only SSI income, please have a very low income affordable housing to accommodate their needs
- Need to rezone. Need to push for multi family housing in resource rich areas.
- Partnering with housing choices



## What ideas do you have for addressing housing challenges in Sunnyvale? (2/3)



- to create set-aside units for people with developmental disabilities
- How to reach the residents of Sunnyvale. We have low interest from residents on housing matters.
- Build higher density, more
   affordable housing near transit.
   Eliminate parking requirements
   Prioritize use of public land for
   deeply affordable housing Create
   specific plans to include people with
   developmental and other
   disabillities

- Encourage building in south
   Sunnyvale, starting with higher density for Village Centers
- City buy more land to give to nonprofits
- Increase low/very low unit requirements in all new development
- Build, build, build. Build with higher density and height to increase supply and reduce cost per unit.
- Build more affordable houses.
- Build much more housing and higher density housing



# What ideas do you have for addressing housing challenges in Sunnyvale? (3/3)



• Don't be afraid to increase density and height.



| APPENDIX A – COMMUNITY ENGAGEMENT |
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| A.4 February 9 Polling Responses  |
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### Sunnyvale HE Community Workshop - English / Mandarin

09 - 16 Feb 2022

Poll results



#### **Table of contents**

- Which statement best describes you? / 以下哪一项能最好地描述您的状态?
- What is your housing situation? / 您的住房情况如何?
- What is your age? / 您的年龄为?
- How long have you lived in Sunnyvale? / 您在 Sunnyvale生活了多久?
- What do you like about living and/or working in Sunnyvale? / 您喜欢在 Sunnyvale市生活或工作的哪些方面?
- What do you think are the greatest housing challenges in Sunnyvale? / 您认为 Sunnyvale 市最大的住房挑战是什么?
- What do you think are the greatest fair housing issues in Sunnyvale? / 您认为 Sunnyvale 最大的公平住房问题是什么?
- What ideas do you have for addressing housing challenges in Sunnyvale? / 您对满足桑尼维尔住房需求的解决方案有何看法?



### Which statement best describes you? / 以下哪一项能最好地描述您的状态?



I am a resident of Sunnyvale / 我是 Sunnyvale居民

50 %

I work in Sunnyvale / 我在 Sunnyvale工作

30 %

I am a developer in the area / 我是本地区的开发商

10 %

I represent/work at a nonprofit or advocacy group / 我是非营利组织或宣导团体代表/工作人员

30 %

Other / 其他

### What is your housing situation? / 您的住房情况如何?

0 0 7

(1/2)

I own my home / 自有房产

14 %

I rent my home / 租房

71 %

I own my mobile home / 自有移动房屋

0 %

I rent my mobile home / 租用移动房屋

0 %

I live with family/friends (i.e., do not pay rent) / 与家人或朋友同住(无需付房租)

### What is your housing situation? / 您的住房情况如何?

0 0 7

(2/2)

Do not currently have a permanent home / 目前没有固定住所

0 %

### What is your age? / 您的年龄为? Under 18 / 18岁以下 0 % 18-24 0 % 25-34 67 % 35-49 33 % 50-64 0 % 65 or older / 65岁及以上



## How long have you lived in Sunnyvale? / 您在Sunnyvale生活了多久?



Less than 1 year / 少于1年

0 %

1-4 years / 1-4 年

0 %

5-9 years / 5-9 年

22 %

10+ years / 10 年以上

44 %

I do not live in Sunnyvale, but I work here / 我不在 Sunnyvale生活,但是在这里工作

## What do you like about living and/or working in Sunnyvale? / 您喜欢在 Sunnyvale市生活或工作的哪些方面?



- Back in 20 years ago used to be the safest city in the US I'm not sure about now
- Easy to take VTA buses and caltrains station
- Safe and peaceful
- Involved community
- Close to my parents who are helping ne
- I appreciate our climate, the diverse culture, the fantastic dining options, and the Caltrain. Also love that we aren't afraid of building housing!

- Lots of trees, mixed use developments
- Clean
- Safe, friendly, inclisive
- Lots of job opportunities



# What do you think are the greatest housing challenges in Sunnyvale? / 您认为 Sunnyvale 市最大的住房挑战是什么?



- Buying is a challenge, renting is the only option for those making lower wages.
- Cost of housing even in typical affordable housing excludes seniors and people with disabilities on fixed incomes
- Lack of density on new land
- cost of living, not accessible for moderate to low income households and BIPOC populations.
- Outrageous pricing. Slow housing development. Serious

- lack of high rise apartment building.

  Not maximizing the use of land lots
  by not building tall high rise
  apartment dwelling units. Seriously
  we need to start building big tall
  buildings to accomdate those in
  needs
- There's a severe shortage of even relatively affordable starter homes.
   The cheapest form of housing to buy is generally a stacked flat condo; these often



# What do you think are the greatest housing challenges in Sunnyvale? / 您认为 Sunnyvale 市最大的住房挑战是什么? (2/2)

0 0 6

sell for under a million. But we aren't building many of these; for the most part new housing construction is townhouses, which start around 1.4m.

 The cost of housing is astronomical and continuing to soar.



# What do you think are the greatest fair housing issues in Sunnyvale? / 您认为 Sunnyvale 最大的公平住房问题是什么?

0 0 7

(1/2)

- Need another homeless shelter
- Concentration of resources in south
   Sunnyvale including all the high
   schools
- San Jose and the surrounding cities that became a like a barrier that is pushing away the low income families
- Housing that is not accessible to people of all abilities Black and Latinx residents over represented in low income households and face highest rates of housing cost burden
- Housing growth has been heavily concentrated in North Sunnyvale, despite the fact that North Sunnyvale is the \*lowest\* resourced area of the city. Notably, we have no high school. While I am happy to add housing in North Sunnyvale, EVERY part of the city needs to be building housing and doing its fair share.
- NIMBYS
- Not building and providing enough affordable housing unit for low income families



# What do you think are the greatest fair housing issues in Sunnyvale? / 您认为 Sunnyvale 最大的公平住房问题是什么?



- Physical barriers like 237
- Not enough units available
- Neighbors won't allow more density or flexibility in south Sunnyvale



# What ideas do you have for addressing housing challenges in Sunnyvale? / 您对满足桑尼维尔住房需求的解决方案有何看法? (1/4)



- Educate the community to show them reduced parking and height isn't scary
- If certain residents do not agree
  with building high density
  apartment units we can designate a
  few areas in our city this massive
  apartment units though at least
  solve the problem then better than
  doing nothing or doing too slow
- lowering parking requirements for affordable housing and

- projects which include transitdependent special needs populations
- Encourage SB 9 projects.
- develop policies that are fair and inclusive and are accessible to everyone
- Redevelopment density bonus;
   encourage developers to redevelop
   old, low-density apartment buildings
   by allowing them to build more
   units than they would



# What ideas do you have for addressing housing challenges in Sunnyvale? / 您对满足桑尼维尔住房需求的解决方案有何看法? (2/4)



otherwise be able to IF they ensure their residents are not displaced (save them rent-controlled units in the new building)

- The two cities out there that we can learn a lot from when is Singapore the other one is Hong Kong that dedicated housing authorities that are in charge of building this multiple apartment units for those families in needs
- Pack density along Caltrain and high employment centers

- incentivizes for developers to include deeper levels of affordability (BMR program, Affordable Housing Overlay Zone, Local Density Bonus ordinance)
- Sorry there was a typo. Feel massive multiple apartment units that can accommodate anywhere between \$5,000 to 10,000 people it will be great
- prioritize affordabel housing south of El Camino
- Council needs to be pro housing
- focus on infill housing &



# What ideas do you have for addressing housing challenges in Sunnyvale? / 您对满足桑尼维尔住房需求的解决方案有何看法? (3/4)



transit oriented housing

- We need to prioritize a substantial fraction of our additional housing south of El Camino Real.
- Build multiple massive apartment units they're going to call me at least 5,000 people at a time that would be great
- We need to supercharge the village centers. 18 units/acre is VERY weak sauce; not enough to count toward

- our low income housing targets or to really support mixed use. We should target 48 units per acre.
- View multiple massive apartment units
- Increase housing fees so city can buy land
- priority for ELI or special needs units in city supported projects (land, financing etc)
- The city has a 15% inclusionary zoning requirement, and a RHNA low income



# What ideas do you have for addressing housing challenges in Sunnyvale? / 您对满足桑尼维尔住房需求的解决方案有何看法? (4/4)



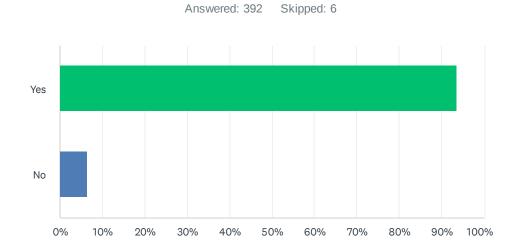
housing assessment of around 5k units. 5000 / 0.15 = 33000. If we can zone for around 35k units, we stand a good chance of actually meeting our low income housing numbers. With Moffett Park, this is possible!

- You must increase inclusionary
- Increase density everywhere, no just Lawrence Station!
- pursue state and federal funding reduce development timelines
- Act fast and maximize the use of lands.



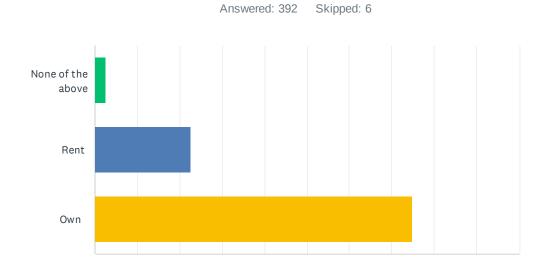
| PPENDIX A - COMMUNITY ENGAGEMENT      |  |
|---------------------------------------|--|
|                                       |  |
|                                       |  |
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|                                       |  |
|                                       |  |
|                                       |  |
|                                       |  |
|                                       |  |
| A.5 Online Survey Responses (English) |  |

### Q1 Are you a resident of Sunnyvale? (Choose one)



| ANSWER CHOICES | RESPONSES |     |
|----------------|-----------|-----|
| Yes            | 93.62%    | 367 |
| No             | 6.38%     | 25  |
| TOTAL          |           | 392 |

### Q2 Do you currently rent or own your home? (Choose one)



40%

50%

60%

70%

80%

90%

100%

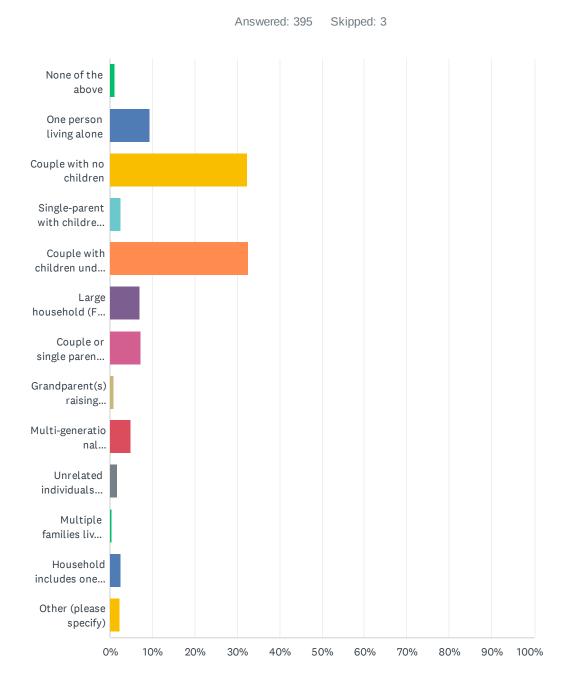
0%

10%

20%

| ANSWER CHOICES    | RESPONSES |     |
|-------------------|-----------|-----|
| None of the above | 2.55%     | 10  |
| Rent              | 22.70%    | 89  |
| Own               | 74.74%    | 293 |
| TOTAL             |           | 392 |

#### Q3 Which of the following best describes your household? (Choose one)

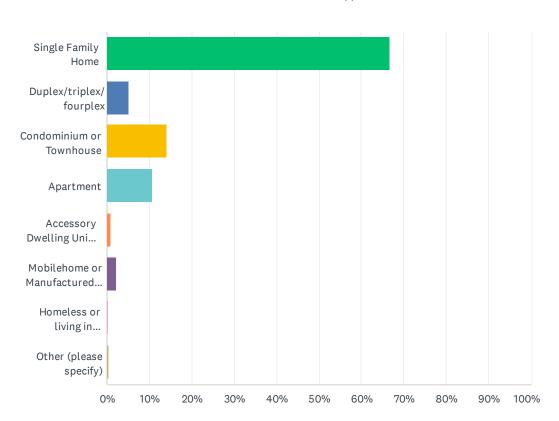


#### Sunnyvale Housing Element Community Survey February 2022

| ANSWER CHOICES  | RESPONSE | S   |
|---|----------|-----|
| None of the above   | 1.01%    | 4   |
| One person living alone   | 9.37%    | 37  |
| Couple with no children   | 32.41%   | 128 |
| Single-parent with children under 18 years old                                | 2.53%    | 10  |
| Couple with children under 18 years old (For households of 4 or less members) | 32.66%   | 129 |
| Large household (For households of 5 or more members)                         | 7.09%    | 28  |
| Couple or single parent with children over 18 years old                       | 7.34%    | 29  |
| Grandparent(s) raising grandchild(ren)  | 0.76%    | 3   |
| Multi-generational (grandparents, parents, and grandchildren)                 | 4.81%    | 19  |
| Unrelated individuals living together   | 1.77%    | 7   |
| Multiple families living together   | 0.51%    | 2   |
| Household includes one or more persons with special needs or disability       | 2.53%    | 10  |
| Other (please specify)  | 2.28%    | 9   |
| Total Respondents: 395  |          |     |

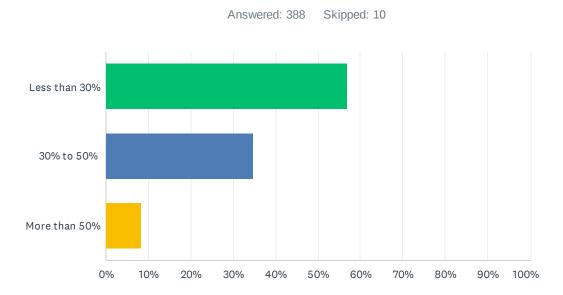
### Q4 What type of housing do you live in? (Choose one)





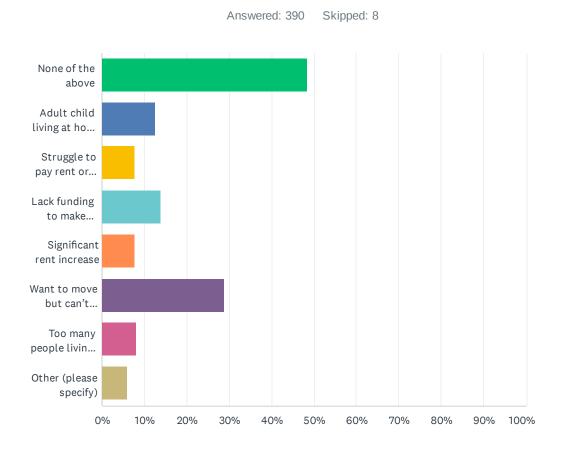
| ANSWER CHOICES  | RESPONSES |     |
|---|-----------|-----|
| Single Family Home  | 66.67%    | 262 |
| Duplex/triplex/fourplex   | 5.09%     | 20  |
| Condominium or Townhouse  | 13.99%    | 55  |
| Apartment   | 10.69%    | 42  |
| Accessory Dwelling Units (granny flats/second units/guest houses) | 0.76%     | 3   |
| Mobilehome or Manufactured Home                                   | 2.04%     | 8   |
| Homeless or living in tent/car                                    | 0.25%     | 1   |
| Other (please specify)  | 0.51%     | 2   |
| TOTAL   |           | 393 |

### Q5 How much of your gross income (before taxes) do you spend on housing costs (rent, mortgage payments, etc) each month?



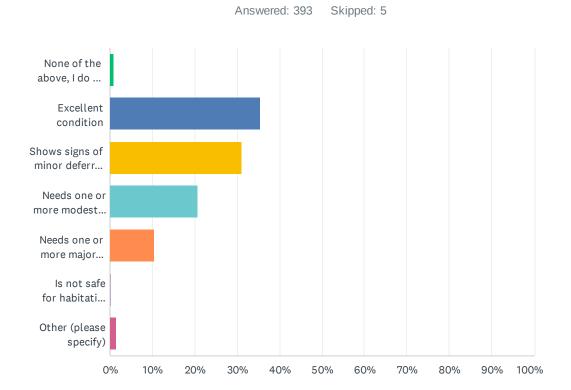
| ANSWER CHOICES | RESPONSES |     |
|----------------|-----------|-----|
| Less than 30%  | 56.96%    | 221 |
| 30% to 50%     | 34.79%    | 135 |
| More than 50%  | 8.25%     | 32  |
| TOTAL          |           | 388 |

### Q6 Have you or are you experiencing any of the following housing issues? (Choose all that apply)



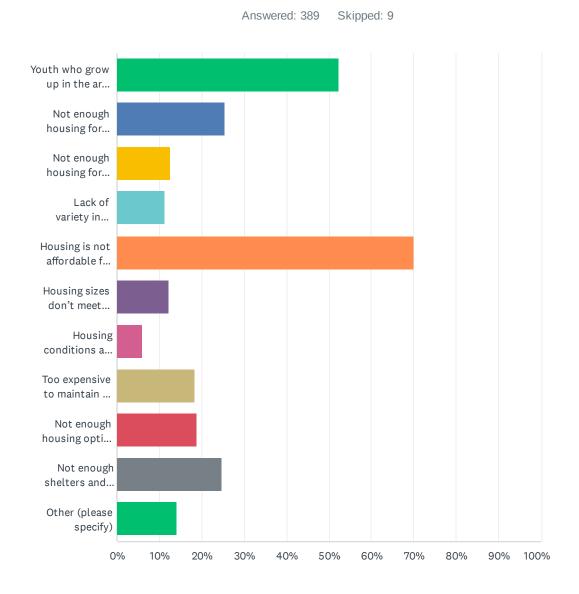
| ANSWER CHOICES  | RESPON | NSES |
|---|--------|------|
| None of the above   | 48.46% | 189  |
| Adult child living at home due to inability to afford housing   | 12.56% | 49   |
| Struggle to pay rent or mortgage (e.g., sometimes paying late, not paying other bills to pay rent, not buying food or medicine) | 7.69%  | 30   |
| Lack funding to make necessary home repairs   | 13.85% | 54   |
| Significant rent increase   | 7.69%  | 30   |
| Want to move but can't find/afford a home that meet my and/or my family's needs   | 28.72% | 112  |
| Too many people living in one home (overcrowding)   | 8.21%  | 32   |
| Other (please specify)  | 5.90%  | 23   |
| Total Respondents: 390  |        |      |

### Q7 How would you rate the physical condition of your home or apartment? (Choose one)



| ANSWER CHOICES  | RESPON | ISES |
|---|--------|------|
| None of the above, I do not live in a home or apartment.  | 0.76%  | 3    |
| Excellent condition   | 35.37% | 139  |
| Shows signs of minor deferred maintenance (i.e., peeling paint, chipping stucco)                                  | 31.04% | 122  |
| Needs one or more modest rehabilitation improvements (i.e., new roof, new wood siding, new paint, window repairs) | 20.61% | 81   |
| Needs one or more major upgrades (i.e., new foundation, new plumbing, new electrical)                             | 10.43% | 41   |
| Is not safe for habitation in its current condition (i.e., structurally unsound, severe mold growth)              | 0.25%  | 1    |
| Other (please specify)  | 1.53%  | 6    |
| TOTAL   |        | 393  |

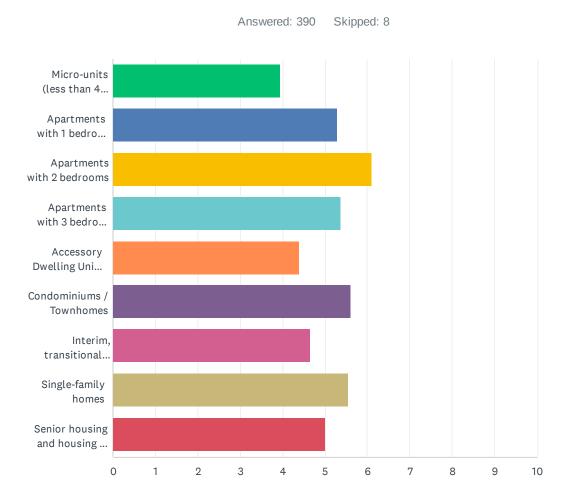
### Q8 What do you feel is the most significant housing problem facing Sunnyvale residents? (Choose up to three)



#### Sunnyvale Housing Element Community Survey February 2022

| ANSWER CHOICES  | RESPON | ISES |
|---|--------|------|
| Youth who grow up in the area cannot afford to live here when they are adults   | 52.19% | 203  |
| Not enough housing for sale   | 25.45% | 99   |
| Not enough housing for rent   | 12.60% | 49   |
| Lack of variety in housing types  | 11.31% | 44   |
| Housing is not affordable for people who work in retail/service industry, teachers, police, fire, and health care workers cannot afford to live in Sunnyvale. | 69.92% | 272  |
| Housing sizes don't meet family needs   | 12.08% | 47   |
| Housing conditions are poor   | 5.91%  | 23   |
| Too expensive to maintain my home as a property owner   | 18.25% | 71   |
| Not enough housing options to accommodate seniors or people with disabilities   | 18.77% | 73   |
| Not enough shelters and transitional housing for the homeless, along with services to help move individuals into permanent housing.                           | 24.68% | 96   |
| Other (please specify)  | 14.14% | 55   |
| Total Respondents: 389  |        |      |

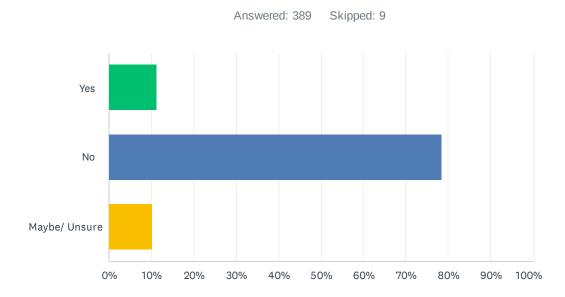
### Q9 What types of housing does Sunnyvale need the most? (Rank your answer by order of priority)



