



City of Sunnyvale

Notice and Agenda Housing and Human Services Commission

Wednesday, January 25, 