#### Sunnyvale Housing Element Community Survey February 2022

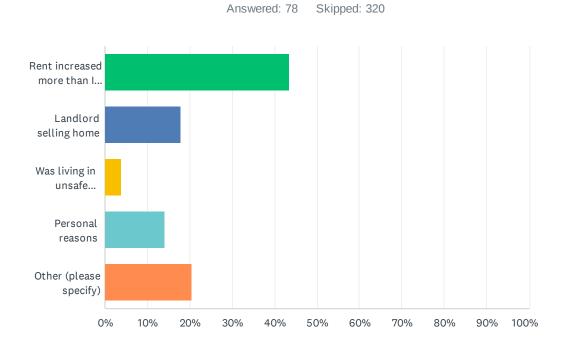
|  | 1             | 2            | 3            | 4            | 5            | 6            | 7            | 8            | 9            | TOTAL | SCORE |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------|-------|
| Micro-units<br>(less than 400<br>square feet)  | 8.78%<br>31   | 5.10%<br>18  | 7.08%<br>25  | 7.37%<br>26  | 9.07%<br>32  | 7.08%<br>25  | 14.45%<br>51 | 23.23%<br>82 | 17.85%<br>63 | 353   | 3.95  |
| Apartments with 1 bedroom or less  | 7.00%<br>25   | 10.36%<br>37 | 14.01%<br>50 | 14.29%<br>51 | 15.13%<br>54 | 17.93%<br>64 | 11.76%<br>42 | 7.00%<br>25  | 2.52%        | 357   | 5.29  |
| Apartments with 2 bedrooms   | 11.11%<br>40  | 15.28%<br>55 | 17.22%<br>62 | 17.50%<br>63 | 19.17%<br>69 | 9.72%<br>35  | 7.78%<br>28  | 1.67%        | 0.56%        | 360   | 6.10  |
| Apartments with 3 bedrooms or more   | 5.68%         | 12.22%<br>43 | 17.05%<br>60 | 17.05%<br>60 | 10.23%<br>36 | 16.19%<br>57 | 9.66%<br>34  | 9.66%<br>34  | 2.27%        | 352   | 5.37  |
| Accessory Dwelling Units (granny flats/second units/ guest houses)   | 3.08%         | 10.08%       | 10.92%       | 9.52%<br>34  | 11.76%<br>42 | 14.01%<br>50 | 13.17%<br>47 | 16.25%<br>58 | 11.20%<br>40 | 357   | 4.40  |
| Condominiums<br>/ Townhomes  | 9.92%<br>36   | 21.21%<br>77 | 11.02%<br>40 | 12.12%<br>44 | 13.22%<br>48 | 6.06%<br>22  | 12.67%<br>46 | 8.54%<br>31  | 5.23%<br>19  | 363   | 5.60  |
| Interim,<br>transitional,<br>and supportive<br>housing for<br>individuals and<br>families<br>experiencing<br>or at risk of<br>homelessness | 17.55%<br>63  | 8.08%<br>29  | 7.24% 26     | 6.96%<br>25  | 7.24%<br>26  | 10.03% 36    | 10.31%       | 9.47% 34     | 23.12%       | 359   | 4.64  |
| Single-family homes  | 37.02%<br>134 | 8.01%<br>29  | 5.80%<br>21  | 4.70%<br>17  | 3.59%<br>13  | 3.31%<br>12  | 4.42%<br>16  | 9.94%<br>36  | 23.20%<br>84 | 362   | 5.54  |
| Senior housing<br>and housing<br>for people with<br>disabilities   | 7.67%<br>28   | 15.07%<br>55 | 13.42%<br>49 | 9.59%<br>35  | 8.49%<br>31  | 12.60%<br>46 | 12.33%<br>45 | 10.68%       | 10.14%<br>37 | 365   | 5.02  |

# Q10 Have you or a neighbor been displaced from your home in the last five years?



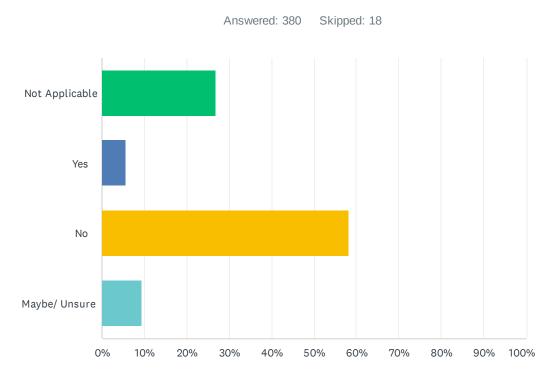
| ANSWER CHOICES | RESPONSES |     |
|----------------|-----------|-----|
| Yes            | 11.31%    | 44  |
| No             | 78.41%    | 305 |
| Maybe/ Unsure  | 10.28%    | 40  |
| TOTAL          |           | 389 |

# Q11 Which of the following best describe the reason you (or a neighbor) were displaced?



| ANSWER CHOICES                       | RESPONSES |    |
|--------------------------------------|-----------|----|
| Rent increased more than I could pay | 43.59%    | 34 |
| Landlord selling home                | 17.95%    | 14 |
| Was living in unsafe conditions      | 3.85%     | 3  |
| Personal reasons                     | 14.10%    | 11 |
| Other (please specify)               | 20.51%    | 16 |
| TOTAL                                |           | 78 |

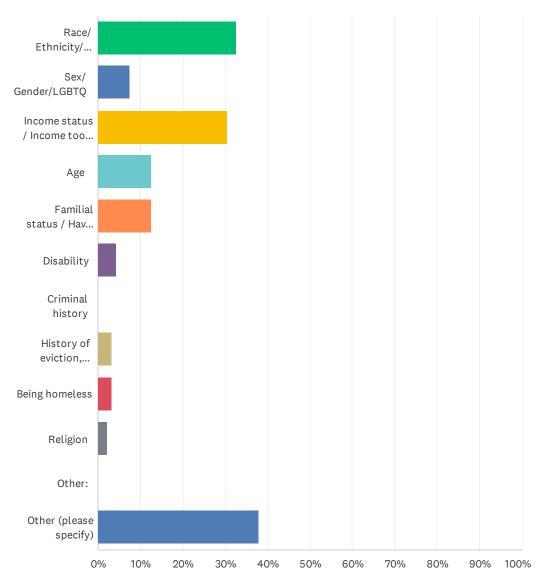
# Q12 When you looked for housing in Sunnyvale in the past 10 years, did you ever feel you were discriminated against?



| ANSWER CHOICES | RESPONSES |     |
|----------------|-----------|-----|
| Not Applicable | 26.84%    | 102 |
| Yes            | 5.53%     | 21  |
| No             | 58.16%    | 221 |
| Maybe/ Unsure  | 9.47%     | 36  |
| TOTAL          |           | 380 |

# Q13 Why do you think you were discriminated against? (Choose all that apply)

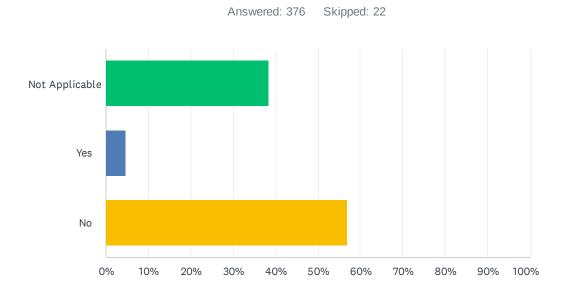




#### Sunnyvale Housing Element Community Survey February 2022

| ANSWER CHOICES                               | RESPONSES |    |
|--|-----------|----|
| Race/ Ethnicity/ Language spoken             | 32.63%    | 31 |
| Sex/ Gender/LGBTQ                            | 7.37%     | 7  |
| Income status / Income too low               | 30.53%    | 29 |
| Age  | 12.63%    | 12 |
| Familial status / Having children            | 12.63%    | 12 |
| Disability                                   | 4.21%     | 4  |
| Criminal history                             | 0.00%     | 0  |
| History of eviction, foreclosure, bad credit | 3.16%     | 3  |
| Being homeless                               | 3.16%     | 3  |
| Religion                                     | 2.11%     | 2  |
| Other:                                       | 0.00%     | 0  |
| Other (please specify)                       | 37.89%    | 36 |
| Total Respondents: 95                        |           |    |

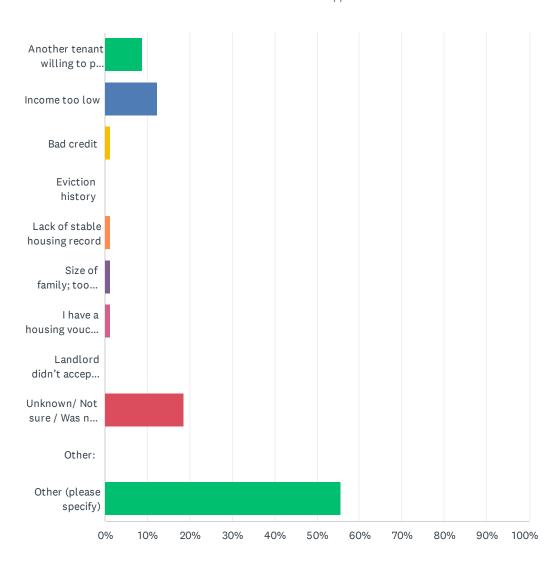
# Q14 When you looked for housing in Sunnyvale in the past 10 years, were you ever denied rental housing?



| ANSWER CHOICES | RESPONSES |     |
|----------------|-----------|-----|
| Not Applicable | 38.30%    | 144 |
| Yes            | 4.79%     | 18  |
| No             | 56.91%    | 214 |
| TOTAL          |           | 376 |

#### Q15 Why were you denied rental housing?

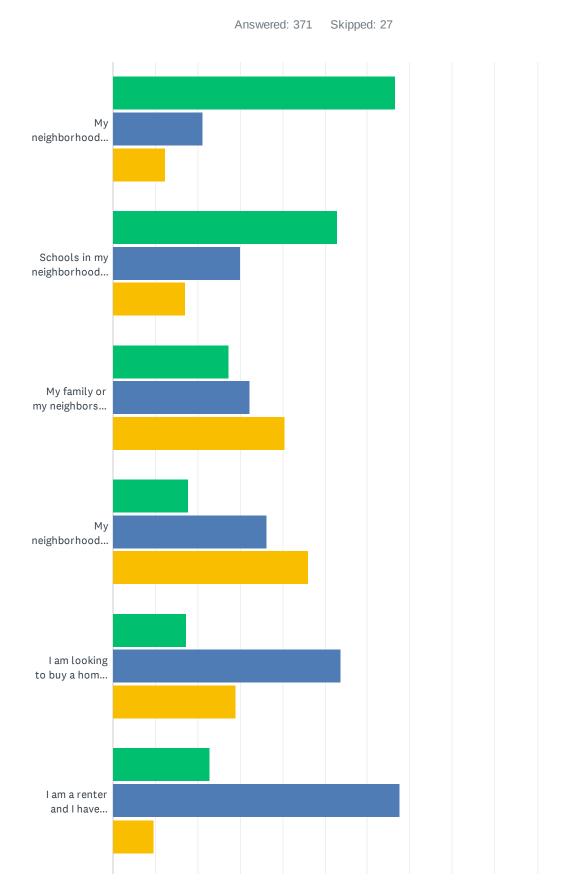




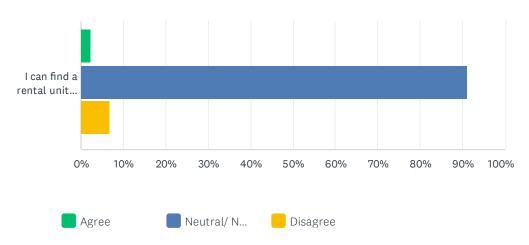
#### Sunnyvale Housing Element Community Survey February 2022

| ANSWER CHOICES                                   | RESPONSES |    |
|--|-----------|----|
| Another tenant willing to pay more               | 8.64%     | 7  |
| Income too low                                   | 12.35%    | 10 |
| Bad credit                                       | 1.23%     | 1  |
| Eviction history                                 | 0.00%     | 0  |
| Lack of stable housing record                    | 1.23%     | 1  |
| Size of family; too many people                  | 1.23%     | 1  |
| I have a housing voucher                         | 1.23%     | 1  |
| Landlord didn't accept the type of income I earn | 0.00%     | 0  |
| Unknown/ Not sure / Was not given a reason       | 18.52%    | 15 |
| Other:   | 0.00%     | 0  |
| Other (please specify)                           | 55.56%    | 45 |
| TOTAL  |           | 81 |

### Q16 To what extent do you agree or disagree with the following statements:



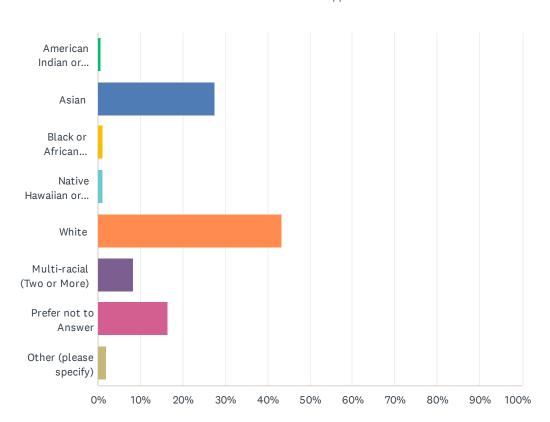
#### Sunnyvale Housing Element Community Survey February 2022



|   | AGREE         | NEUTRAL/ NOT<br>APPLICABLE | DISAGREE      | TOTAL | WEIGHTED<br>AVERAGE |
|---|---------------|----------------------------|---------------|-------|---------------------|
| My neighborhood is safe   | 66.58%<br>247 | 21.02%<br>78               | 12.40%<br>46  | 371   | 1.46                |
| Schools in my neighborhood are of good quality.   | 52.85%<br>195 | 30.08%<br>111              | 17.07%<br>63  | 369   | 1.64                |
| My family or my neighbors won't need to leave our neighborhood because of rising rents.     | 27.30%<br>101 | 32.16%<br>119              | 40.54%<br>150 | 370   | 2.13                |
| My neighborhood has housing that is accessible and affordable for people with disabilities. | 17.62%<br>65  | 36.31%<br>134              | 46.07%<br>170 | 369   | 2.28                |
| I am looking to buy a home and I have enough of a down payment to afford it.                | 17.36%<br>63  | 53.72%<br>195              | 28.93%<br>105 | 363   | 2.12                |
| I am a renter and I have enough of a security deposit to rent an apartment or a house       | 22.91%<br>82  | 67.60%<br>242              | 9.50%<br>34   | 358   | 1.87                |
| I can find a rental unit even though I have a conviction on my record.                      | 2.25%<br>8    | 91.01%<br>324              | 6.74%<br>24   | 356   | 2.04                |

#### Q17 What is your race?

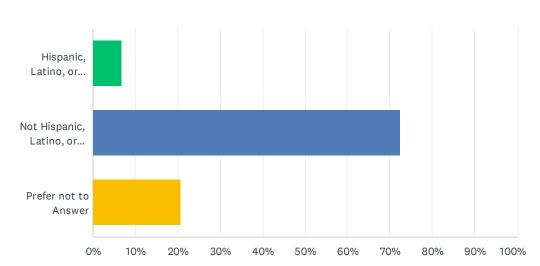
Answered: 372 Skipped: 26



| ANSWER CHOICES                            | RESPONSES |     |
|---|-----------|-----|
| American Indian or Alaska Native          | 0.54%     | 2   |
| Asian                                     | 27.42%    | 102 |
| Black or African American                 | 1.08%     | 4   |
| Native Hawaiian or Other Pacific Islander | 1.08%     | 4   |
| White                                     | 43.28%    | 161 |
| Multi-racial (Two or More)                | 8.33%     | 31  |
| Prefer not to Answer                      | 16.40%    | 61  |
| Other (please specify)                    | 1.88%     | 7   |
| TOTAL                                     |           | 372 |

#### Q18 Which best describes your ethnicity?

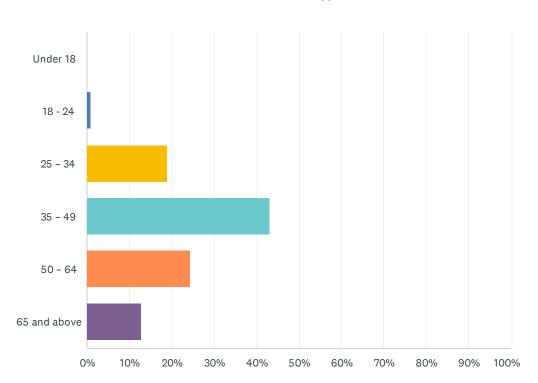




| ANSWER CHOICES                          | RESPONSES |     |
|---|-----------|-----|
| Hispanic, Latino, or Spanish Origin     | 6.83%     | 25  |
| Not Hispanic, Latino, or Spanish Origin | 72.40%    | 265 |
| Prefer not to Answer                    | 20.77%    | 76  |
| TOTAL                                   |           | 366 |

#### Q19 What is your age?





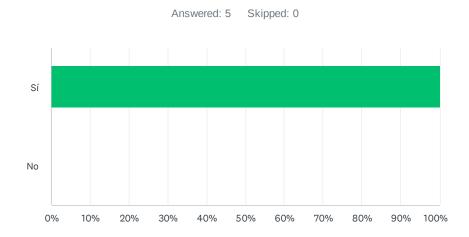
| ANSWER CHOICES | RESPONSES  |
|----------------|------------|
| Under 18       | 0.00%      |
| 18 - 24        | 0.82% 3    |
| 25 – 34        | 18.90% 69  |
| 35 – 49        | 43.01% 157 |
| 50 – 64        | 24.38% 89  |
| 65 and above   | 12.88% 47  |
| TOTAL          | 365        |

# Q20 Do you have any additional housing related comments that are not listed above and should be considered in the Housing Element update process?

Answered: 179 Skipped: 219

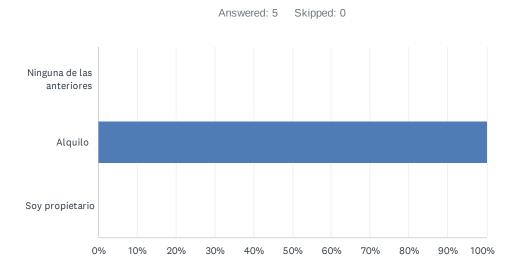
| APPENDIX A - COMMUNITY ENGAGEMENT |  |
|-----------------------------------|--|
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| A.6 Survey Responses (Spanish)    |  |
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#### Q1 ¿Es residente de Sunnyvale? (Elija una opción)



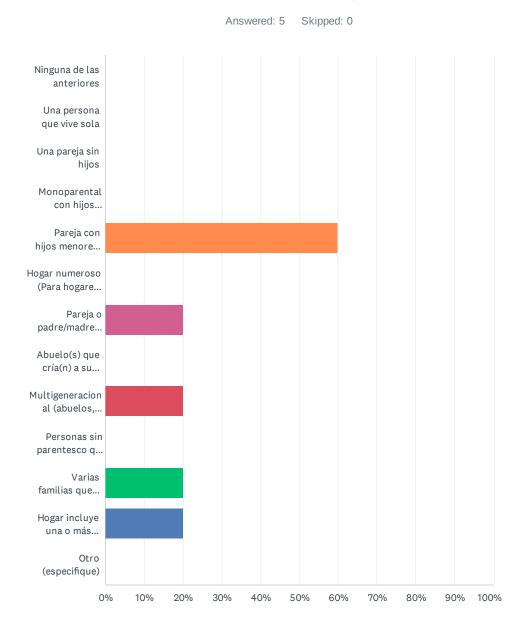
| ANSWER CHOICES | RESPONSES |   |
|----------------|-----------|---|
| Sí             | 100.00%   | 5 |
| No             | 0.00%     | 0 |
| TOTAL          |           | 5 |

### Q2 ¿Actualmente alquila o es propietario de su vivienda? (Elija una opción)



| ANSWER CHOICES            | RESPONSES |   |
|---------------------------|-----------|---|
| Ninguna de las anteriores | 0.00%     | 0 |
| Alquilo                   | 100.00%   | 5 |
| Soy propietario           | 0.00%     | 0 |
| TOTAL                     |           | 5 |

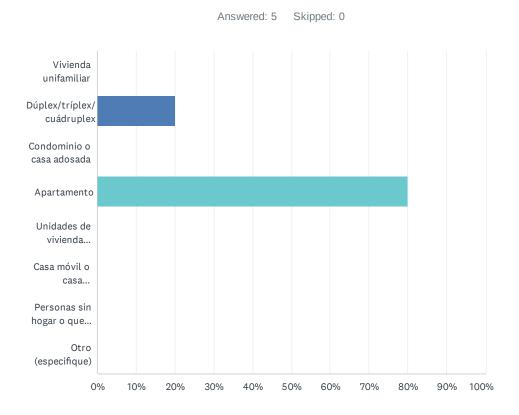
### Q3 ¿Cuál de las siguientes opciones describe mejor su grupo familiar? (Elija una opción)



#### ACTUALIZACIÓN DEL ELEMENTO DE VIVIENDA DE SUNNYVALE ENCUESTA A LA COMUNIDAD FEBRERO de 2022

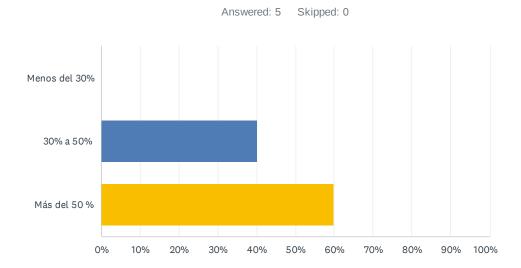
| ANSWER CHOICES   | RESPONSES |   |
|--|-----------|---|
| Ninguna de las anteriores  | 0.00%     | 0 |
| Una persona que vive sola  | 0.00%     | 0 |
| Una pareja sin hijos   | 0.00%     | 0 |
| Monoparental con hijos menores de 18 años                                  | 0.00%     | 0 |
| Pareja con hijos menores de 18 años (Para hogares de 4 miembros o menos)   | 60.00%    | 3 |
| Hogar numeroso (Para hogares de 5 miembros o más)                          | 0.00%     | 0 |
| Pareja o padre/madre soltero(a) con hijos mayores de 18 años               | 20.00%    | 1 |
| Abuelo(s) que cría(n) a su(s) nieto(s)                                     | 0.00%     | 0 |
| Multigeneracional (abuelos, padres y nietos)                               | 20.00%    | 1 |
| Personas sin parentesco que viven juntas                                   | 0.00%     | 0 |
| Varias familias que viven juntas   | 20.00%    | 1 |
| Hogar incluye una o más personas con necesidades especiales o discapacidad | 20.00%    | 1 |
| Otro (especifique)   | 0.00%     | 0 |
| Total Respondents: 5   |           |   |

#### Q4 ¿En qué tipo de vivienda vive? (Elija una opción)



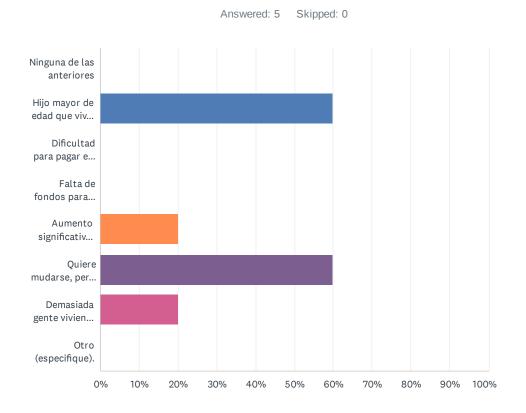
| ANSWER CHOICES   | RESPONSES |   |
|--|-----------|---|
| Vivienda unifamiliar   | 0.00%     | 0 |
| Dúplex/tríplex/cuádruplex  | 20.00%    | 1 |
| Condominio o casa adosada  | 0.00%     | 0 |
| Apartamento  | 80.00%    | 4 |
| Unidades de vivienda complementarias (anexos/subunidades/casas de huéspedes) | 0.00%     | 0 |
| Casa móvil o casa prefabricada   | 0.00%     | 0 |
| Personas sin hogar o que viven en una tienda de campaña/coche                | 0.00%     | 0 |
| Otro (especifique)   | 0.00%     | 0 |
| TOTAL  |           | 5 |

### Q5 ¿Qué proporción de sus ingresos brutos (antes de impuestos) gasta en costos de vivienda (renta, hipoteca, etc.) cada mes?



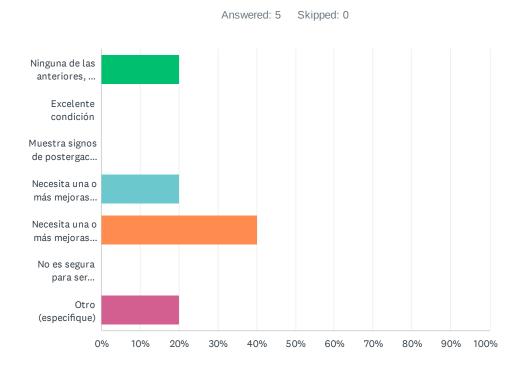
| ANSWER CHOICES | RESPONSES |   |
|----------------|-----------|---|
| Menos del 30%  | 0.00%     | 0 |
| 30% a 50%      | 40.00%    | 2 |
| Más del 50 %   | 60.00%    | 3 |
| TOTAL          |           | 5 |

### Q6 ¿Ha tenido o tiene alguno de los siguientes problemas de vivienda? (Elija todos los que correspondan)



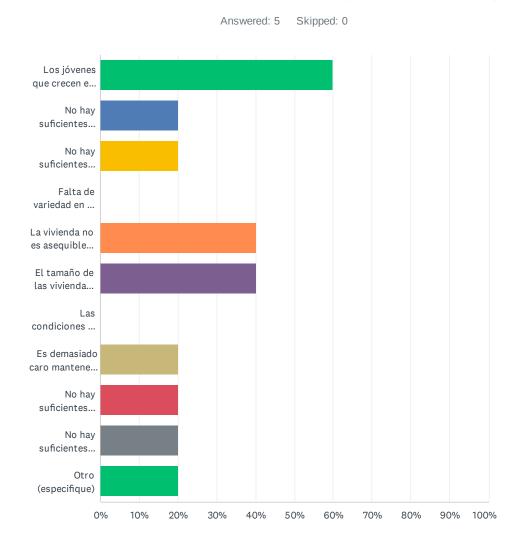
| ANSWER CHOICES  | RESPONS | SES |
|---|---------|-----|
| Ninguna de las anteriores   | 0.00%   | 0   |
| Hijo mayor de edad que vive en casa porque no puede costearse una vivienda  | 60.00%  | 3   |
| Dificultad para pagar el alquiler o la hipoteca (por ejemplo, a veces paga con retraso, no paga otras facturas para pagar el alquiler, no compra alimentos o medicinas) | 0.00%   | 0   |
| Falta de fondos para realizar las reparaciones necesarias en la vivienda  | 0.00%   | 0   |
| Aumento significativo del alquiler  | 20.00%  | 1   |
| Quiere mudarse, pero no puede encontrar o pagar una vivienda que satisfaga sus necesidades o las de su familia  | 60.00%  | 3   |
| Demasiada gente viviendo en una casa (hacinamiento)   | 20.00%  | 1   |
| Otro (especifique).   | 0.00%   | 0   |
| Total Respondents: 5  |         |     |

### Q7 ¿Cómo calificaría la condición física de su casa o apartamento? (Elija una opción)



| ANSWER CHOICES  | RESPONS | SES |
|---|---------|-----|
| Ninguna de las anteriores, no vivo en una casa ni apartamento.  | 20.00%  | 1   |
| Excelente condición   | 0.00%   | 0   |
| Muestra signos de postergación en el mantenimiento menor (p. ej., pintura descascarada, estuco desconchado)                                       | 0.00%   | 0   |
| Necesita una o más mejoras modestas de rehabilitación (p. ej., techo nuevo, revestimiento de madera nuevo, pintura nueva, reparación de ventanas) | 20.00%  | 1   |
| Necesita una o más mejoras importantes (p. ej., cimientos nuevos, tuberías nuevas, sistema eléctrico nuevo)                                       | 40.00%  | 2   |
| No es segura para ser habitada en su condición actual (es decir, estructuralmente insegura, crecimiento severo de moho)                           | 0.00%   | 0   |
| Otro (especifique)  | 20.00%  | 1   |
| TOTAL   |         | 5   |

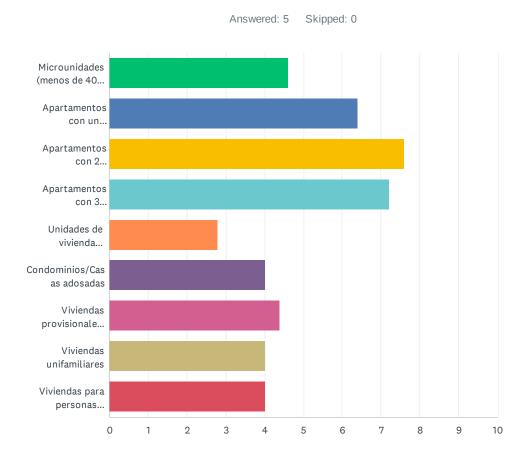
#### Q8 ¿Cuál cree que es el problema de vivienda más importante al que se enfrentan los residentes de Sunnyvale? (Elija hasta tres opciones)



#### ACTUALIZACIÓN DEL ELEMENTO DE VIVIENDA DE SUNNYVALE ENCUESTA A LA COMUNIDAD FEBRERO de 2022

| ANSWER CHOICES  | RESPONS | SES |
|---|---------|-----|
| Los jóvenes que crecen en la zona no pueden costearse vivir aquí cuando son adultos.  | 60.00%  | 3   |
| No hay suficientes viviendas a la venta.  | 20.00%  | 1   |
| No hay suficientes viviendas en alquiler  | 20.00%  | 1   |
| Falta de variedad en los tipos de vivienda.   | 0.00%   | 0   |
| La vivienda no es asequible para las personas que trabajan en comercio/industria de servicios; los maestros, la policía, los bomberos y los trabajadores de la salud no pueden permitirse vivir en Sunnyvale. | 40.00%  | 2   |
| El tamaño de las viviendas no se ajusta a las necesidades de las familias.  | 40.00%  | 2   |
| Las condiciones de vivienda son deficientes.  | 0.00%   | 0   |
| Es demasiado caro mantener mi vivienda como propietario.  | 20.00%  | 1   |
| No hay suficientes opciones de vivienda que se adapten a las personas mayores o a las personas con discapacidad.  | 20.00%  | 1   |
| No hay suficientes refugios y viviendas de transición para las personas sin hogar, junto con servicios que ayuden a trasladar a las personas a una vivienda permanente.                                       | 20.00%  | 1   |
| Otro (especifique)  | 20.00%  | 1   |
| Total Respondents: 5  |         |     |

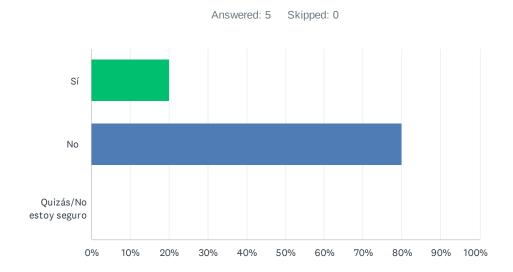
### Q9 ¿Qué tipos de vivienda son los que más necesita Sunnyvale? (Clasifique su respuesta por orden de prioridad)



#### ACTUALIZACIÓN DEL ELEMENTO DE VIVIENDA DE SUNNYVALE ENCUESTA A LA COMUNIDAD FEBRERO de 2022

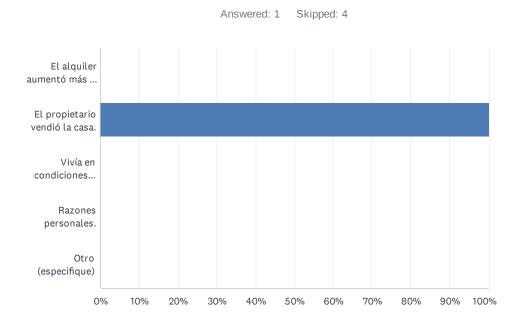
|   | 1      | 2           | 3           | 4      | 5      | 6      | 7      | 8      | 9      | TOTAL | SC |
|---|--------|-------------|-------------|--------|--------|--------|--------|--------|--------|-------|----|
| Microunidades (menos de<br>400 pies cuadrados)  | 0.00%  | 40.00%<br>2 | 0.00%       | 0.00%  | 0.00%  | 20.00% | 0.00%  | 20.00% | 20.00% | 5     |    |
| Apartamentos con un dormitorio o menos  | 0.00%  | 0.00%       | 40.00%<br>2 | 60.00% | 0.00%  | 0.00%  | 0.00%  | 0.00%  | 0.00%  | 5     |    |
| Apartamentos con 2 dormitorios  | 40.00% | 20.00%      | 20.00%      | 0.00%  | 20.00% | 0.00%  | 0.00%  | 0.00%  | 0.00%  | 5     |    |
| Apartamentos con 3<br>dormitorios o más   | 40.00% | 20.00%      | 0.00%       | 20.00% | 0.00%  | 20.00% | 0.00%  | 0.00%  | 0.00%  | 5     |    |
| Unidades de vivienda<br>complementarias<br>(anexos/subunidades/casas<br>de huéspedes)   | 0.00%  | 0.00%       | 0.00%       | 0.00%  | 20.00% | 20.00% | 20.00% | 0.00%  | 40.00% | 5     |    |
| Condominios/Casas<br>adosadas   | 0.00%  | 0.00%       | 40.00%<br>2 | 0.00%  | 0.00%  | 0.00%  | 20.00% | 20.00% | 20.00% | 5     |    |
| Viviendas provisionales, de<br>transición y de apoyo para<br>personas y familias sin<br>hogar o que corren el riesgo<br>de quedarse sin hogar | 0.00%  | 0.00%       | 0.00%       | 20.00% | 40.00% | 0.00%  | 40.00% | 0.00%  | 0.00%  | 5     |    |
| Viviendas unifamiliares   | 20.00% | 0.00%       | 0.00%       | 0.00%  | 0.00%  | 20.00% | 20.00% | 40.00% | 0.00%  | 5     |    |
| Viviendas para personas<br>mayores y para personas<br>con discapacidades  | 0.00%  | 20.00%      | 0.00%       | 0.00%  | 20.00% | 20.00% | 0.00%  | 20.00% | 20.00% | 5     |    |

#### Q10 ¿Ha sido usted o algún vecino desplazado de su hogar en los últimos cinco años?



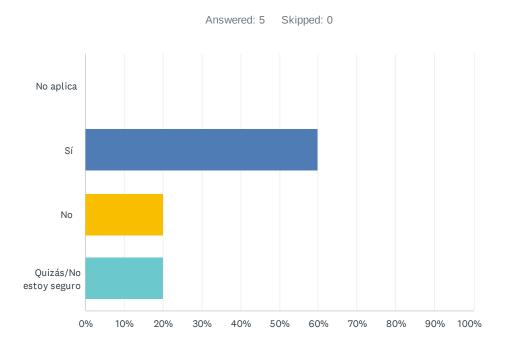
| ANSWER CHOICES         | RESPONSES |   |
|------------------------|-----------|---|
| Sí                     | 20.00%    | 1 |
| No                     | 80.00%    | 4 |
| Quizás/No estoy seguro | 0.00%     | 0 |
| TOTAL                  |           | 5 |

### Q11 ¿Cuál de las siguientes opciones describe mejor la razón por la o algún vecino que fue desplazado?



| ANSWER CHOICES                                 | RESPONSES |   |
|--|-----------|---|
| El alquiler aumentó más de lo que podía pagar. | 0.00%     | 0 |
| El propietario vendió la casa.                 | 100.00%   | 1 |
| Vivía en condiciones inseguras.                | 0.00%     | 0 |
| Razones personales.                            | 0.00%     | 0 |
| Otro (especifique)                             | 0.00%     | 0 |
| TOTAL  |           | 1 |

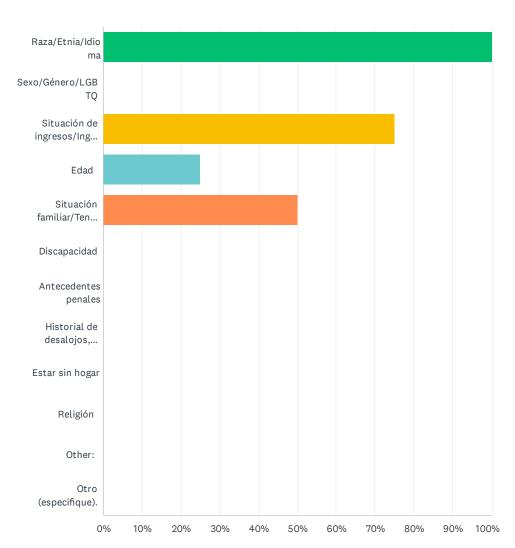
### Q12 Cuando buscó vivienda en Sunnyvale en los últimos 10 años, ¿se sintió discriminado alguna vez?



| ANSWER CHOICES         | RESPONSES |   |
|------------------------|-----------|---|
| No aplica              | 0.00%     | 0 |
| Sí                     | 60.00%    | 3 |
| No                     | 20.00%    | 1 |
| Quizás/No estoy seguro | 20.00%    | 1 |
| TOTAL                  |           | 5 |

### Q13 ¿Por qué cree que fue discriminado? (Elija todas las opciones que correspondan)

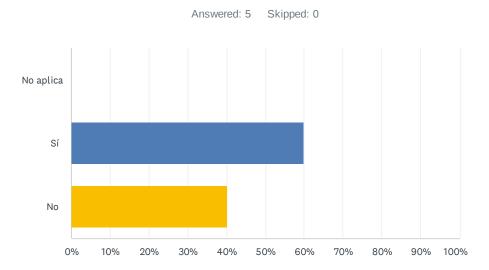




#### ACTUALIZACIÓN DEL ELEMENTO DE VIVIENDA DE SUNNYVALE ENCUESTA A LA COMUNIDAD FEBRERO de 2022

| ANSWER CHOICES   | RESPONSES |   |
|--|-----------|---|
| Raza/Etnia/Idioma  | 100.00%   | 4 |
| Sexo/Género/LGBTQ  | 0.00%     | 0 |
| Situación de ingresos/Ingresos demasiado bajos             | 75.00%    | 3 |
| Edad   | 25.00%    | 1 |
| Situación familiar/Tener hijos                             | 50.00%    | 2 |
| Discapacidad   | 0.00%     | 0 |
| Antecedentes penales                                       | 0.00%     | 0 |
| Historial de desalojos, ejecución hipotecaria, mal crédito | 0.00%     | 0 |
| Estar sin hogar  | 0.00%     | 0 |
| Religión   | 0.00%     | 0 |
| Other:   | 0.00%     | 0 |
| Otro (especifique).  | 0.00%     | 0 |
| Total Respondents: 4                                       |           |   |

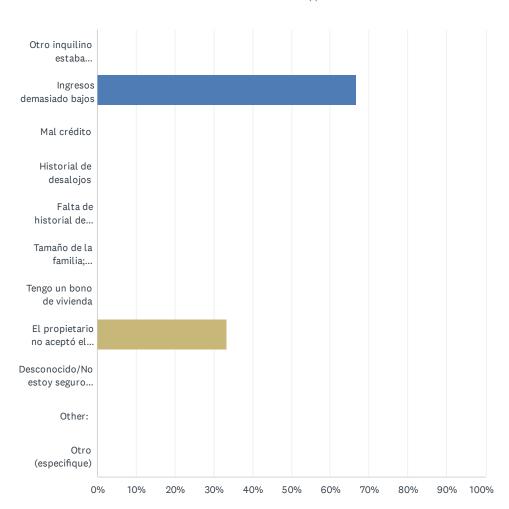
### Q14 Cuando buscó vivienda en Sunnyvale en los últimos 10 años, ¿alguna vez se le negó una vivienda en alquiler?



| ANSWER CHOICES | RESPONSES |   |
|----------------|-----------|---|
| No aplica      | 0.00%     | 0 |
| Sí             | 60.00%    | 3 |
| No             | 40.00%    | 2 |
| TOTAL          |           | 5 |

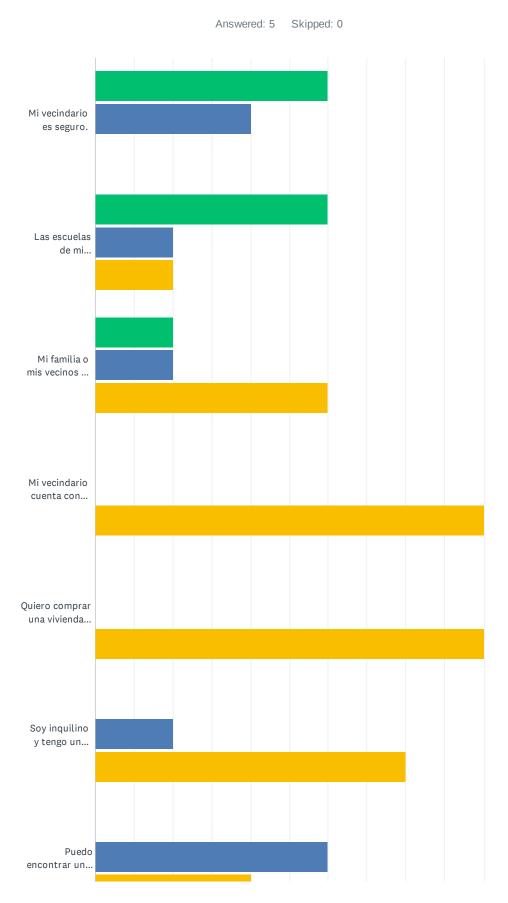
#### Q15 ¿Por qué se le negó?





| ANSWER CHOICES   | RESPONSES |
|--|-----------|
| Otro inquilino estaba dispuesto a pagar más            | 0.00%     |
| Ingresos demasiado bajos                               | 66.67% 2  |
| Mal crédito  | 0.00%     |
| Historial de desalojos                                 | 0.00%     |
| Falta de historial de vivienda estable                 | 0.00%     |
| Tamaño de la familia; demasiadas personas              | 0.00%     |
| Tengo un bono de vivienda                              | 0.00%     |
| El propietario no aceptó el tipo de ingresos que tengo | 33.33% 1  |
| Desconocido/No estoy seguro/No me dieron una razón     | 0.00%     |
| Other:   | 0.00%     |
| Otro (especifique)                                     | 0.00%     |
| TOTAL  | 3         |

#### Q16 ¿En qué medida está de acuerdo o en desacuerdo con las siguientes afirmaciones?:



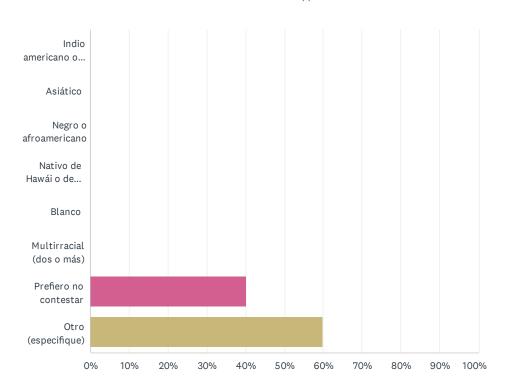
#### ACTUALIZACIÓN DEL ELEMENTO DE VIVIENDA DE SUNNYVALE ENCUESTA A LA COMUNIDAD FEBRERO de 2022



|  | DE<br>ACUERDO | NEUTRAL/NO<br>APLICA | EN<br>DESACUERDO | TOTAL | WEIGHTED<br>AVERAGE |
|--|---------------|----------------------|------------------|-------|---------------------|
| Mi vecindario es seguro.   | 60.00%        | 40.00%<br>2          | 0.00%            | 5     | 1.40                |
| Las escuelas de mi vecindario son de buena calidad.  | 60.00%        | 20.00%               | 20.00%           | 5     | 1.60                |
| Mi familia o mis vecinos no tendrán que abandonar nuestro vecindario por el aumento de los alquileres. | 20.00%        | 20.00%               | 60.00%           | 5     | 2.40                |
| Mi vecindario cuenta con viviendas accesibles y asequibles para las personas con discapacidades.       | 0.00%         | 0.00%                | 100.00%<br>5     | 5     | 3.00                |
| Quiero comprar una vivienda y tengo suficiente dinero para pagarla.                                    | 0.00%         | 0.00%                | 100.00%<br>5     | 5     | 3.00                |
| Soy inquilino y tengo un depósito de garantía suficiente para alquilar un apartamento o una casa.      | 0.00%         | 20.00%               | 80.00%           | 5     | 2.80                |
| Puedo encontrar una vivienda en alquiler, aunque tenga una condena en mi historial.                    | 0.00%         | 60.00%               | 40.00%           | 5     | 2.40                |

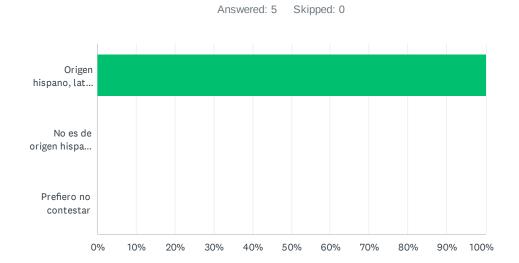
## Q17 ¿Cuál es su raza?





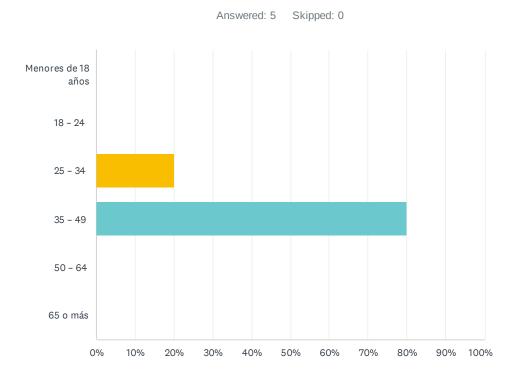
| ANSWER CHOICES                                | RESPONSES |   |
|---|-----------|---|
| Indio americano o nativo de Alaska            | 0.00%     | 0 |
| Asiático                                      | 0.00%     | 0 |
| Negro o afroamericano                         | 0.00%     | 0 |
| Nativo de Hawái o de otras islas del Pacífico | 0.00%     | 0 |
| Blanco  | 0.00%     | 0 |
| Multirracial (dos o más)                      | 0.00%     | 0 |
| Prefiero no contestar                         | 40.00%    | 2 |
| Otro (especifique)                            | 60.00%    | 3 |
| TOTAL   |           | 5 |

## Q18 ¿Cuál de las siguientes describe mejor su origen étnico?



| ANSWER CHOICES                            | RESPONSES |   |
|---|-----------|---|
| Origen hispano, latino o español          | 100.00%   | 5 |
| No es de origen hispano, latino o español | 0.00%     | 0 |
| Prefiero no contestar                     | 0.00%     | 0 |
| TOTAL                                     |           | 5 |

## Q19 ¿Cuántos años tiene?



| ANSWER CHOICES     | RESPONSES |   |
|--------------------|-----------|---|
| Menores de 18 años | 0.00%     | 0 |
| 18 – 24            | 0.00%     | 0 |
| 25 – 34            | 20.00%    | 1 |
| 35 – 49            | 80.00%    | 4 |
| 50 – 64            | 0.00%     | 0 |
| 65 o más           | 0.00%     | 0 |
| TOTAL              |           | 5 |

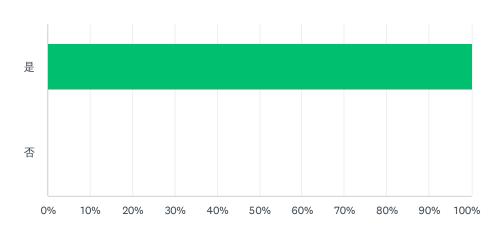
Q20 ¿Tiene algún comentario adicional relacionado con la vivienda que no se haya incluido en la lista anterior y que deba tenerse en cuenta en el proceso de actualización del elemento de vivienda?

Answered: 4 Skipped: 1

| APPENDIX A - COMMUNITY ENGAGEMENT |  |
|-----------------------------------|--|
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| A.7 Survey Responses (Mandarin)   |  |

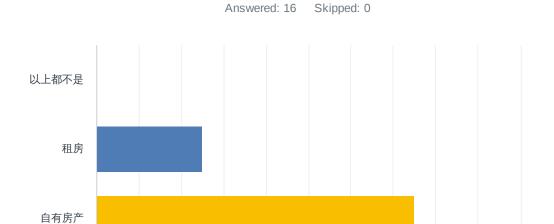
# Q1 您是 Sunnyvale 市的居民吗?(单选)





| ANSWER CHOICES | RESPONSES |    |
|----------------|-----------|----|
| 是              | 100.00%   | 16 |
|                | 0.00%     | 0  |
| TOTAL          |           | 16 |

## Q2 您目前是租房还是自有房产? (单选)



40%

50%

60%

70%

80%

90% 100%

0%

10%

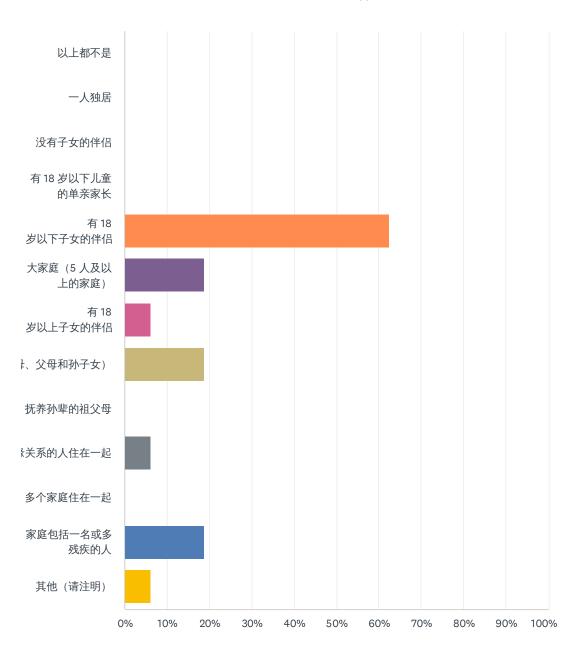
20%

30%

| ANSWER CHOICES | RESPONSES |    |
|----------------|-----------|----|
| 以上都不是          | 0.00%     | 0  |
| 租房             | 25.00%    | 4  |
|                | 75.00%    | 12 |
| TOTAL          |           | 16 |

## Q3 以下哪一项能最好地描述您的家庭? (单选)



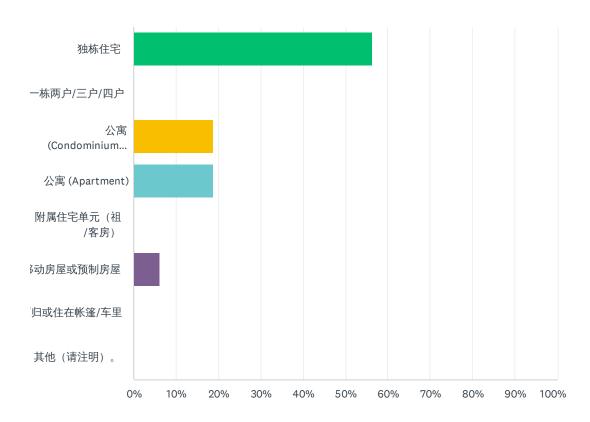


#### SUNNYVALE 市住房要素更新 社区调查 2022 年 2 月

| ANSWER CHOICES            | RESPONSES |    |
|---------------------------|-----------|----|
| 以上都不是                     | 0.00%     | 0  |
| 一人独居                      | 0.00%     | 0  |
| 没有子女的伴侣                   | 0.00%     | 0  |
| 有 18 岁以下儿童的单亲家长           | 0.00%     | 0  |
| 有 18 岁以下子女的伴侣 (4 人及以下的家庭) | 62.50%    | 10 |
| 大家庭 (5 人及以上的家庭)           | 18.75%    | 3  |
| 有 18 岁以上子女的伴侣或单亲家长        | 6.25%     | 1  |
| 多代(祖父母、父母和孙子女)            | 18.75%    | 3  |
| 抚养孙辈的祖父母                  | 0.00%     | 0  |
| 没有亲缘关系的人住在一起              | 6.25%     | 1  |
| 多个家庭住在一起                  | 0.00%     | 0  |
| 家庭包括一名或多名有特殊需要或残疾的人       | 18.75%    | 3  |
| 其他 (请注明)                  | 6.25%     | 1  |
| Total Respondents: 16     |           |    |

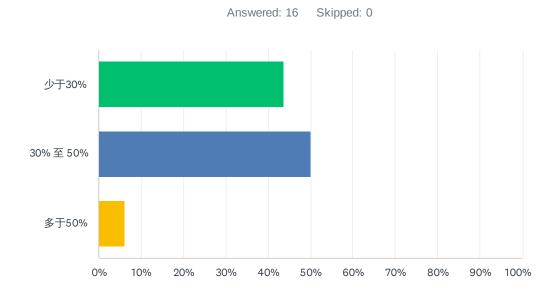
## Q4 您住在什么类型的房子里?(单选)

Answered: 16 Skipped: 0



| ANSWER CHOICES         | RESPONSES |    |
|------------------------|-----------|----|
| 独栋住宅                   | 56.25%    | 9  |
| 一栋两户/三户/四户             | 0.00%     | 0  |
| 公寓 (Condominium) 或联排别墅 | 18.75%    | 3  |
| 公寓 (Apartment)         | 18.75%    | 3  |
| 附属住宅单元 (祖母房/二级单元/客房)   | 0.00%     | 0  |
| 移动房屋或预制房屋              | 6.25%     | 1  |
| 无家可归或住在帐篷/车里           | 0.00%     | 0  |
| 其他 (请注明) 。             | 0.00%     | 0  |
| TOTAL                  |           | 16 |

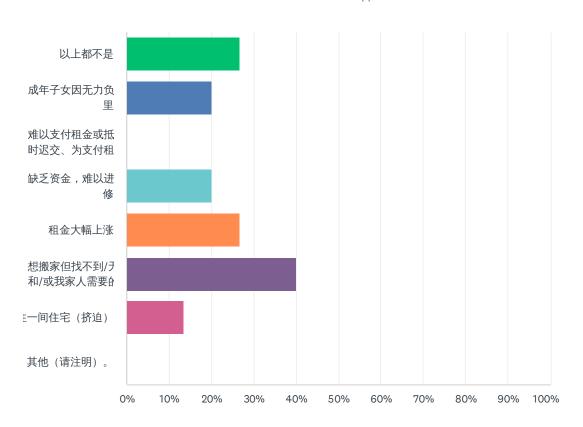
# Q5 您每月的总收入(税前)中,有多少钱花在了住房成本(房租、抵押贷款等)上?



| ANSWER CHOICES | RESPONSES |    |
|----------------|-----------|----|
| 少于30%          | 43.75%    | 7  |
| 30% 至 50%      | 50.00%    | 8  |
| 多于50%          | 6.25%     | 1  |
| TOTAL          |           | 16 |

## Q6 您是否曾经或正在面临以下任何住房问题? (选择所有适用项)

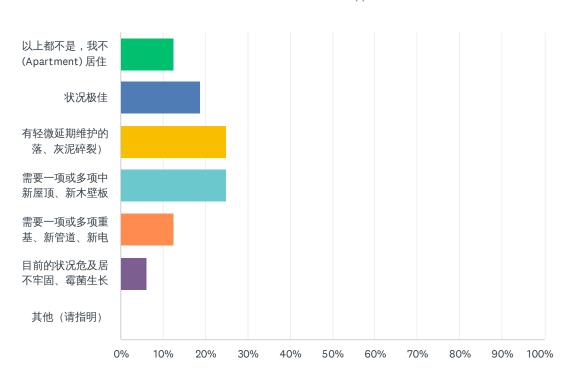
Answered: 15 Skipped: 1



| ANSWER CHOICES                             | RESPONSES |   |
|--|-----------|---|
| 以上都不是                                      | 26.67%    | 4 |
| 成年子女因无力负担住房而住在家里                           | 20.00%    | 3 |
| 难以支付租金或抵押贷款(例如有时迟交、为支付租金而不缴纳其他账单、不购买食品或药品) | 0.00%     | 0 |
| 缺乏资金,难以进行必要的房屋维修                           | 20.00%    | 3 |
| 租金大幅上涨                                     | 26.67%    | 4 |
| 想搬家但找不到/无力负担满足我和/或我家人需要的房子                 | 40.00%    | 6 |
| 太多人同住一间住宅(挤迫)                              | 13.33%    | 2 |
| 其他(请注明)。                                   | 0.00%     | 0 |
| Total Respondents: 15                      |           |   |

## Q7 您如何评价您住宅或公寓 (Apartment) 的实际状况? (单选)

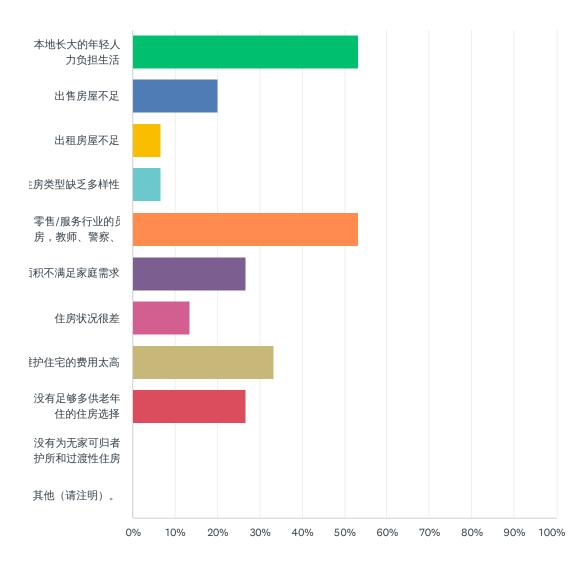
Answered: 16 Skipped: 0



| ANSWER CHOICES                    | RESPONSES |    |
|-----------------------------------|-----------|----|
| 以上都不是,我不在住宅或公寓 (Apartment) 居住。    | 12.50%    | 2  |
| 状况极佳                              | 18.75%    | 3  |
| 有轻微延期维护的迹象 (即油漆剥落、灰泥碎裂)           | 25.00%    | 4  |
| 需要一项或多项中度修整改善(即新屋顶、新木壁板、新油漆、窗户维修) | 25.00%    | 4  |
| 需要一项或多项重大升级(即新地基、新管道、新电气)         | 12.50%    | 2  |
| 目前的状况危及居住安全(即结构不牢固、霉菌生长严重)        | 6.25%     | 1  |
| 其他 (请指明)                          | 0.00%     | 0  |
| TOTAL                             |           | 16 |

# Q8 您认为 Sunnyvale 市居民面临的最严重的住房问题是什么?(最多选择三项)



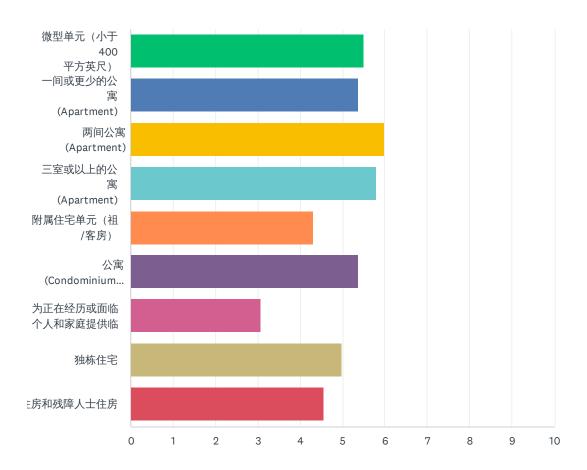


#### SUNNYVALE 市住房要素更新 社区调查 2022 年 2 月

| ANSWER CHOICES   | RESPONSE | ES |
|--|----------|----|
| 本地长大的年轻人成年后在当地无力负担生活                                   | 53.33%   | 8  |
| 出售房屋不足   | 20.00%   | 3  |
| 出租房屋不足   | 6.67%    | 1  |
| 住房类型缺乏多样性  | 6.67%    | 1  |
| 零售/服务行业的员工无力负担住房,教师、警察、消防和卫生保健工作者无力负担在 Sunnyvale 市的生活。 | 53.33%   | 8  |
| 住房面积不满足家庭需求  | 26.67%   | 4  |
| 住房状况很差   | 13.33%   | 2  |
| 业主维护住宅的费用太高  | 33.33%   | 5  |
| 没有足够多供老年人或残障人士居住的住房选择                                  | 26.67%   | 4  |
| 没有为无家可归者提供足够多的庇护所和过渡性住房,没有帮助个人搬入永久住房的充足服务。             | 0.00%    | 0  |
| 其他 (请注明) 。   | 0.00%    | 0  |
| Total Respondents: 15                                  |          |    |

## Q9 Sunnyvale 市最需要什么类型的住房? (按优先顺序排列你的答案)

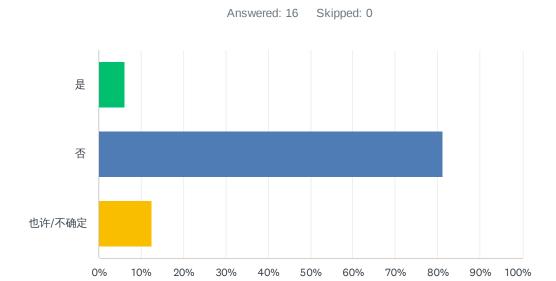
Answered: 16 Skipped: 0



#### SUNNYVALE 市住房要素更新 社区调查 2022 年 2 月

|   | 1           | 2           | 3           | 4           | 5           | 6           | 7           | 8           | 9           | TOTAL | SCORE |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------|-------|
| 微型单元(小<br>于 400 平方英<br>尺)                             | 25.00%<br>4 | 12.50%<br>2 | 18.75%<br>3 | 0.00%       | 0.00%       | 0.00%       | 18.75%<br>3 | 12.50%<br>2 | 12.50%<br>2 | 16    | 5.50  |
| 一间或更少的<br>公寓<br>(Apartment)                           | 0.00%       | 18.75%<br>3 | 12.50%      | 12.50%      | 25.00%<br>4 | 12.50%<br>2 | 12.50%      | 6.25%       | 0.00%       | 16    | 5.38  |
| 两间公寓<br>(Apartment)                                   | 18.75%<br>3 | 0.00%       | 12.50%<br>2 | 37.50%<br>6 | 12.50%<br>2 | 6.25%<br>1  | 6.25%<br>1  | 6.25%<br>1  | 0.00%       | 16    | 6.00  |
| 三室或以上的<br>公寓<br>(Apartment)                           | 6.25%       | 12.50%      | 18.75%<br>3 | 25.00%<br>4 | 12.50%      | 12.50%      | 6.25%       | 6.25%       | 0.00%       | 16    | 5.81  |
| 附属住宅单元<br>(祖母房/二级<br>单元/客房)                           | 0.00%       | 12.50%      | 6.25%       | 0.00%       | 18.75%<br>3 | 18.75%<br>3 | 31.25%<br>5 | 12.50%      | 0.00%       | 16    | 4.31  |
| 公寓<br>(Condominium)<br>/联排别墅                          | 6.25%       | 18.75%<br>3 | 12.50%      | 12.50%<br>2 | 12.50%<br>2 | 6.25%       | 18.75%<br>3 | 12.50%<br>2 | 0.00%       | 16    | 5.38  |
| 为正在经历或<br>面临无家可归<br>风险的个人和<br>家庭提供临<br>时、过渡和支<br>持性住房 | 0.00%       | 12.50%      | 0.00%       | 6.25%       | 6.25%       | 18.75%      | 0.00%       | 6.25%       | 50.00%      | 16    | 3.06  |
| 独栋住宅  | 31.25%<br>5 | 6.25%<br>1  | 12.50%<br>2 | 0.00%       | 0.00%       | 6.25%<br>1  | 0.00%       | 12.50%<br>2 | 31.25%<br>5 | 16    | 5.00  |
| 老年人住房和<br>残障人士住房                                      | 12.50%      | 6.25%       | 6.25%       | 6.25%       | 12.50%      | 18.75%      | 6.25%       | 25.00%<br>4 | 6.25%       | 16    | 4.56  |

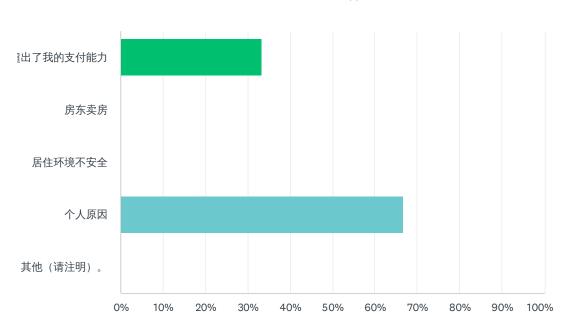
## Q10 在过去五年中,您或邻居是否曾被迫离开住宅而流离失所?



| ANSWER CHOICES | RESPONSES |    |
|----------------|-----------|----|
| 是              | 6.25%     | 1  |
| 否              | 81.25%    | 13 |
| 也许/不确定         | 12.50%    | 2  |
| TOTAL          |           | 16 |

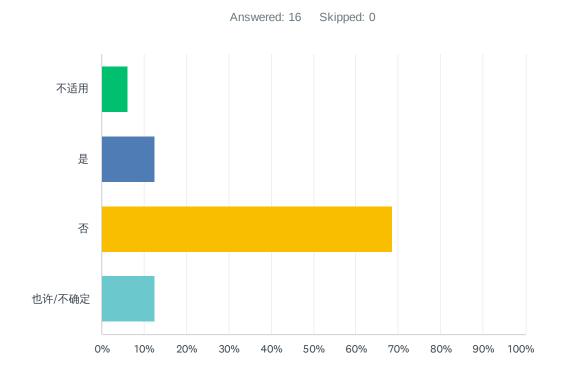
## Q11 以下哪一项能最好地描述您流离失所的原因?





| ANSWER CHOICES | RESPONSES |   |
|----------------|-----------|---|
| 租金上涨,超出了我的支付能力 | 33.33%    | 1 |
| 房东卖房           | 0.00%     | 0 |
| 居住环境不安全        | 0.00%     | 0 |
| 个人原因           | 66.67%    | 2 |
| 其他 (请注明) 。     | 0.00%     | 0 |
| TOTAL          |           | 3 |

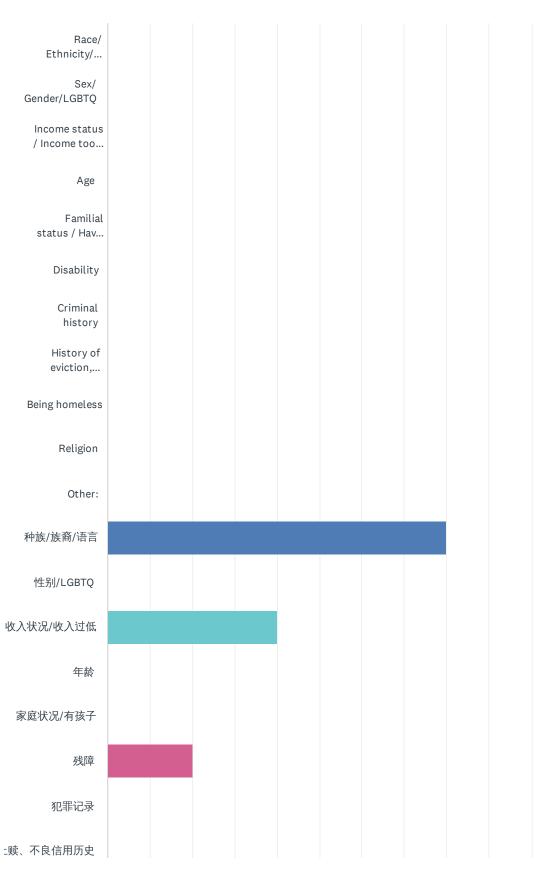
## Q12 在过去十年中,您在 Sunnyvale 市找房时是否觉得自己受到歧视?



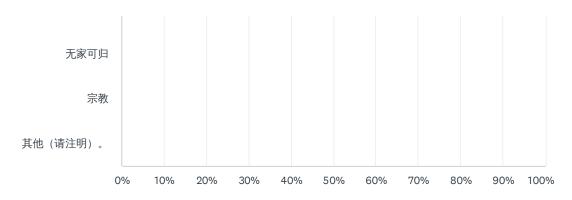
| ANSWER CHOICES | RESPONSES |    |
|----------------|-----------|----|
| 不适用            | 6.25%     | 1  |
| 是              | 12.50%    | 2  |
| 否              | 68.75%    | 11 |
| 也许/不确定         | 12.50%    | 2  |
| TOTAL          |           | 16 |

# Q13 您认为您为什么受到歧视?(选择所有适用项)

Answered: 5 Skipped: 11

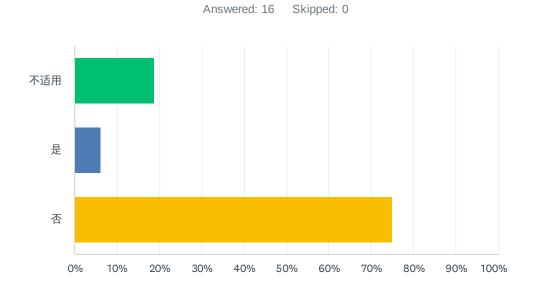


#### SUNNYVALE 市住房要素更新 社区调查 2022 年 2 月



| ANSWER CHOICES                               | RESPONSES |   |
|--|-----------|---|
| Race/ Ethnicity/ Language spoken             | 0.00%     | 0 |
| Sex/ Gender/LGBTQ                            | 0.00%     | 0 |
| Income status / Income too low               | 0.00%     | 0 |
| Age  | 0.00%     | 0 |
| Familial status / Having children            | 0.00%     | 0 |
| Disability                                   | 0.00%     | 0 |
| Criminal history                             | 0.00%     | 0 |
| History of eviction, foreclosure, bad credit | 0.00%     | 0 |
| Being homeless                               | 0.00%     | 0 |
| Religion                                     | 0.00%     | 0 |
| Other:                                       | 0.00%     | 0 |
| 种族/族裔/语言                                     | 80.00%    | 4 |
| 性别/LGBTQ                                     | 0.00%     | 0 |
| 收入状况/收入过低                                    | 40.00%    | 2 |
| 年龄   | 0.00%     | 0 |
| 家庭状况/有孩子                                     | 0.00%     | 0 |
| 残障   | 20.00%    | 1 |
| 犯罪记录   | 0.00%     | 0 |
| 驱逐、止赎、不良信用历史                                 | 0.00%     | 0 |
| 无家可归   | 0.00%     | 0 |
| 宗教   | 0.00%     | 0 |
| 其他 (请注明) 。                                   | 0.00%     | 0 |
| Total Respondents: 5                         |           |   |

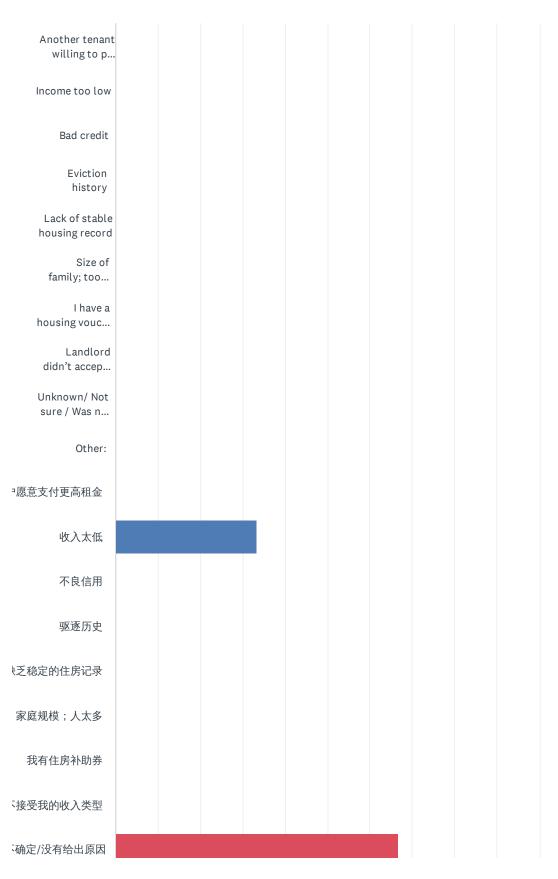
## Q14 在过去十年中,您在 Sunnyvale 市找房时是否曾租房被拒?



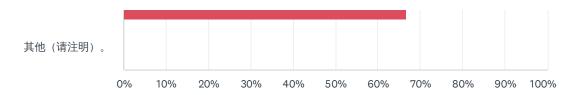
| ANSWER CHOICES | RESPONSES |    |
|----------------|-----------|----|
| 不适用            | 18.75%    | 3  |
| 是              | 6.25%     | 1  |
| 否              | 75.00%    | 12 |
| TOTAL          |           | 16 |

## Q15 您为什么被拒绝?

Answered: 3 Skipped: 13



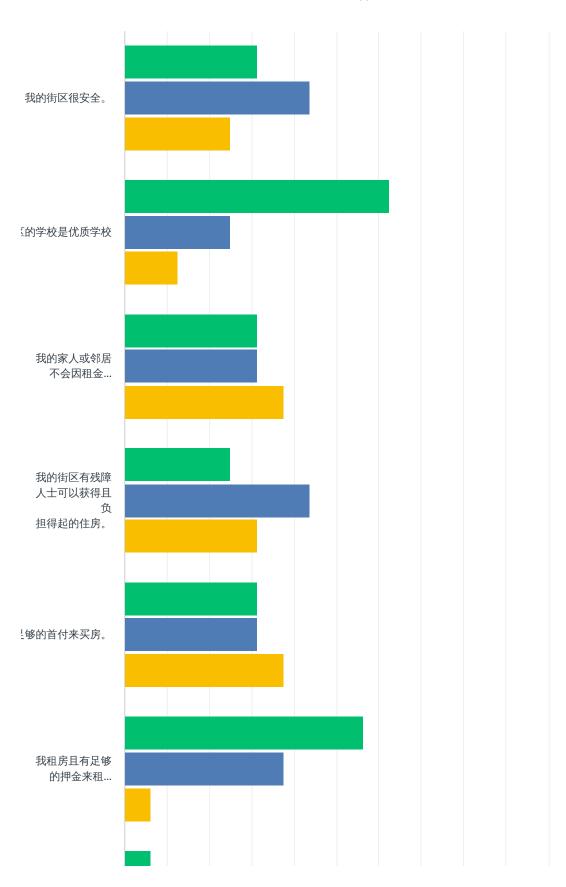
#### SUNNYVALE 市住房要素更新 社区调查 2022 年 2 月



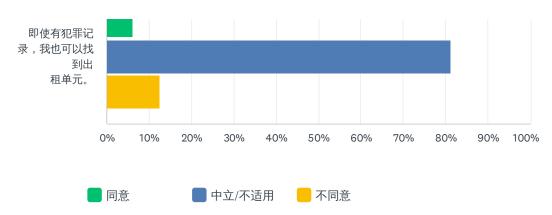
| Another tenant willing to pay more       0.00%       0         Income too low       0.00%       0         Bad credit       0.00%       0         Eviction history       0.00%       0         Lack of stable housing record       0.00%       0         Size of family; too many people       0.00%       0         I have a housing voucher       0.00%       0         Unknown/ Not sure / Was not given a reason       0.00%       0         Other:       0.00%       0         S— data / Bas Syltesiata       0.00%       0         W.X AK       33.33%       1         Refall       0.00%       0         wis Single       0.00%       0         wis Zekiz bit his ji       0.00%       0         sk Zekiz bit his ji       0.00%       0   | ANSWER CHOICES                                   | RESPONSES |   |
|--|--|-----------|---|
| Bad credit       0.00%       0         Eviction history       0.00%       0         Lack of stable housing record       0.00%       0         Size of family; too many people       0.00%       0         I have a housing voucher       0.00%       0         Landlord didn't accept the type of income I earn       0.00%       0         Unknown/ Not sure / Was not given a reason       0.00%       0         另一位租户愿意文付更高租金       0.00%       0         收入太低       33.33%       1         不良信用       0.00%       0         WE ORD       0.00%       0         就至原規模: 人太多       0.00%       0         教有住房补助券       0.00%       0         房东不接受我的收入类型       0.00%       0         未知不确定没有给出原因       66.67%       2         其他(请注明).       0.00%       0  | Another tenant willing to pay more               | 0.00%     | 0 |
| Eviction history         0.00%         0           Lack of stable housing record         0.00%         0           Size of family; too many people         0.00%         0           I have a housing voucher         0.00%         0           Landlord didn't accept the type of income I earn         0.00%         0           Unknown/ Not sure / Was not given a reason         0.00%         0           Other:         0.00%         0           \$\text{D} \cdot Alp \in \text{Bis \text{T} of \text{Bis Alphase}}         0.00%         0           W\lambda \text{K}         33.33%         1           \text{Refill}         0.00%         0           \text{Wising Pick         0.00%         0           \text{size of term is a reason         0.00%         0           \text{Wising D}         0.00%         0           \text{Wising D}         0.00%         0           \text{\text{size of term is a reason}}         0.00%         0           \text{\text{Wising D}         0.00%         0           \text{\text{size of term is a reason}}         0.00%         0           \text{\text{\text{size of term is a reason}}         0.00%         0           \text{\text{\text{size of term is a reason}}         0.00%         0 <td>Income too low</td> <td>0.00%</td> <td>0</td>  | Income too low                                   | 0.00%     | 0 |
| Lack of stable housing record       0.00%       0         Size of family; too many people       0.00%       0         I have a housing voucher       0.00%       0         Landlord didn't accept the type of income I eam       0.00%       0         Unknown/ Not sure / Was not given a reason       0.00%       0         Other:       0.00%       0         另一位租户愿意支付更高租金       0.00%       0         收入太低       33.33%       1         不良信用       0.00%       0         wb. 天稳定的住房记录       0.00%       0         就逐历史       0.00%       0         橡皮稳定的住房记录       0.00%       0         教庭規模: 人太多       0.00%       0         费东不接受我的收入类型       0.00%       0         房东不接受我的收入类型       0.00%       0         未知/不确定没有给出原因       66.67%       2         其他(请注明)。       0.00%       0   | Bad credit                                       | 0.00%     | 0 |
| Size of family; too many people       0.00%       0         I have a housing voucher       0.00%       0         Landlord didn't accept the type of income I eam       0.00%       0         Unknown/ Not sure / Was not given a reason       0.00%       0         5 一位租户愿意文付更高租金       0.00%       0         收入太低       33.33%       1         不良信用       0.00%       0         感逐历史       0.00%       0         缺乏稳定的住房记录       0.00%       0         家庭規模; 人太多       0.00%       0         费东不接受我的收入类型       0.00%       0         房东不接受我的收入类型       0.00%       0         集知不确定/没有给出原因       66.67%       2         其他(请注明)。       0.00%       0  | Eviction history                                 | 0.00%     | 0 |
| I have a housing voucher       0.00%       0         Landlord didn't accept the type of income I earn       0.00%       0         Unknown/ Not sure / Was not given a reason       0.00%       0         Other:       0.00%       0         另一位租户愿意支付更高租金       0.00%       0         收入太低       33.33%       1         不良信用       0.00%       0         皺逐历史       0.00%       0         軟乏稳定的住房记录       0.00%       0         家庭規模: 人太多       0.00%       0         我有住房补助券       0.00%       0         房东不接受我的收入类型       0.00%       0         未知不确定/没有给出原因       66.67%       2         其他(请注明)。       0.00%       0   | Lack of stable housing record                    | 0.00%     | 0 |
| Landlord didn't accept the type of income I earn       0.00%       0         Unknown/ Not sure / Was not given a reason       0.00%       0         Other:       0.00%       0         另一位租户愿意支付更高租金       0.00%       0         收入太低       33.33%       1         不良信用       0.00%       0         驱逐历史       0.00%       0         缺乏稳定的住房记录       0.00%       0         家庭規模: 人太多       0.00%       0         我有住房补助券       0.00%       0         房东不接受我的收入类型       0.00%       0         未知/不确定/没有给出原因       66.67%       2         其他(请注明)。       0.00%       0   | Size of family; too many people                  | 0.00%     | 0 |
| Unknown/ Not sure / Was not given a reason       0.00%       0         Other:       0.00%       0         第一位租户愿意支付更高租金       0.00%       0         收入太低       33.33%       1         不良信用       0.00%       0         驱逐历史       0.00%       0         就乏稳定的住房记录       0.00%       0         家庭規模; 人太多       0.00%       0         我有住房补助券       0.00%       0         房东不接受我的收入类型       0.00%       0         未知/不确定没有给出原因       66.67%       2         其他(请注明)。       0.00%       0   | I have a housing voucher                         | 0.00%     | 0 |
| Other:       0.00%       0         另一位租户愿意支付更高租金       0.00%       0         收入太低       33.33%       1         不良信用       0.00%       0         驱逐历史       0.00%       0         缺乏稳定的住房记录       0.00%       0         家庭规模;人太多       0.00%       0         我有住房补助券       0.00%       0         房东不接受我的收入类型       0.00%       0         未知/不确定/没有给出原因       66.67%       2         其他(请注明)。       0.00%       0  | Landlord didn't accept the type of income I earn | 0.00%     | 0 |
| 另一位和户愿意支付更高租金     收入太低     33.33%     1     不良信用     不良信用     のの9%     家庭規模:人太多     我有住房补助券     のの9%     のの9%     お充不接受我的收入类型     お知不確定/沒有给出原因     其他(请注明)。     のの9%     のの9% | Unknown/ Not sure / Was not given a reason       | 0.00%     | 0 |
| 收入太低       33.33%       1         不良信用       0.00%       0         驱逐历史       0.00%       0         缺乏稳定的住房记录       0.00%       0         家庭规模;人太多       0.00%       0         我有住房补助券       0.00%       0         房东不接受我的收入类型       0.00%       0         未知/不确定/没有给出原因       66.67%       2         其他(请注明)。       0.00%       0   | Other:   | 0.00%     | 0 |
| 不良信用       0.00%       0         驱逐历史       0.00%       0         缺乏稳定的住房记录       0.00%       0         家庭规模;人太多       0.00%       0         我有住房补助券       0.00%       0         房东不接受我的收入类型       0.00%       0         未知/不确定/没有给出原因       66.67%       2         其他(请注明)。       0.00%       0   | 另一位租户愿意支付更高租金                                    | 0.00%     | 0 |
| 驱逐历史0.00%0缺乏稳定的住房记录0.00%0家庭规模;人太多0.00%0我有住房补助券0.00%0房东不接受我的收入类型0.00%0未知/不确定/没有给出原因66.67%2其他(请注明)。0.00%0  | 收入太低   | 33.33%    | 1 |
| 缺乏稳定的住房记录0.00%0家庭规模;人太多0.00%0我有住房补助券0.00%0房东不接受我的收入类型0.00%0未知/不确定/没有给出原因66.67%2其他(请注明)。0.00%0  | 不良信用   | 0.00%     | 0 |
| 家庭规模;人太多       0.00%       0         我有住房补助券       0.00%       0         房东不接受我的收入类型       0.00%       0         未知/不确定/没有给出原因       66.67%       2         其他(请注明)。       0.00%       0   | 驱逐历史   | 0.00%     | 0 |
| 我有住房补助券0.00%0房东不接受我的收入类型0.00%0未知/不确定/没有给出原因66.67%2其他 (请注明)。0.00%0  | 缺乏稳定的住房记录  | 0.00%     | 0 |
| 房东不接受我的收入类型       0.00%       0         未知/不确定/没有给出原因       66.67%       2         其他 (请注明) 。       0.00%       0  | 家庭规模;人太多   | 0.00%     | 0 |
| 未知/不确定/没有给出原因       66.67%       2         其他 (请注明) 。       0.00%       0  | 我有住房补助券  | 0.00%     | 0 |
| 其他 (请注明) 。 0.00% 0   | 房东不接受我的收入类型                                      | 0.00%     | 0 |
|  | 未知/不确定/没有给出原因                                    | 66.67%    | 2 |
| TOTAL 3  | 其他 (请注明) 。                                       | 0.00%     | 0 |
|  | TOTAL  |           | 3 |

## Q16 您同意或不同意以下陈述的程度:





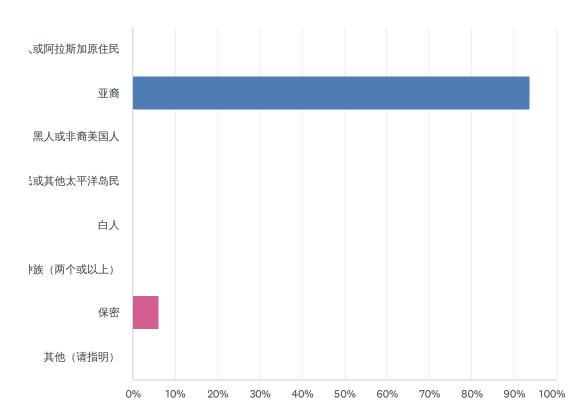
#### SUNNYVALE 市住房要素更新 社区调查 2022 年 2 月



|                                  | 同意     | 中立/不适用 | 不同意    | TOTAL | WEIGHTED AVERAGE |
|----------------------------------|--------|--------|--------|-------|------------------|
| 我的街区很安全。                         | 31.25% | 43.75% | 25.00% |       |                  |
|                                  | 5      | 7      | 4      | 16    | 1.94             |
| 我所在街区的学校是优质学校                    | 62.50% | 25.00% | 12.50% |       |                  |
|                                  | 10     | 4      | 2      | 16    | 1.50             |
| 我的家人或邻居不会因租金上涨而需要离开居住的街区。        | 31.25% | 31.25% | 37.50% |       |                  |
|                                  | 5      | 5      | 6      | 16    | 2.06             |
| 我的街区有残障人士可以获得且负担得起的住房。           | 25.00% | 43.75% | 31.25% |       |                  |
|                                  | 4      | 7      | 5      | 16    | 2.06             |
| 我想买房且有足够的首付来买房。                  | 31.25% | 31.25% | 37.50% |       |                  |
|                                  | 5      | 5      | 6      | 16    | 2.06             |
| 我租房且有足够的押金来租住公寓 (apartment) 或住宅。 | 56.25% | 37.50% | 6.25%  |       |                  |
|                                  | 9      | 6      | 1      | 16    | 1.50             |
| 即使有犯罪记录,我也可以找到出租单元。              | 6.25%  | 81.25% | 12.50% |       |                  |
|                                  | 1      | 13     | 2      | 16    | 2.06             |

## Q17 您的种族是?

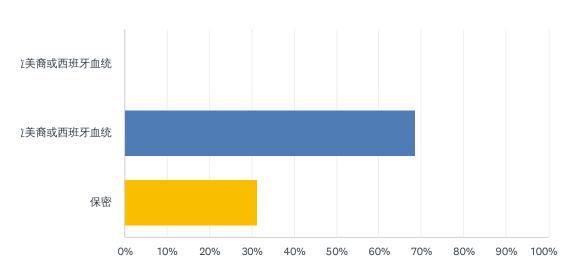
Answered: 16 Skipped: 0



| ANSWER CHOICES | RESPONSES |    |
|----------------|-----------|----|
| 美洲印第安人或阿拉斯加原住民 | 0.00%     | 0  |
| 亚裔             | 93.75%    | 15 |
| 黑人或非裔美国人       | 0.00%     | 0  |
| 夏威夷原住民或其他太平洋岛民 | 0.00%     | 0  |
| 白人             | 0.00%     | 0  |
| 多种族 (两个或以上)    | 0.00%     | 0  |
| 保密             | 6.25%     | 1  |
| 其他 (请指明)       | 0.00%     | 0  |
| TOTAL          |           | 16 |

## Q18 哪一项能最好地描述您的族裔?

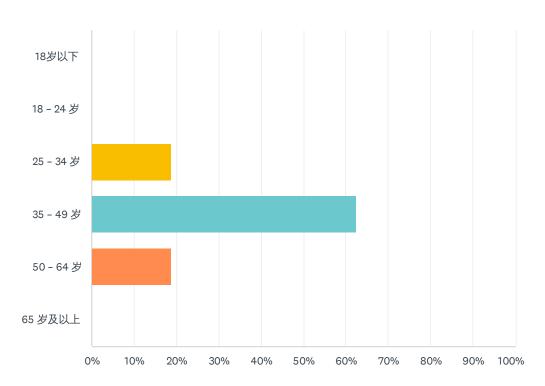
Answered: 16 Skipped: 0



| ANSWER CHOICES  | RESPONSES |    |
|-----------------|-----------|----|
| 西班牙裔、拉美裔或西班牙血统  | 0.00%     | 0  |
| 非西班牙裔、拉美裔或西班牙血统 | 68.75%    | 11 |
| 保密              | 31.25%    | 5  |
| TOTAL           |           | 16 |

## Q19 您的年龄是?

Answered: 16 Skipped: 0



| ANSWER CHOICES | RESPONSES |    |
|----------------|-----------|----|
| 18岁以下          | 0.00%     | 0  |
| 18 – 24 岁      | 0.00%     | 0  |
| 25 – 34 岁      | 18.75%    | 3  |
| 35 – 49 岁      | 62.50%    | 10 |
| 50 - 64 岁      | 18.75%    | 3  |
| 65 岁及以上        | 0.00%     | 0  |
| TOTAL          |           | 16 |

# Q20 您是否有关于住房的其他意见未在上文列出,且应在住房要素更新过程中予以考虑?

Answered: 6 Skipped: 10

#### ALL COMMENTS AND VERBATIM RESPONSES TO "OTHER"

#### Question 2 – Do you currently rent or own your home?

- I am nearly 40, married with a son, living in my elderly father's house and not able to pay rent despite working full time
- I am a Sunnyvale landlord
- Homeless/ live in a rv
- Live with family. I work in Sunnyvale and would like to live here.
- Rent apartment
- Was renting, now with parents because house was sold
- live with parent who owns
- Live with parents, who own
- Pay space rent

#### Question 3 – Which of the following best describes your household?

- Married Couple with children and their girlfriends frequently living at home
- Couple with 1 "child" over 18 and one child under 18
- siblings
- Couple in main house, grown child with partner in ADU
- Single parent with son > 18yo
- Single disabled parent 3 children
- Plus one on the way
- Single adult siblings living together
- Couple with a grewup child
- 4人家庭 [Family of 4]

#### Question 4 – What type of housing do you live in?

- Room
- Single Family Home with ADU on site.

#### Question 6 – Have you or are you experiencing any of the following housing issues?

- Rising HOA fees
- property taxes, and services (garbage, water, etc.) prices keep going up. :-(
- HOA fees significantly increasing every year
- Thanking of active living senior housing but don't like the current options
- Cold, cant cook, or shower BC there's no hookups anywhere around here for all the rv's to go
- Not enough single family homes for sale.
- Adult child moved out once she got a ft position
- Too much taxes and NOTHING of equal value in return
- Taxes on gains from sail make it impossible to even consider moving.
- Even with a co-signor parent who will help with rent, it's hard to compete with a techie applicant for housing.

- Elderly parent living in home because she can't afford senior living
- Don't want increase rent to good tenants.
- Landlord is unwilling to repair property
- Want to move, but capital gains tax is ridiculous.
- Want to move because the city is not as safe as before
- Housing density TOO HIGH, in Sunnyvale
- Want to purchase on Sunnyvale but comparable costs too high
- Too much house tax
- adult child with disability
- neighborhood safety
- Getting too crowded. Plan to move away soon
- Worrying about security
- Want to buy a condo/townhouse, but extremely limited inventory and extremely expensive.

#### Question 7 – How would you rate the physical condition of your home?

- Needs upgrades to be green (all electric) & to complete dry landscaping
- It's ok
- Wanted to replace my roof/upgrade it and I deeply regretted that decision due to extreme harassment by the Permit process and those who were in the final process of approving it. My wife and I were in tears. This is not the way our residents were to be treated. It was so shameful. The big builders had no issues. What does this say?
- City should assist in "low water" landscape for owner of property
- It is perfect No way owner will ever recover his investments.
- older home exterior excellent, but can use some interior remodeling
- Mojo y pisos rechinable la madera muy vieja de los pisos [Dirty and old creaky wood floors]

# Question 8 – What do you feel is the most significant housing problem facing Sunnyvale residents?

- Housing is too expensive unless you work for big tech companies.
- Planning Department too restrictive.
- Too many tech companies and their workers with too much \$\$\$ from equity compensation, competing for housing with low to mid-income people. Not everyone working for Apple, Google, FB, etc. needs to live in Silicon Valley or Sunnyvale. There's no need for ginormous tech campuses w/ every worker on-site in the Bay Area.
- Too expensive to build (permits, fees, and regulation cost)
- Planning Commission and City Council are ruining the city by overbuilding. This was a comfortable city 20 years ago with fewer apartments and fewer people. Now it is becoming a zoo!
- more high density housing needed!
- Too many apartments for the infrastructure
- Lack of affordability is confused with lack of availability. There is availability but not affordability too many luxury housing developments have been green-lighted by Sunnyvale.
- Too many houses near my residence is making traffic congested and too crowded
- Not enough parking. Getting too crowded. Decreasing safety.

- Not enough affordable housing for larger families
- Housing not affordable period. That includes tech workers
- too much housing. No longer the small town that I knew. Might as well combine, sunnyvale, santa clara, cupertino, etc., into one big city.
- Quality of schools
- Housing here is not appropriate for young adults shared housing is difficult to find mostly we have expensive studios & 1-BRs
- Too many (foreign) investors buying up property just to rent it at the highest price the market will bear
- Not enough affordable housing that could accommodate a variety of different groups (ie singles, families, lower ses people, seniors/disabled people with special housing needs/pocketbooks.) Not everyone has IPO stock and we need a wide variety of different people (ses, age, ethnicities) in order to make Sunnyvale the great place where we work (or are retired), play, and live comfortably.
- Capital Gains Taxes: If government would cancel capital gains, many homes will become available and the housing shortage will be over.
- too many ugly highrise condos and apartments
- Need MUCH denser zoning in Sunnyvale. It's wrong how low density it is given housing crisis.
- It's not affordable. It seems that any BMR opportunity are rigged and that the process is not transparent and there is related corruption. There's an option above, but I think it's a gross error to lump retail/service industry workers and teachers with POLICE and FIRE workers--especially in Santa Clara County where these workers make 6-figures, double dip, and can make upwards of \$200K a year. Shame on who ever made this survey.
- not enough single family homes.
- The community has become less safe to residents in the past year. That's our biggest concern. If it continue with this trend, we may have to move out
- Permits granted to builders not residents. Too much red tape but guess it's based on bank account and letting H1 visas come by up housing that should be for residents.
- The main reason for the housing problem is skyrocketing value of homes in Santa Clara County. High tech companies are the reason for that. They should be the ones to be blamed for that. They should be the ones building accommodations and rent them to their employees and should not be allowed to purchase homes as they make a lot of money and can easily gobble up the homes thus driving up the prices and making housing unaffordable to the middle /lower income people. High tech companies have saturated the county. If Apple could spend Billions of building a space ship type office complex, wouldn't they be able to build accommodations for their hard working employees? Isn't it time to look ion this direction of building accommodations for their employees to a certain percentage at least to ease housing crunch?
- Housing density too high!! Quality of life "down." Too many people, too much traffic, no place to walk to, for "Peace and quiet!!" (2) (4)
- The city continues to allow more housing on too small lots. This over building is stretching our resources such as water and adding to congestion and noise. We never see the police stopping speeding on our residential street because they have too many other problems. And the housing being built is not low income, just more expensive condos and apartments. The city is being ruined.
- Not enough housing for medium income household

- too much development for wealthy and business, leaving regular folks behind, who cant afford to live here, thus move out of area
- Housing is not affordable even for people in tech! I think most first time home buyers are locked out
- Need more single family homes, that's where the demand is
- Housing is permitted and built in accordance to desires of developers and has no correation with
  actual housing needs of community. Typically treated as investment commodity and largely sits
  empty (due to overpricing), creating false impression of actual housing stock and locking essential
  service workers out of the market.
- As a retired person, it is very expensive to maintain my home without an income. So repairs remain undone.
- Irresponsible over-development over the past few year, rezoning, lacking foresight and investment
  for infrastructure to accommodate the dramatic increase of households and population, resulting in
  low quality of life for for all Sunnyvale residents.
- Houses are more and more expensive, the environment are getting worse, more and more homeless are coming
- No more shelters & transitional housing for the homeless in residential and school area.
- Safety is the most important thing
- Crimes. Homeless shelter being put in the neighbor causing significant safety conerns.
- this area has become more crowded with influx of people, and many crimes including all kinds of theft
- Too many people, too little parks and open space. Too little water. Too much traffic at all hours of the day and night.
- Feeling unsafe in the neighborhood
- Too many shelters ,transitional housing and PSH for the homeless around Sunnyvale. Palo Alto , Los Altos and Saratoga should build more shelters, TH and PSH for those poor people. Second, Sunnyvale can not accomodate all people who can not afford to own/rent here. Palo Alto, Los Altos, Saratoga & Los Gatos should build more affordable housing for people who need a space.
- Sunnyvale is over-developed with too many companies and too many high rise apartments. It is becoming more and more unfriendly and over-crowded for families to live
- Too many apartments so that there are no enough parking spaces. Streets are jammed with cars
- Safety issue in Sunnyvale due to crimes, thefts and homeless.
- too many homeless shelters on the border without local residents' approval
- Rental control too strict. Overall community safety decreasing.
- Too many houses and people but not enough public facilities.e.g. parks, parking lots, grocery stores, restaurants, etc.
- Major problem of homeless is drug addiction. Providing more shelters and housing won't solve it.
   You have to fix the root cause!
- Homeless shelter around the area makes me feel unsafe
- Many shelters that are near schools, residential areas
- Not enough housing near good public transit
- houses: concern that homeowners rent/leave the area but don't maintain property; or investors leave houses empty for long time/no maintenance.

- The market supply of homes is artificially constrained, which inflates prices
- Housing prices are too high for everyone.
- No hay un control de renta, los precios son muy altos para nuestros ingresos [There is no rent control, prices are too high for our income]

# Question 11 – Which of the following best describe the reason you (or a neighbor) were displaced?

- they lost job and could not afford mortgage
- Owner could not pay mortgage because they took out too many loans on property.
- One neighbor sold their home and moved away.
- owned home but not enough income to maintain
- Foreclosure. Could not pay mortgage.
- Landlord decided to rent home to other family members
- Could not afford mortgage
- Landlord demolishing property to rebuild
- Divorce and then inability to afford housing here
- Rent too high
- Live there 25 yrs Townhomes we're sold at auction rent tripled
- Unemployed
- Landlord decided to move back in
- not sure but seems to be landlord selling home that was being rented, then remodeling

#### Question 13 – Why do you think you were discriminated against?

- Not perceived as "rich" enough
- Even at S/vale BMR program I was treated less than that was 15 yrs ago and still to this day my name has never come up on the list but my new neighbors to California has they only lived in s/vale a yr when I called to ask why I ask if it was my race and I was told s/vale didn't need my crap I told to feel free to move cities and the lady didn't say crap she used the other word hey BMR I'm still waiting
- Housing Voucher
- not sure

#### Question 15 – Why were you denied rental housing?

- Not applicable to me, but I'm aware that housing vouchers are challenging in a competitive market like Sunnyvale
- No pets
- When I showed up as a single parent w/ two little kids, I was told the place was already rented (but I know it wasn't).

#### Question 17 – What is your race?

- Arab-American
- Latina

- Mexican
- Hispanic
- Latinx
- Latino
- Jewish
- Latinoamericano
- Latino o hispano
- Hispana

### Do you have any additional housing related comments that are not listed above and should be considered in the Housing Element update process?

- I'm not in favor of R1 zoning.
- Unless you're in real estate (which I am), tech, or health science, it's impossible to buy a home on your own without substantial help from wealthy relatives (if you have any). I do mortgage financing for a living and see the income levels and back ground of people buying in the silicon valley, east bay, central valley, etc. It's impossible for teachers, healthcare workers, public safety to buy a home unless their spouse happens to be in one of the high earning fields I mentioned. To keep quality essential people here, there should be a down payment assistance program catered to them specifically. The ones available are a joke and is a catch 22. You only qualify for assistance if you make under x amount but if you make under x amount, you want be able to qualify for an average price home here. We have BMR units but they are not a good long term solution. The deed restrictions on these units cap the future resale value which put the owners at a disadvantage. Owners aren't able to build wealth through real estate like everyone else. Instead, I recommend giving these essential workers assistance of up to 10% of the sales price with repayment waived for x amount of years of service in their field. In addition, all tax supported services (hospitals, schools, fire dept, police station, etc) will pay housing allowance as part of the employee compensation package. Employees can use the money towards rent or mortgage. In addition, there should be a real estate tax of 15% for non US citizens or non permanent resident aliens that buy a home. That tax goes to the county to help pay for the down payment assistance program and employer paid housing allowance I mentioned earlier. Canada has this foreign tax in place for years to curb their heated housing market. Other countries outright ban foreigners from owning properties. Building more home won't matter if people we're trying to keep in the community can't afford to pay for it. The truth is, their salary is a joke. Teachers have been fighting for decades for increase pay and there has been no significant change. We lured all of these service workers in with a great pension and benefits when they retired but how come we don't take care of them now? Especially with the pandemic, we know they are valuable and irreplaceable.
- As Sunnyvale develops more housing, I would like the city to consider providing more public transportation including more and safer bike lanes, etc. to ensure that our roads do not get too congested.
- Crime in Sunnyvale has increased in the past few years and housing remains unaffordable for most looking to buy. My wife and I lucked out buying a townhome in 2015 at Sunnyvale Roundtree. I do appreciate the city services including police, as they are very responsive when I call in and take suggestions or complaints seriously.

- There is not enough water available for the current residents let alone an additional 12,000 units. Where do the additional natural resources come from? Solar power needs to be a major component of any new housing. PG&E needs to make hookup and buy-back more reasonable to encourage green energy. Traffic needs to be planned and implemented BEFORE any housing is built. Low/medium income needs to be a majority of the housing. Maybe the cost should be a percentage of income vs flat rate.
- Sunnyvale is doing a great job compared to neighboring towns and it should keep doing that and go beyond. Build more housing, communities need it.
- Allow for more dense development through zoning.
- Services such as water, sewer, emergency, schools, etc. need to be considered when creating all this new housing. As it is there's barely any sun left in Sunnyvale with all the new high rises. In addition, there is traffic and parking to consider. The bike lanes on Fair Oaks are a joke no one uses them, and Sunnyvale is not set-up to be a car-less city. Maybe some of the gigantic employers could spread their employees out across the country instead of having them all located here. This would improve everyone's quality of life. We are losing nurses, teachers, janitors, retail workers, and only retaining tech employees as they are the only ones who can afford housing. A 3 bedroom/2 bath home built in 1962 currently selling for over \$3M is ridiculous. More housing is not the answer, we need fewer people, but with a better mix of what type of work they do so we don't have just tech employees represented in town.
- Why not make it easier for people to build larger homes?
- "Density, ownership. We need raw loft spaces near the center of town and more density in zoning
  next to the train station. We need to curb foreign investment in our properties and stop investment
  companies that are backed by the fed from buying and renting in residential neighbourhoods, we
  need to have laws and consequences to protect zoning and community.
- All golf courses need to be redeveloped especially one's city or state owned."
- Stop tearing down single family housing and replacing with multi unit apartments and stop building mor high rise apartments buildings!
- Nc
- I'm more concerned about housing density and infrastructure. Roads can't handle more traffic higher density of housing would bring and existing homeowners are experiencing reduced home value as a result of these multi-family units being built up right next door.
- Please build more homes so people can put down roots in this area.
- BMR housing is not big enough for large families. We have 5 kids and our BMR home has 3 bedrooms
- "Housing density and walkable/bikeable communities is \*MUCH\* better than suburban sprawl and car-based everything!
  - MIXED communities with different kinds of (dense) housing, bringing together people from many cultures and walks of life is how to build a city for the future.
  - NIMBY's have had their say. They made their millions. The world is SO much worse for that. Change it!"
- Honestly there is entirely too much property owned by large entities and this is going to ruin the city in the long run.
- More housing near commercial areas/transportation. In general, more housing to increase supply.
- Transit-oriented development, walking and biking corridors

- "New developments should blend in with existing properties. Don't permit 4-story condos adjacent
  to single story single family homes. The proposed 4-story condos at Fremont Corner Shopping
  Center will tower over the homes on Berwick and Bobolink, reducing the privacy and property value
  for existing residents."
- Specifically need more ADA units for non-seniors. Myself and friends found it near impossible to find available wheelchair accessible units that weren't only for seniors
- I'd like to see taxes imposed on unoccupied housing to deter companies/people from buying houses as an investment and letting them sit empty. A sliding tax based on last occupied rental rate or purchase price would be amazing.
- Demand for single family homes continues to raise...building more condos does not address this
  demand.
- Please consider effects on school. Existing schools are becoming too large. Need new schools
- "Higher density housing along public transportation lines is needed.
   It's OK to build in my backyard. We need affordable housing for young people. TY."
- Before adding more housing please plan the infrastructure. Schools, playgrounds, retail, roads, parking. Schools are the most important. Currently the schools are very crowded. Elementary schools are not neighborhood schools, missing at least one high school.
- Please improve the quality of schools. Hire good teachers. Invest in your future generation.
- I'd love to own our house instead of rent, but there is no way I could afford it while working in healthcare. Even our tech friends can't find a house because they keep getting outbid. They quit looking out of frustration.
- I feel we are building too many condos and townhouses.
- Sunnyvale does not need more housing. Sunnyvale needs more affordable housing. It is irrational and somewhat biased to believe that someone who grew up in Sunnyvale should be able to live as an adult/raise a family in Sunnyvale. Frankly, that sounds like entitlement. A former councilmember who now works with Governor Newsom lamented on his first day as a Sunnyvale councilmember that many people who grew up in Sunnyvale could not afford to live here as adults. When looking for a home, I chose Sunnyvale because it was affordable. My first choice wasn't affordable. Life is like that-sometimes people don't get what they want. Sunnyvale continually favors developers of luxury housing as opposed to affordable housing. Luxury housing is significantly more profitable for developers/investors/government entities than affordable housing. This is likely a major reason for the shortage of affordable housing in Sunnyvale. If Sunnyvale is being required by the state to build 12,000+ more units by 2031, the area to consider for such development is the Moffet Park area, similar to Santa Clara's general plan and development near Levi Stadium.
- There's no mention of mobile home parks in this survey. I do not live in a mobile home park, but the way that companies have bought up these parks in Sunnyvale and then demanded high increases in space rents is appalling. The city should support everything it can to keep mobile home parks affordable including helping residents turn the parks into resident-owned communities. Also, we must increase the amount of housing in developments that is reserved for low-income residents to more than the current 15%. Mixed income housing developments are the best way to get residents housed and avoid the stigma that comes with "the projects."
- There are too many houses in my residential area. If new houses are required it needs to be planned where there is space and does not crowd the area.
- We need a mix of affordable housing options. We need to support housing for the homeless.

- no
- I actually think the housing in Sunnyvale is by far the most varied and diverse compared to our northern neighbors, but I also think it's incredibly expensive to live here regardless. So it's not actually that there is a lack of housing that is the biggest barrier- it's the lack of affordable housing. Without any outside interventions like rental caps or rules restricting foreign or large investor property ownership, it is almost impossible to keep it affordable. I think the city can raise the number of affordable units or below market housing caps on developers to keep a healthy inventory.
- My husband was underemployed for several years, and paying rent was really hard to do. He just got a well-paying job, which is the only reason we're able to afford our current place, which is really well-maintained and new-looking
- If you are not working for a corporate company here you can not afford living in Sunnyvale comfortably
- Homes need to be affordable. 2 over 40 adults working in tech making 200k a year should be able to afford. Single family home
- Feel unsafe to walk on street .
- We need to help people find good neighborhoods and affordable housing.
- More mixed-use zoning! More affordable housing!
- I love seeing all of the new construction of high density housing- we need it! People should be able to live here instead of commuting so far for jobs that are here.
- Sunnyvale has become unsafe. :-(. Me and my neighbors do not feel safe walking around. More housing brings more people. We would rather have the money spent on quality school education and reducing food insecurity. No more building!
- "Schools are too crowded we do not have enough schools or teachers to support the population.
   Traffic is dangerous to kids we live in the ponderosa neighborhood and kids are assigned to Braly Elementary school. Little kids need to cross Wolfe to get to school. This is dangerous and unacceptable. Don't build more housing if you can't come up with proper school solutions for the kids who already live here.
  - —I've lived in Sunnyvale all my life and don't want to leave because my whole family is here. For those of us who are here make the situation better not worse"
- You should allow builders to build two story or three story duplexes or single families that have inlaw (self contained) units inside of them, like say a ground floor. When two homes share a same wall, you save space. But you still get a small backyard this way. Sharing a wall doesn't reduce privacy bc of sound barrier construction options now. This satisfies those who want a single family type home as well as have in-law needs. Or if no in-laws, can be rentable space to help with mortgages.
- "Green space and playgrounds in our community to foster outside time and community Housing and how it affects traffic.
   Safe neighborhoods"
- I live in a single family home that I own. If you build homeless housing or apartments across the street from me, then that would be a good thing. Please ignore all the shrieks from racist, classist home-owners who only want to be able to see other rich people on their street.
- My rent increased 120% within the last ten years, my salary didn't, it's not sustainable

- I'd like you to include insulation/air conditioning/heating availability as climate changes and it becomes difficult to handle summers without AC
- This needs to be more widely advertised.
- I'd like Sunnyvale to choose 1 or more locations to designate as walkable villages, with high density apartment buildings (maybe 8-16 stories?), transit hub, & onsite basics (grocery, school, restaurants, shopping, playground, dog park), and LIMITED parking, where seniors, disabled, and others could live without requiring a car. Those areas could handle high growth without adding to the traffic problem.
- "I want to reduce my purchases on Amazon but find a challenge as many malls and stores are closing,
  - We do not have good malls in Sunnyvale. You have to travel to eastridge or valley fair mall to shop"
- need to comply with HCD guidance to identify and address constraints to housing
- "There has been a lot of new construction in Sunnyvale which leads to overcrowded schools. I hope
  the Housing Element will work to ensure that more schools open instead of leasing Sunnyvale
  schools to private entities.
  - Also, property tax makes it very difficult for families to be mobile. "
- Need improvement/increase in public transit along with housing bus route through my neighborhood was eliminated.
- My children don't want to live here because they think it's becoming a dorm for young engineers with none of the culture a real city should have.
- There are a LOT of office buildings going up in Sunnyvale! I am concerned about the infrastructure being able to withstand this, the actual necessity of more office space, and propose an equal number of housing opportunities are created as the number of employees each of these office buildings will need.
- We need more affordable housing, more variety and more dense housing. Not more single family homes.
- Rent control
- City needs to approve plans and permits more efficiently and with more clarity to allow for
  production in general, homeowner remodels/additions and ADUs. Need more housing to increase
  affordability.
- MUCH more affordable housing is needed for our diverse economic population. The process to build more housing is too slow, bureaucratic, and expensive.
- There should be some RV hook up areas for people to rent to have electricity, running water, and
  warmth or be able to cook a meal or take a shower or use a toilet and not have to use a bottle or
  bag to go to the bathroom in!
- no
- Affordable housing should be made available in all districts of the city of Sunnyvale.
- "We should build a lot more housing in the south side of Sunnyvale. Both high schools are in the south side which means a long commute for those living in the north side. And the Cupertino Union School District are closing schools due to low enrollment. That is wasting resources not to utilize existing resources.
  - We also have many amenities such as grocery stores, drug stores, and all sorts of services on the south side."
- Recommend garage conversion adu policy funding in exchange for providing affordable housing

- It is very difficult to find reasonably priced housing for substantially disabled people with very low incomes.
- Our city is in a crisis stage with its housing stock. I look to city staff to write a housing element section of our general plan to address the low housing stock, infill housing and multiple multifamily size units.
- I have family that would like to move here from Los Banos but can't afford it.
- The focus seems to be on issues that are affecting very few people. Wish there was more focus on regular people and there needs.
- We need a lot more affordable housing
- Build single family housing. That should be the priority for all of California.
- Build more medium density housing. Build more high density housing. Then go build even more medium density housing.
- I think that, as with Santa Cruz County, houses that are vacant for a good portion of the year (second houses, AirBNB, houses that are owned by non-legal residents and/or citizens) should be taxed at a much higher amount that owned, occupied properties. I see a lot of this in Palo Alto, where large (and smaller)houses sit vacant because owners are investing their money from abroad over here to safeguard it.
- More BMR housing for large families.
- We need high density housing and mass transportation
- Housing should be grouped. High density housing should be near transportation, shopping, etc.
- "1. City needs more entry level for-sale housing i.e., townhomes, condos (so people can invest in the city.
  - 2. The city's fees & regulations are an obstacle to housing production and need to be reformed
  - 3. While the city does plan well, the plans take too long to complete i.e, specific plans, precise plans. Need to complete faster so housing can meet ""current"" needs."
- The new downtown plan is good, and I encourage the council to allow as much density as they can. But I'd love to see the housing around that area, within walking distance, add townhomes, duplexes, etc. that are denser.
- Need a diversity of housing sizes. Too many small units BMR's cause the developers to do small units.
- I've been a Sunnyvale resident and a techie for 25 years, so housing is not a problem for me personally. But I feel strongly about our inability to do enough for the unhoused people in Sunnyvale and want to use this survey to make their voice heard by the City. Regular residents can't solve this issue without engagement and commitment from the city. Thanks!
- prioritize housing near transit! if there isn't enough space by transit we need to build more dense areas ready to add into into our transit systems
- I have lived in Sunnyvale my whole life raised 5 intelligent children sent the to all Nimitz, sunnyvale middle, Homestead and two to Stanford I worked El Camino hospital as an RN till being hit by a car going into work being disabled in sunnyvale isn't easy I've been treated amazingly when trying to get help but also being treated so awful for being extremely low income I've worked my whole only to be treated like this it's not my fault I was hit I don't ask for a hand out but a hand up it's not fair Ive been over looked for the BMR program because of the pigment or lack of pigment in my skin or the balance in my checking account it's one thing to be poor it's another thing to be treated bad because you are and still I never want to leave Sunnyvale but we all know sunnyvale will leave me

not I say or have said will make a difference to anyone I've lost two children because of homelessness but I choose to live for the 3 remaining we've been homeless off and on since my husbands suicide on lakeknoll Dr after his death the home being a family home of his parents was sold at auction I don't wish this on anyone my two babies in their twenties still have Faith it will turn around for us. I only ask you keep us in your prayers I know God has us in the palm of his hand

- The density in Sunnyvale and other parts of Silicon Valley is too low. I some more support dramatic increases to density, especially near transit but in other areas too. We have to solve our housing crisis by taking hugely bold moves. We also need more rail transit but if the very least should have much higher density near the rail we do have.
- I feel I am fortunate that I have an income that I can pay my rent. I am 74 still working, but when I retie, that may be a different story: (I have live here for 12 years and really don't want to leave. My son does has good income, also, but his rent is almost my take home pay!!!
- We need more housing close enough to rail systems to be reached on foot.
- Actually speak to your citizens about the housing they want. Do not assume everyone wants these colossal apartment complexes. Build more homes.
- Rent keeps going up and house market is too expensive. Even mobile home park have high space rent
- My greatest concern and complaint is the deteriorating safety of the community. We choose to live
  in here to raise our young family because of the quality and safety of the neighborhood. Anything
  that take away that is utterly unfortunate. It may drive away good families like us.
- I love that Sunnyvale is allowing higher density development (apartment buildings) close to the Caltrain station in downtown Sunnyvale. I'm scandalized by the rental prices though they are so high! Can more of these units be offered for sale, so we have high density homeowners, as well as renters?
- Stop building large condos there are not enough schools. Traffic is a mess and too many dogs
  without yards they use home owners lawns as toilets. You are driving out all the Sunnyvale
  residents. Builders come in with no restrictions because of the size of their wallets. This is no longer
  Sunnyvale but only for profit when city can line pockets. More parks less condos. They aren't even
  affordable.
- Expand the building options. Reduce zoning restrictions. Reduce builder red tape. Think very hard on what is really required. Don't force affordable housing, focus on volume.
- this survey seems very bias, it's obvious to me what answers you are looking for.
- Neighborhoods with a mix of higher density and lower density housing zoned for the same school
  would help with reducing racial and economic segregation that we currently see between North
  and south Sunnyvale. I'm sure you know that teachers in Sunnyvale often live 30-45 minutes away
  because of the lack of affordable options here; this leads to higher staff turnover which is
  suboptimal for our schools.
- N/a
- Repeal prop 13.
- Please build more micro apartments for single people.
- Condos should be for sale not just rent/lease. Why is the city against ownership of condos? Not a single condo unit of the downtown area is for sale.

- With many businesses now allowing remote work or at least hybrid schedules, more families need bigger houses/apartments since they are spending more time in them. Don't destroy our single family neighborhoods.
- preserve single family home neighborhoods
- Please keep Sunnyvale safe place to live. Converting hotel or motel in the city is not the way to help homeless with mental health or drug issue. People who works hard and spends wisely can survive here.
- Please look into the Assembly bill for Social Housing
- The City has allowed saturation of high tech companies to build multi storied buildings. They are are the ones that need to build multi storied buildings as rental accommodation for those employees as long as they work for them. Quit then vacate it. If provided accommodation why would they venture to buy houses and drive out the seniors and other low income residents ? I am sure the City can put this in the permit process. Look at the conditions and harassments how owners face when they go to get permits for home improvement. I haver made up my mind to never go again to the City myself to get a permit. They drive you to tears in the process. What a shame to us Seniors to go and cry in front of the permit department
- "Need more for-sale Studios (for people who need to build equity and no longer rent).
   Need ways to encourage and fund ADUs."
- Don't build more homeless shelters. No, it's NOT a solution to the homeless problem.
- We desperately need more housing anywhere it can be built/expanded in the city.
- "Yes. I personally feel the city is only concerned with "tax revenues," when it comes to "housing,". There is currently a over supply of rentals in the city, particularly near El Camino Real and Lawrence Expressway all along El Camino Real. The new "Murphy Station" apartments displaced a previous RV rental location. We DON'T need more high density housing!! The monstrosity recently built on Lawrence Expressway and Keifer, is what, 2,700 housing units in a already congested location across from the over used Costco across the street. We don't need this!!
- Life in the city has gone downhill from what it was, 30 plus years ago. So sad. Just like the city of Cupertino, all the city wants, is additional "tax revenues," at the expense of "quality of life." Sad reality, nothing I could do. My wife sadly said "this is how "progress" looks like. So ugly. To even consider building more housing is Ludacris, as this state is entering a "Mega-drought."(s/p). So lack of water, lack of infrastructure currently to handle wastewater treatment, as Sunnyvale goes about a "25-year plan," to increase the ability to handle the current and future demands. Lack of 100% reliable electrical supply, and Newsom requesting in a few short years, only EVs, could be sold. With the lack of water for future hydroelectric electric demands, how can Sunnyvale and particularly the entire State of California, going to meet these demands?? We should have a "moratorium" on ALL future housing builds, until we FIRST are able to supply the resources needed to meet the demands of a growing population.
- No one is looking at the Big Picture, and have their "head in the sand", hoping someone else
  address the problems they created. Please, NO MORE DEVELOPMENT, until we have the resources
  and infrastructure in place. And more importantly, focus on the local quality of life for your
  citizens, instead of looking for more tax revenues."
- A neighbor has built some sort of unit in their very small backyard. The unit is within feet of our back fence. This is ridiculous. We had no warning and just discovered the completed unit after a period of noise. We assume it's a rental. It faces our direction. We might as well move to SF the

calm of Sunnyvale is gone and yet we still have unhoused people. We have made Sunnyvale community services our main charity and hope the city leaders understand that the residents want quiet spaces to live. Stop the over building of four story expensive residences.

- The Bay Area needs to build more housing. Maybe some SROs. I admit that I wouldn't want to live next door to a homeless shelter. Government should fully fund Section 8.
- Only long term solution to housing problem in Silicon Valley is too stop adding jobs. In the 45 years
  I have lived here the number of new jobs has increased at a rate that no housing plan could keep
  up.
- There is BMR units available the waiting list is years to get an apartment usually residents in bmr units never move out and the residents that get priority are they first priority for city residents
- "i moved to the suburbs from san francisco in 1988. i loved the suburbs instead of the city life of san francisco, however, sunnyvale is no longer the cute open suburbs of yesteryear, which wasn't very long ago,

sunnyvale is nearly unrecognizable with the tremendous amount of building developments over the years. Time for me to seek the country again to get out of the city that's been built in my time here. It used to be quaint and cute, with easy parking and open fields and views to the hills. I guess you can't slow down ""progress"" but is it really progress?

The biggest distraction and travesty is the number of RV's and blatant homelessness allowed on our streets. I love to camp too, but shouldn't camping be restricted to campgrounds and not just anywhere you choose to park or set up a tent, in any one's community and it be allowed? This can't be OK. Please offer maps to the nearest campsites so they can enjoy their camping experience properly, rather than behind safeway or on my street. its getting disgusting. There should be some standards established and laws enforced about camping and it shouldn't be within city limits where others pay taxes and follow rules to reside there.

Maybe more campgrounds are needed, rather than housing, seems that's what they prefer anyway. Then guide them to park and ""live"" there. Affordably and with dignity. Thank you"

- Stop cramming as many people as possible into the limited space we gave
- My immediate neighborhood is reaching a tipping point in which too many single family homes are
  occupied by renters. The properties are poorly maintained and the renters seem to be here too
  briefly to form attachments to civic life.
- Part of our challenge with rental housing is pets very limited single family housing market allowing pets that are too large for condos or need a backyard. Seems like a Sunnyvale is building mainly condos
- "I have no objection to building taller buildings to accommodate more residents as long as the taller buildings do NOT impact single family neighborhoods. For example, high rise housing in Downtown Sunnyvale, or intermixed with newly planned business areas makes sense. These high-rise buildings should at minimum be 1 bedroom units, or large enough units to accommodate families. Currently there seems to be a blatant attack on single family zoning, and that is concerning to residents who have been living in Sunnyvale for decades. As long-time residents, it often feels like outside forces are trying to steal our homes. -Homes that we worked very hard, and sacrificed a great deal to finally reach. I have heard comments from some Sunnyvale groups that single family zoning should be eliminated. This is disturbing.

When I moved to Sunnyvale, I had to progress from one apartment to another, then to progress by purchasing multiple cheaper homes on the other side of the bay, before I had enough capital to buy a single-family home in Sunnyvale. It took me more than 15 years of planning, hard work, sweat equity, and sacrifice to reach my goal of buying a home in Sunnyvale, and I never complained, and never expected someone to give me anything. I reached the goal by very hard work and sacrifice. Now people want to take our quality of life away, and steal what they are not willing to work hard for. I'll admit, I am angry about those who will not lift a finger, and expect everything to be given to them without working for it.

Affordable housing and increased density in areas without impacting single family neighborhoods makes perfect sense. However, single-family neighborhoods and single-family home zoning are important to preserve.

One other note: When considering affordable housing and/or especially permanent supportive housing (PSH), I would recommend NOT using Santa Clara County resources managed by the Office of Supportive Housing (OSH). OSH appears to be incapable of managing or populating PSH effectively – For example, crime adjacent to those facilities skyrockets- per a study published last August 2021.

https://www.sanjoseca.gov/home/showpublisheddocument/76629/637659099894900000 See Page 8 of the report -

Chart B, which shows the Permanent Supportive housing facilities (Second Street Studios & Villas At the Park in San Jose), clearly shows that the two PSH facilities had ""a sharp increase in calls to SJPD within that block.""

- Page 7 excerpt:
- ""While the report states that studies have shown affordable housing and/or permanent supportive housing (PSH) does not depress or negatively impact property values or the surrounding communities, it would be remiss to say that a senior affordable housing development affects a neighborhood in the same way a 100% PSH development does. This is based on the experiences of Districts 3 and 7, which have two of the largest PSH developments in the nation.""
- IMO This shows that OSH is incapable of effectively selecting the client mix or managing PSH
  facilities. OSH track record is poor, and an extreme rise in crime is experienced due to their obvious
  mismanagement of these types of facilities. Best to find more capable resources and funding for
  affordable housing/PSH. Stay away from OSH or County resources that designate OSH as the
  managing facility.
- "Please partner with Destination: Home to end homelessness in Sunnyvale.
   I'm very much against cramming more people into single family home neighborhoods. We must maintain our relatively low-density housing neighborhoods.
  - We do not have the infrastructure to handle all these multiple high rise places being forced on our city. The state and city leaders aren't thinking clearly by approving this high density housing. (And I think this survey is pretty biased.
  - Ethnicity note related to being denied rental housing in past: I'm white, but my children are Latina and African American. Race was likely a factor in difficulty finding housing.
- I know single family homes give less housing for the land use. But those are most in demand. Those are the most expensive (a mortgage is way higher the rental costs which shouldn't be the case). We need more single family homes to meet the demand and to stabilize the housing prices.

"There's plenty of housing. We do not have a ""housing"" crisis, we have a housing \*affordability\* crisis. This is due to several factors: Apartment complexes (especially newer ones) are charging exorbitant rents and sitting largely empty rather than lower rents to \*true\* market rates; short-term rentals (both legal and illegal) are removing homes for purchase or rent from the market thus driving up prices; investors (largely absentee) are purchasing properties and letting them sit empty, again reducing stock and driving up prices (ironically, loosening ADU rules has further exacerbated this situation by making all SFH properties even \*more\* valuable as investment commodities); the city continues to approve new office building and expansion for an industry that essentially imports 100% of its workforce growth from outside of the region.

Until we have adopted serious measures to address these issues affecting housing \*affordability\*, we should \*not\* approve further housing developments and zoning changes. Our transportation infrastructure, schools, and and city services will face serious challenges if even our current vacant housing stock experienced a sudden rise in occupancy. Serious measures to address the housing \*affordability\* crisis would include: Levying a \*vacancy tax\* significant enough to motivate apartment complex and rental property owners to lower rents to \*true market rates\*; complete \*ban\* on short-term rentals that eat up available homes for purchase and rooms for rent; suspension of ADU permits (to reduce desirability for absentee investors flooding the single-family home market); requirement for all multi-unit rental dwellings to transition to mixed-income rental pricing representative of actual community needs; explore \*all available options\* to deter absentee investment in our local housing market; full stop to new office starts and expansions. Until such measures to truly deal with the \*affordability crisis\* have been undertaken, we should \*not\* permit new housing which will only remain unaffordable for now, and could prove burdensome to support from a transportation and services standpoint if full-occupancy is achieved at some point in the future. Permitting and building more overpriced housing solves nothing now, and could cause huge problems down the road. "

- Trying to buy a home with yard near downtown Sunnyvale is impossible.
- I support having a variety of housing options, including allowing ADU's and duplexes on a singlefamily zoned lot.
- "Need to address homelessness/displaced people/people living in RVs/ tent cities
   Prior to more high density housing need to address traffic issue on major roads (el camino, central, homestead, lawrence, fair oaks, mathilda, fremont) and expand schools. "
- The practice of fair housing should be shared by all cities across the Bay Area, not just Sunnyvale.
  The real expensive neighborhoods are not joining the conversation and the same time Sunnyvale is
  overly developed, making Sunnyvale a second-choice for the young generation residents as they
  prefer higher quality lifestyle which is detrimental for our city's future with this great sacrifice at
  Sunnyvale residents' expense.
- Please update zoning to allow more density. Please reduce our eliminate parking minimums to reduce traffic and lower the cost of new housing.
- The city of Sunnyvale should do better to spread new housing throughout the city and not just rely on Moffett Park and the LSAP to accommodate all growth. Sunnyvale should also pursue HCD's Prohousing designation by adopting policies found on the application at this site: https://hcd.ca.gov/community-development/prohousing/ Sunnyvale should permit missing middle housing uses (e.g., duplexes, triplexes, and fourplexes) by right in existing low-density, single-family residential zones and eliminate parking minimums.

- Don't bring homeless from other places into this city, Don't accommodate criminals in the city. Safety is most important to all residents
- Sunnyvale should not put high rise buildings in Single family area. It creates too much traffic congestion.
- The school in this district need more support
- There are already too many people in this area. We don't need more condos/apartments/lofts built up.
- "Not support homeless shelter in residential and school.
   Security is biggest concern now."
- "Multi-unit housing will impact schools and if such need arises, then the developers should mitigate the costs for new schools."
- "1. Community safety is the most important thing. I feel our community isn't as safe as before.
   don't bring homeless from other places into this city
   3.don't accommodate criminals in the city"
- Strongly oppose homeless shelters, interim housing, etc., being putting into neighborhoods
- I've noticed more and more safety concern recently in the neighborhood, also rising number of homeless shelter projects are on the way to the residence area, which is greater concern over the safety.
- Do not put homeless housing in our communities. Increase police presence.
- From talking to my neighbors, safety is what people want the most, and is clearly lacking these days.
- Quality of life in sunnyvale continues to be crushed by too much density, and over development driving out all recreational businesses and places I like to shop
- I support affordable housing for low income families and seniors. But I am strongly against the city and county trying to put homeless shelters in the middle of family oriented neighborhoods. This year, The neighboring cities Santa Clara and Mountain View had tried to sneak in homeless shelters in the middle of family oriented neighborhood. Apparently, there was a strong push back from the residents. Please don't do it again. You are damaging the resident's feelings, forcing us moving out of our beloved community, and encouraging violence and stealing. This is not a healthy community is supposed to be. Thanks
- I have concerns about more and more break in for houses and cars, robbery and stolen mail packages. Our neighbor cities like Palo Alto, Los Altos and Saratoga should contribute more affordable housing, shelters, TH and PSH. Sunnyvale has done a lot for this part. Enough is Enough.
- Sunnyvale is over developed, over built and over crowded. Not safe to live anymore. It is at the wrong direction. There are too many influence from big tech companies, real estate developers and progressive politicians. All need to be changed so it becomes a family centered, safe, quiet, and prosperous suburban town.
- 1. The survey questions are crafted in a very misleading way skewed towards the direction of assuming the housing condition in Sunnyvale is not fair/affordable. I am not sure if this is the best way to design a public survey. 2. Many SFHs in Sunnyvale do not have pedestrian/sidewalk ways around their house. This compromises safety. 3. There are thefts and gunshots in residential areas. Again safety is a big issue.
- Recently, they are too many shelters built at Sunnyvale border. All the decisions are made without Sunnyvale residents' approval. Even though local residents expressed the concerns about safety

- and lack of management and lack of transparency during city council meetings, our voices are not heard.
- Top priority is to keep Sunnyvale a safe and healthy city! Drug facilities and shelters can bring huge safety and health issues to us residents who pay high property taxes to our city.
- It is not a priority to support homeless in Sunnyvale; instead, a safe neighborhood suitable for families with multiple generations is more desirable in our city.
- I am against the housing first policy, which has been proven to be a failure. We should have better law enforcement, control the drug supply and have dedicated mental health program in order to alleviate homeless problem
- San Francisco has policies that attracts many homeless people from other states. Major problem of
  many of them is drug addiction (said themselves). For Sunnyvale to build more shelters and
  transitional housing for homeless won't solve this problem. Do not make Sunnyvale unsafe and
  unattractive like the shithole San Francisco!
- No more shelter
- More incidents and crimes are happening as more homeless are coming to the neighborhood. No shelters around the residential neighborhood!!
- Homeless and homeless shelter around neighborhood makes it unsafe and i experienced homeless people breaks into my yard and sleep inside it
- Airplane noise
- Don't put high density interim housing/ supportive housing in the sfh neighborhood.
- Do not bring homeless from other places into the town. Do not bring criminals into the town.
- Top priority is to increase housing capacity and affordability for low income workers(not homeless people with mental or drug problems)! And to make this community safe!
- Keep Sunnyvale small and safe and more SFH
- "Build more housing near public transit. Also build more public transit.
   Single family housing should be the exception, not the default"
- Improve the public schools!
- homes with a lot of sq footage on street corners would be an option to convert to duplex since you
  could have entrances on either side and still roomy. could be 2 small attached homes/home
  ownership. Also support not allowing short term rentals (airbnb style), especially by
  investor/owners from out of state. these prevent people who live and work in or near sunnyvale
  from finding homes/rentals
- Many BMR apartments are not affordable to the working class. Rent was increased in the program
  despite average rental market in Sunnyvale declining over the past two years. Excessive building
  charges by corporate landlords are confusing and out of renter's control to save money.
- Build different types of housing duplex/fourplex/missing middle/ flats..,
- One thing we don't need in Sunnyvale is the dense housing that has been allowed in recent years. I
  thought that buildings over 7 stories were not allowed in Sunnyvale but recently learned that a 12
  story building is going to be built downtown. Please, consider the lack of water, traffic and schools.
  Thanks!
- Care should be taken not to stress the existing infrastructure. Traffic concerns and burden on public utilities should be seriously considered

- I totally and vehemently oppose the "right" of developers to sweep into residential neighborhoods, buy up single family properties, and tear them down to build up to 4 story buildings among single family residences with no requirements for accompanying infrastructure such as parking, improved streets, etc.
- I would love to be able to participate in housing ownership in Sunnyvale, but it is impossible with prices that have risen far beyond my ability to save a down payment. Can the city do anything to facilitate lower cost ownership options such as co-op apartment buildings?
- Expansion of the BMR program would be amazing, especially if it can include more single-family
  dwellings and less townhomes or condos that are apartment-like. Also, who keeps green-lighting
  luxury apartments? They are an absolutely ridiculous concept that just drive up rents and home
  values all around.
- Inclusion of supportive services with housing for homeless.
- "Missing middle" and mixed used developments need to be prioritized. Lot splitting should be
  incentivized, especially as it relates to providing alternatives to "luxury" homes in the Sunnyvale
  real estate market.
- "One serious issue is the lack of so-called ""starter homes""--market-rate units which are
  nevertheless relatively affordable. In general, this survey groups condos and townhouses; however,
  townhouses are typically far more expensive than stacked flat condos, and townhouses make up
  the majority of new ownership development in the city. The city should be exploring ways to
  encourage the production of smaller, stacked-flat condominiums rather than townhouses to
  increase the available stock of starter homes.
  - Furthermore, the survey fails to examine issues of geographic equity. New housing construction in Sunnyvale has been concentrated north of ECR, and especially north of Caltrain. However, the highest opportunity areas of the city are in the South. In order to meet the state mandate to affordably further fair housing, the City MUST add substantial new housing opportunities to the highest opportunity areas in South Sunnyvale."
- Remove the constraints on new housing and allow the developers to build what they think they can sell.
- House sales at 40-70% over listing price are not normal. A normal family even with tech jobs has a
  hard time finding a house in a safe neighborhood in this market. It doesn't feel like we are
  competing with other families but probably with investors. We will have to leave Sunnyvale when
  we finally find a home to buy.
- There should be a rent cap in Sunnyvale. Big tech companies pay for corporate apartments in apartment complexes and cause a huge increase in rental prices.
- I would like to see duplexes and triplexes in Sunnyvale. Affordability for all but the highest incomes is the number one issue for the region. It took my husband and I 13 years and a pandemic with no childcare expenses to save enough money to purchase our first home. We bought three months ago. We are nearly 50 and will most likely need to sell in 12 or 15 years when we retire because we will not be able to pay our mortgage and property taxes on our retirement income. I know a half dozen people who have had to move out of the area because they could not afford rents. I have coworkers who commute from San Juan Batista and Turlock to work in San Jose because they wanted to buy a house. These are people who make six figure salaries. I have met an elderly woman who works at Wendy's in Sunnyvale on Mathilda and commutes 2 hours one way to work on the bus from Gilroy because she can't afford closer housing. My children will not be able to live

- near us when they graduate high school unless there are cheaper housing options. Increase density, build more apartments, condos, ADU's, and enact rent control. Our community suffers when people can't put down roots.
- My father worked in the blue cube when I was growing up and I returned back to Sunnyvale. We
  had to purchase a mobile home because it was all we could afford soon because of space rent, we
  will be priced out. Affordable housing for everyone is a necessity, more senior communities are
  needed.
- We do noy need high density housing. We are ruining our city by over crowding it
- Please greenlight housing accessible to lower income residents. Thank you.
- Solamente quería información para poder ser parte de las personas que están en lista de espera para comprar una propiedad por housing tengo 30 años viviendo en Sunnyvale y no e podido comprar mi propio hogar [I just wanted information to be part of the people who are on the waiting list to buy a property for housing I have lived in Sunnyvale for 30 years and I have not been able to buy my own home]
- Solo los costos de vivienda que cada día son más altos y no hay un control de rentas y aparte la
  gente que tiene más ingresos puede ocupar estos departamentos más fácilmente que una persona
  que tiene día empleos o mas [Only that housing costs are higher every day and there is no rent
  control and apart from that people who have more income can occupy these apartments more
  easily than a person who has jobs or more.]
- Pago impuestos y no calificó para ayuda de vivienda no es justo para personas como yo solo necesitamos un poco de ayuda gracias [I pay taxes and didn't qualify for housing assistance it's not fair to people like me, we just need a little help thank you]
- 最关系安全问题。最近犯罪率提升了。[Most concerned with security issues. The crime rate has increased recently.]
- consider traffic issue and attracts more restaurants and grocery stores when permits more condos / apartments buildings
- 我最为关注社区安全。[I am most concerned with community safety.]
- no homeless shelter anymore for criminals and drug addictors. do background check, give the good people who want to get out of homeless the chance to fight back, instead of giving the criminals and drug addictors the chance to ruin others life. the government is not helping people back to job, but helping people back to crime. use the money to really help them go to training, college, do background check, use your wisdom. I already dont feel safe on the road, playground, park, where I usually take kids to. Sunnyvale is getting dangerous and if you live in sunnyvale you should feel this already.
- For those who have severely disabilities and are unable to work due to their disability, their only income is \$1000 SSI. Sunnyvale is unable to provide affordable rental for them. Especially when their parents are also low income and are not able to support them to pay the rent. Please have extremely low income affordable rental for this population.

### City of Sunnyvale 2023-2031 HOUSING **ELEMENT**



#### **SHARE YOUR FEEDBACK ON OUR HOUSING PLAN**

The City of Sunnyvale has been working to update the 2023-2031 Housing Element. We want to hear your input on the public draft. Share your ideas on how the City can meet the housing needs of everyone in the community at a virtual workshop or public hearing.

#### **REVIEW THE DRAFT 2023-2031 HOUSING ELEMENT**

On May 6, 2022, the public draft 2023-2031 Housing Element will be available on the project website. Provide your comments to:

Ryan Dyson Sunnyvale's Housing Specialist Phone: 408-730-7466

Email: rdyson@sunnyvale.ca.gov

#### You're Invited

REGISTER HERE



arco.de/sunnyvale3

Virtual Workshop

Wednesday, May 11, 2022 Time: 6:30 p.m. to 8 p.m. (Spanish and Chinese interpretation will be provided)

ATTEND HERE



grco.de/sunnyvale4

**Planning Commission Meeting** 

Monday, May 23, 2022 Time: 7 p.m.

ATTEND HERE



arco.de/sunnyvale5

**Housing and Human Services Commission Meeting** 

Wednesday, May 25, 2022 Time: 7 p.m.

ATTEND HERE



<u>grco.de/sunnyvale6</u>

City Council Meeting

Tuesday, June 21, 2022 Time: 7 p.m.



Visit the project website, sunnyvale.ca.gov, search "housing element" to learn more about the City's Housing Element Update



#### CIUDAD DE SUNNYVALE

### ELEMENTO DE VIVIENDA DEL 2023 AL 2031



#### COMPARTA SUS COMENTARIOS SOBRE NUESTRO PLAN DE VIVIENDA

El Municipio de Sunnyvale ha preparado una actualización del Elemento de Vivienda 2023-2031. Queremos escuchar su opinión sobre el documento preliminar público. Comparta sus ideas sobre cómo podemos satisfacer las necesidades de vivienda de todos en la comunidad mediante su participación en un taller virtual o una audiencia pública``.

#### REVISE EL DOCUMENTO PRELIMINAR DEL ELEMENTO DE VIVIENDA 2023-2031

El 6 de mayo de 2022, el borrador público 2023-2031 del Elemento de Vivienda estará disponible en el <u>sitio</u> <u>web</u> del proyecto. Comparta sus comentarios con:

Ryan Dyson Sunnyvale's Housing Specialist Teléfono: 408-730-7466 Correo electrónico: rdyson@sunnyvale.ca.gov

#### You're Invited -

INSCRÍBASE AQUÍ:



#### **Taller Virtual**

Miércoles, 11 de mayo, 2022 Hora: 6:30 p.m. a 8 p.m. ((Habrá interpretación a español y chino)

grco.de/sunnyvale3

INSCRÍBASE AQUÍ:



### Sesión de Comisión de Planificación

Lunes, 23 de mayo, 2022 Hora: 7 p.m.

<u>qrco.de/sunnyvale4</u>

INSCRÍBASE AQUÍ:



Sesión de Comisión de Servicios Sociales y Vivienda

Miércoles, 25 de mayo, 2022 Hora: 7 p.m..

grco.de/sunnyvale5

INSCRÍBASE AQUÍ:



<u>qrco.de/sunnyvale6</u>

Sesión del Concejo Municipal

Jueves, 21 de junio, 2022 Hora: 7 p.m.



Visite el sitio web del proyecto, sunnyvale.ca.gov, y busque "housing element" (elemento de vivienda) paraobtener más información sobre la actualización del elemento de vivienda de la ciudad.



### Sunnyvale 市 2023-2031 年住房要素



### 分享您对我们的住 房计划的反馈

Sunnyvale 市一直在更新 2023-2031 年住房要素。我们 希望听到您对公开草案的意 见。请在虚拟研讨会或公开听 证会中,分享您的想法,谈谈 您认为本市如何能满足社区 中每个人的住房需求。

### 审查2023-2031年 住房要素草案

2022年5月6日,2023-2031年住房要素公开草案将在项目网站上发布。请将您的意见提交给本市住房专员Ryan Dyson:

致电 408-730-7466 或发送电邮至

rdyson@sunnyvale.ca.gov.

### 邀请函

在此注册:



arco.de/sunnyvale3

#### 虚拟研讨会

2022年5月11日,周三

时间:下午6点30分至晚上8点(将提供西班牙语和中文口译)

在此注册:



<u>grco.de/sunnyvale4</u>

#### 规划委员会会议

2022年5月23日,周一

时间:晚上7点

在此注册:



<u>grco.de/sunnyvale5</u>

住房和人类服务委员会会议

2022年5月25日,周三

时间:晚上7点

在此注册:



<u>qrco.de/sunnyvale6</u>

#### 市议会会议

2022年6月21日,周二

时间:晚上7点



访问项目网站 sunnyvale.ca.gov, 搜索"住 房要素",了解本市《住房要 素更新》的更多信息。



#### SUNNYVALE HOUSING ELEMENT

#### SUMMARY OF COMMUNITY WORKSHOP

MAY 2022

#### Overview

On May 11, 2022, the City of Sunnyvale held a virtual community workshop on the Draft Housing Element. The workshop started with a presentation by the Consultants providing an overview of the contents of the Draft Housing Element. Throughout the workshop, audience members provided comments through interactive polling, and the workshop concluded with a question and answer and discussion session. Simultaneous Spanish and Mandarin interpretation was provided. 30 participants attended the workshop.

#### Summary of Feedback

The following is a summary of the key themes of the comments provided through the interactive polling and discussion. The full polling results are attached.

#### Sites Inventory

- The assumed percentage of lower-income units on high-density zoned sites seems too high given that inclusionary requirement is only 15 percent
- Support for adding more lower-income housing opportunities in the Village Centers
- Not enough housing sites in south Sunnyvale

#### Promoting Affordable Housing in High Resource Areas

- Increase density of Village Centers and add new Village Centers
- Programs and incentives for building accessory dwelling units and Senate Bill 9 lot splits/duplexes in single family neighborhoods

#### **Most Effective Programs**

- Safe RV parking and programs to prevent homelessness
- ADU toolkit
- Housing for very low income people with developmental disabilities and other special needs populations

#### Additional Program Ideas to Consider

- Increase density in Village Centers
- Increase inclusionary requirements
- Community Opportunity to Purchase Act (COPA) and Tenant Opportunity to Purchase Act (TOPA)
- No net loss provisions beyond the SB 330 sunset date and one-to-one replacement at same or deeper level of affordability for demolished units

## Sunnyvale HE Community Workshop - May 2022

10 - 16 May 2022

Poll results

#### **Table of contents**

- Were there any findings that stood out to you as significant or surprising?
- What are your reactions to the sites inventory?
- Do you have suggestions to further promote affordable housing in high resource areas?
- Which programs do you think are most effective?
- Are there additional programs or ideas you would like to see the City consider?



## Were there any findings that stood out to you as significant or surprising?



- Overpaying percentages
- 33% of renters are cost burdened
- Given current price of homes...when homes are \$4million who will buy them
- Population growth may have slowed since 2019.
- Census track is confusing including
   San Jose and Sc
- No
- None, possibly income level requirements and population size overall as 2nd largest to SJ
- Significant that we have 12% extremely low income

- no
- Price of homes is currently closer to
   \$2.1 million
- No surprises.
- Increase in senior population
- Slightly surprised at income needed to buy medium priced home.
- no
- Not surprising.
- Data made sense
- None



## What are your reactions to the sites inventory? (1/3)



- How can you accurately reflect opportunity in north Sunnyvale if no one lives there?
- The site inventory needs to more clearly reflect how it will address AFFH.
- I don't understand why abovemedian income RHNA numbers increase so much more than lower income.
- Interested in learning how ADU units factor into spacing for the city and overall plan
- Moffett Park and El Camino will have high percentage of lower income housing!

- Normally areas with large lower income housing do not become high resourced area.
- Correction wishing to see any Lower-Income sites at Village Center.
- Is it possible to go over some of the slides with lots of data
- Low resource areas are based on more than just demographics. HCD wants cities to increase housing access in High Resource areas why are majority of sites in low resource areas?
- I'm glad we're over planning for lower income units-

## What are your reactions to the sites inventory? (2/3)



we don't want to leave our
vulnerable populations up to
developer whims! I'm excited about
the village centers, a great way to
bring density to our sprawl

- I am concerned that Moffet Park is going to severely impact our job/business. This will impact our budget.
- Should have way more sites in South Sunnyvale.
- How did you determine a 60 percent building assumption.
- Wishing to see more Lower-income sites at Village Centers

- The percentage of lower income sites in Moffett and other high density areas seems way too high.
- Interested in learning more about the AUD units
- Moffett Park Plan assumes >50% low-income units, but the city only requires developers to build 15% below market-rate units. What is assumed to greatly increase low income units?
- Not much planned in south sunnyvale
- I do not understand any of the slides you presented. You



## What are your reactions to the sites inventory? (3/3)



went much too fast with too much data on each slide

- Moffett Park is confusing considering the census tract.
- It makes sense that the greatest capacity is in Moffit Park, Lawrence Station and ECR..
- A lot of eggs being thrown in the MPSP area. Not sure if it aligns with AFFH.
- I am impressed you made the RHNA all fit!



# Do you have suggestions to further promote affordable housing in high resource areas? (1/2)



- Have a very strong program to help seniors (and other) build ADUs
- Pass rent stabilization ordinance.
- Work with small developers to convert SF homes to townhomes or rowhouses
- Providing a live/continuously updated count of progress towards RHNA housing goals
- Since the state now allows up to 4
   units on a formerly single family lot,
   perhaps there could be incentives

- offered by the city for a converting single family lots into 4 units of lower income housing with design guidelines
- Lower parking minimums to allow more units
- Increase density of village centers.
   Add shopping center at corner of Hollenbeck/Homestead to village center list. Increase density and provide incentives for R3 zoned block between
   Hollenbeck/Homestead/Sunnyvale-Saratoga.
- Higher density in village centers



# Do you have suggestions to further promote affordable housing in high resource areas? (2/2)



- I'd love to see affordable units in village centers
- Increase village center minimum density.
- Identify more strip malls as village centers.
- Why can't all areas become high resource areas? Why do we keep some areas as low resource?
- Expand/reduce constraints to voucher program.
- City buy land in village centers for non profits
- A dashboard for factors assessed in the displacement

risk populations, especially near schools, community resources



# Which programs do you think are most effective? (1/2)



- Make sure low and very low ami are a priority
- We need better job assistance and healthcare for the unhoused, not just housinhg
- G35, we need to make sure low income areas are receiving bike and ped infrastructure
- ADU toolkit
- Safe parking is a pleasant surprised.
- And TOPA.
- Wish to have seen COPA in there.
- Housing for very low income people with developmental disabilities

- Safe rv parking
- H 24, the best way to help the unhoused is to make sure they never lose the roof over their head
- Low barrier navigation centers, and support for aging in place home renovations
- H23 and H25
- Difficult to say until the completion dates are noted and the language reviewed.
- Prioritizing City funding for projects which include special needs populations.



## Which programs do you think are most effective?

0 0 9

(2/2)

• Review of development fees

# Are there additional programs or ideas you would like to see the City consider? (1/2)



- Prioritize Deed-Restricted,
   Affordable Housing on Publicly
   Owned Land
- End free street parking
- Increase inclusionary percent to 20.
- Waiver for first and last month rent deposit, support funds
- If parking minimum is deceased, there need to be checking that residents do not own cars - and not just use streets as parking garages.
- Include SB 35 provisions without a sunset date

- Inclusionary zoning should apply to rental housing. Waive all or some impact fees for 100% affordable projects.
- Increase village center minimum density.
- Assistance with purchasing e bikes so those living in new, denser areas can easily navigate
- Set asides for people with developmental disabilities in new developments
- Student based housing support and navigation centers for seniors, intergenerational and



# Are there additional programs or ideas you would like to see the City consider? (2/2)



limited income resources at navigation centers with non profits overall

- Find a way to allow low income residents to buy.
- Displaced tenants should have the right of first refusal to rent new comparable units at the same rent as demolished units.
- Mandate one-to-one replacement that also applies the same or a deeper level of affordability as the housing units demolished.
- Decrease parking minimums.
- 35 programs are a lot! I

hope they all get implemented

 Include the no net loss provisions currently outlined in SB 330, without a sunset date.





#### APPENDIX B | GLOSSARY

**Above Moderate-Income Unit:** A housing unit suitable to accommodate above moderate-income households (i.e., households earning above 120 percent of the County median family income).

**Accessible Housing:** The construction or modification of housing to enable independent living for individuals with disabilities.

Accessory Dwelling Unit (ADU): A self-contained living unit, either attached to or detached from, and in addition to, the primary residential unit on a single lot. Sometimes known as "granny flat" or "second unit."

**Acre:** a unit of land measure equal to 43,560 square feet. Net acreage refers to the portion of a site exclusive of existing or planned public or private road rights-of-way.

Access to Opportunity: Geographic access to goods, resources, and services (including employment, education, and transportation) that offer individuals, particularly low-income households and individuals, the best chance at economic advancement, high educational attainment, and good physical and mental health. Low-income communities and communities of color often have disproportionate access to opportunity. Access to opportunity is generally expressed as "high resource" or "low resource"

Affirmatively Further Fair Housing (AFFH): A state mandated requirement for government agencies and grantees to take meaningful actions to explicitly address, combat, and relieve disparities resulting from past patterns of segregation to strengthen fair access to housing and more inclusive communities.

**Affordable Housing:** Under State and federal statutes, housing which costs no more than 30 percent of gross household income. Housing costs include rent or mortgage payments, utilities, taxes, insurance, homeowner association fees, and related costs.

Age in Place: The ability to live in one's own home and community safely, independently, and comfortably, regardless of age, income, or ability level.

**Assisted Housing:** Housing that has received subsidies (such as low interest loans, density bonuses, direct financial assistance, etc.) by federal, state, or local housing programs in exchange for restrictions requiring a certain number of housing units to be affordable to very low-, low-, and moderate-income households.

Association of Bay Area Governments (ABAG): The regional government agency authorized by the Federal and State Government to address regional transportation, housing, and other planning issues in Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties.

**At-Risk Housing:** Assisted rental housing that is at risk of losing its status as housing affordable for extremely low, very low-, low-, and moderate-income residents due to the expiration of federal, state or local agreements.

California Department of Housing and Community Development (HCD): The State Department responsible for administering State-sponsored housing programs and for reviewing housing elements to determine compliance with State housing law.

Census: The official United States decennial enumeration of the population conducted by the federal government.

**Census Tract:** A relatively permanent statistical subdivisions of a county or statistically equivalent entity, generally including a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. The spatial size of census tracts varies widely depending on the density of settlement.

Community Development Block Grant (CDBG): A grant program administered by the U.S. Department of Housing and Urban Development (HUD) on a formula basis for entitlement communities and by the State Department of Housing and Community Development (HCD) for non-entitled jurisdictions. This grant allots money to cities and counties for housing rehabilitation and community development, including public facilities and economic development.

**Condominium:** A building or group of buildings in which units are owned individually, but the structure, common areas and facilities are owned by all owners on a proportional, undivided basis.

**Continuum of Care:** A community plan to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximum self-sufficiency. It includes action steps to end homelessness and prevent a return to homelessness.

Covenant: A property title agreement which places resale or rental restrictions on a housing unit.

**Density:** The number of dwelling units per unit of land. Density usually is expressed "per acre," (e.g., a development with 100 units located on 20 acres has density of 5.0 units per acre).

**Density Bonus:** The allowance of additional residential units beyond the maximum for which the parcel is otherwise permitted usually in exchange for the provision or preservation of affordable housing units at the same site or at another location.

**Development Impact Fees:** Fees required by City code, ordinance, resolution or other City law to be paid as a condition of, or prerequisite to, issuance of a building permit for the development of residential uses, as those fees may be amended from time to time.

**Displacement:** Occurs when certain groups of individuals or households (often low-income) are forced to move from neighborhoods as a result of rising housing costs and neighborhood conditions associated with new investments in those neighborhoods.

**Diversity:** The practice or quality of including or involving people from a range of different social and ethnic backgrounds and of different genders, sexual orientations, etc.

**Dwelling Unit:** means one or more rooms that include permanent provision for living, sleeping, eating, cooking, and sanitation that are occupied for residential purposes by one or more persons living as a single housekeeping unit. (Sacramento City Code 17.108)

**Energy Conservation:** Reducing the consumption of energy through using less of an energy service. This can be achieved either by using energy more efficiently or by reducing the amount of service used.

**Emergency Shelter:** Emergency shelter is defined as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay. (See Government Code, § 65582, subd. (d) and Health and Safety Code, § 50801, subd. (e).)

Fair Market Rent (FMR): Fair Market Rents (FMRs) are freely set rental rates defined by HUD as the median gross rents charged for available standard units in a county or metropolitan area. Fair Market Rents are used for the Section 8 Rental Program and other HUD programs.

**First-Time Home Buyer:** Defined by HUD as an individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home. Jurisdictions may adopt local definitions for first-time home buyer programs which differ from non-federally funded programs.

Floor Area Ratio (FAR): The ratio of gross building area (GBA) of development divided by the total net lot area (NLA). For example, a one-story building covering its entire lot would have a FAR of 1.0. A two-story building covering half its lot would also have an FAR of 1.0. The formula for calculating FAR is GBA/NLA = FAR.

**General Plan:** The General Plan is a legal document, adopted by the legislative body of a City or County, setting forth policies regarding long-term development. California law requires the preparation of seven elements or chapters in the General Plan: Land Use, Housing, Circulation, Conservation, Open Space, Noise, and Safety. Additional elements are permitted to address local needs.

**Gentrification:** The process by which higher income households displace lower income residents of a neighborhood, changing the essential character of that neighborhood.

**Group Quarters:** A facility which houses groups of unrelated persons not living in households (U.S. Census definition). Examples of group quarters include institutions, dormitories, shelters, military quarters, assisted living facilities and other quarters, including single-room occupancy (SRO) housing, where 10 or more unrelated individuals are housed.

High Resource Area(s): Area(s) identified by HCD and the Tax Credit Allocation Committee's Opportunity Area Mapping Tool that offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health.

**HOME Program:** The HOME Investment Partnership Act, Title II of the National Affordable Housing Act of 1990. HOME is a Federal program administered by HUD which provides formula grants to States and localities to fund activities that build, buy, and/or rehabilitate affordable housing for rent or home ownership or provide direct rental assistance to low-income people.

Homelessness: As defined in the HEARTH act, homeless means: (1) an individual or family who lacks a fixed, regular, and adequate nighttime residence, such as those living in an emergency shelter, transitional housing, or places not meant for habitation; (2) an individual or family who will imminently lose their primary nighttime residence (within 14 days), provided that no subsequent housing has been identified and the individual/family lacks support networks or resources needed to obtain housing; (3) unaccompanied youth under 25 years of age, or families with children and youth, who qualify under other Federal statutes, such as the Runaway and Homeless Youth Act, have not had a lease or ownership interest in a housing unit in the last 60 or more days, have had two or more moves in the last 60 days, and who are likely to continue to be unstably housed; (4) an individual or family who is fleeing or attempting to flee domestic violence, has no other residence, and lacks the resources or support networks to obtain other permanent housing.

**Household:** The U.S. Census Bureau defines a household as all persons living in a housing unit whether or not they are related. A single person living in an apartment as well as a family living in a house is considered a household. Household does not include individuals living in dormitories, prisons, convalescent homes, or other group quarters.

**Household Income:** The total income of all the persons living in a household. Household income is commonly grouped into income categories based upon household size, and income, relative to the regional median family income. The following categories are used in the Housing Element:

Extremely Low: Households earning less than 30 percent of County median family income;

- Very low: Households earning less than 50 percent of County median family income;
- Low: Households earning 51 percent to 80 percent of the County median family income;
- Moderate: Households earning 81 percent to 120 percent of County median family income; and
- Above- Moderate: Households earning above 120 percent of County median family income.

Housing Choice Voucher Program (formerly Section 8 vouchers): A tenant-based rental assistance program that subsidizes a family's rent in a privately owned house or apartment. The program is administered by local public housing authorities. Assistance payments are based on 30 percent of household annual income. Households with incomes of 50 percent or below the area median income are eligible to participate in the program.

**Housing First:** A homeless assistance approach or policy that prioritizes providing permanent housing to people experiencing homelessness as quickly as possible, and other supportive services afterward.

Housing Problems: Defined by HUD as a household which: (1) occupies a unit with physical defects (lacks complete kitchen or bathroom); (2) meets the definition of overcrowded; or (3) spends more than 30 percent of income on housing cost.

Housing Subsidy: Housing subsidies refer to government assistance aimed at reducing housing sales or rent prices to more affordable levels. Two general types of housing subsidy exist. Where a housing subsidy is linked to a particular house or apartment, housing subsidy is "project" or "unit" based. In Section 8 rental assistance programs the subsidy is provided to the family (called "tenant-based") who can then use the assistance to find suitable housing in the housing unit of their choice.

**Housing Unit:** A room or group of rooms used by one or more individuals living separately from others in the structure, with direct access to the outside or to a public hall and containing separate toilet and kitchen facilities.

**Inclusion:** This is an active state of being valued, respected and supported. Inclusion focuses on the needs of every individual and ensures the right conditions are in place for each person to achieve his or her full potential. An inclusive environment ensures equitable access to resources and opportunities for all. It also enables individuals and groups to feel safe, respected, engaged, motivated, and valued for who they are and for their contributions toward organizational and societal goals.

Infill: The process of developing vacant or under-utilized parcels within existing developed areas.

**Integration:** Generally, a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area.

Junior Accessory Dwelling Unit (JADU): An additional, independent living unit created through the conversion of an existing legally permitted bedroom in a single-family dwelling. (See definition of Accessory Dwelling Unit)

**Large Household**: A household with five or more members.

Low Barrier Navigation Center(s): A "Housing First", low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. For emergency shelters, creating a "low barrier" environment means removing as many pre- conditions to entry as possible and responding to the needs and concerns of people seeking shelter.

**Lower-Income Unit:** A housing unit suitable to accommodate extremely low-, very low-, or low-income households (i.e., households earning less than 80 percent of the County median family income).

**Manufactured Housing:** Housing that is constructed of manufactured components, assembled partly at the site rather than totally at the site. Also referred to as modular housing.

**Market-Rate Housing:** Housing which is available on the open market without any subsidy. The price for housing is determined by the market forces of supply and demand and varies by location.

**Median Income:** The annual income for each household size within a region which is defined annually by HUD. Half of the households in the region have incomes above the median and half have incomes below the median.

Missing Middle Housing: Housing typologies such as duplexes, triplexes, townhomes, and accessory dwelling units that tend to be more affordable to middle-income households.

**Mobile Home:** A structure, transportable in one or more sections, which is at least 8 feet in width and 32 feet in length, is built on a permanent chassis and designed to be used as a dwelling unit when connected to the required utilities, either with or without a permanent foundation.

Moderate-Income Unit: A housing unit suitable to accommodate moderate-income households (i.e., households earning 81 percent to 120 percent of the County median family income).

**Mortgage Revenue Bond:** A state, county or city program providing financing for the development of housing through the sale of tax-exempt bonds.

**Overcrowding:** As defined by the U.S. Census, a household with greater than 1.01 persons per room, excluding bathrooms, kitchens, hallways, and porches. Severe overcrowding is defined as households with greater than 1.51 persons per room.

**Overpayment:** The extent to which gross housing costs, including utility costs, exceed 30 percent of gross household income, based on data published by the U.S. Census Bureau. Severe overpayment exists if gross housing costs exceed 50 percent of gross income.

**Parcel:** The basic unit of land entitlement. A designated area of land established by plat, subdivision, or otherwise legally defined and permitted to be used, or built upon.

**Public Housing:** A project-based low-rent housing program operated by independent local public housing authorities. A low-income family applies to the local public housing authority in the area in which they want to live.

**Racial Equity:** A core value in which race does not affect life outcomes. Regardless of one's identity, equity is when all people have just treatment, access to opportunities necessary to satisfy their essential needs, advance their well-being and achieve their full potential while identifying and eliminating barriers that have prevented the full participation of some groups.

**Redlining:** A discriminatory practice in which services or goods by federal government agencies were denied or restricted in certain areas of a community, often based on race or ethnicity.

**Reasonable Accommodations:** Amendments to a City's standard procedures for processing permits or application in order to enable people with disabilities to participate fully in the process.

**Regional Housing Needs Plan:** A quantification by a Council of Government or by the State Department of Housing and Community Development of existing and projected housing need, by household income group, for all localities within a region.

Regional Housing Needs Allocation (RHNA): Each city and county in the Regional Housing Needs Plan receives a Regional Housing Needs Allocation (RHNA) of a total number of housing units that it must plan through their General Plan Housing Elements within a specified time period (June 30, 2022, through December 15, 2030, for this Housing Element period). Allocations are also distributed within four economic income categories; these four categories must add up to the total overall number a jurisdiction is allocated.

**Rehabilitation:** The upgrading of a building previously in a dilapidated or substandard condition for human habitation or use.

**Residential Energy:** The total energy used in residential buildings, including heating, cooling, and "plug load" from appliances, lights, and electrical devices.

Segregation: The separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. Segregation generally means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area. Neighborhood level (intra-city) segregation refers to the segregation of race and income groups from neighborhood to neighborhood within a city. Regional (inter-city) segregation refers to race and income divides between jurisdictions in a region.

**Senior Household:** One- or two- member (family or nonfamily) households in which the head or spouse is age 65 or older.

**Service Needs:** The particular services required by special populations, typically including needs such as transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services preventing premature institutionalization and assisting individuals to continue living independently.

Single Room Occupancy (SRO): An SRO is a cluster of residential units of a smaller size than normally found in multiple dwellings within a residential hotel, motel, or facility providing sleeping or living facilities in which sanitary facilities may be provided within the unit and/or shared, and kitchen or cooking facilities may be provided within the unit or shared within the housing project.

Special Needs Groups: Those segments of the population which have a more difficult time finding decent affordable housing due to special circumstances. Under California Housing Element statutes, these special needs groups include older adults, people with disabilities, large families with five or more members, female-headed households, farmworkers, extremely low- income households, and the homeless. A jurisdiction may also choose to consider additional special needs groups in the Housing Element, such as students, military households, other groups present in their community.

**Subdivision:** The division of a lot, tract, or parcel of land in accordance with the Subdivision Map Act (California Government Code Section 66410 et seq.).

**Substandard Housing:** Housing which does not meet the minimum standards in the State Housing Code. Jurisdictions may adopt more stringent local definitions of substandard housing. Substandard units which are structurally sound and for which the cost of rehabilitation is economically warranted are considered suitable for CITY OF SUNNYVALE

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rehabilitation. Substandard units which are structurally unsound and for which the cost of rehabilitation is considered infeasible are considered in need of replacement.

**Supportive Housing:** Housing with a supporting environment, such as group homes or Single Room Occupancy (SRO) housing and other housing that includes a supportive service component such as those defined below.

**Supportive Services:** Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, childcare, transportation, and job training.

California Tax Credit Allocation Committee (TCAC): TCAC allocates federal and state tax credits to the developers of affordable rental housing projects. TCAC verifies that the developers have met all the requirements of the Low Income Housing Tax Credit program and ensures the continued affordability and habitability of the developments for the succeeding 55 years.

**Tenant-Based Rental Assistance:** A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

**Transitional Housing:** Transitional housing is temporary (often six months to two years) housing for a homeless individual or family who is transitioning to permanent housing. Transitional housing often includes a supportive services component (e.g., job skills training, rehabilitation counseling) to allow individuals to gain necessary life skills in support of independent living.

**Non-Vacant Site:** Non-vacant sites that have structures or other site improvements but are capable of being redeveloped with residential uses at a higher density under the zoning and General Plan land use designations. Examples include sites with vacant or abandoned buildings, surface parking lots, and large sites that are only partially developed.

**Universal Design:** The design of buildings, products, and environments that make them accessible and safe to all people regardless of age, size, ability, or disability.

**U.S.** Department of Housing and Urban Development (HUD): The cabinet level department of the federal government responsible for housing, housing assistance, and urban development at the national level. Housing programs administered through HUD include Community Development Block Grant (CDBG), HOME and Housing Choice Vouchers, among others.

**Vacant Site:** A vacant site is a site without any houses, offices, buildings, or other significant improvements on it. Improvements are generally defined as development of the land (such as a paved parking lot, or income production improvements such as crops, high voltage power lines, etc.) or structures on a property that are permanent and add significantly to the value of the property.

**Zoning:** Local codes regulating the use and development of property. A zoning ordinance divides the city or county into land use districts or "zones", represented on zoning maps, and specifies the allowable uses within each of those zones. It establishes development standards for each zone, such as minimum lot size, maximum height of structures, building setbacks, and yard size.

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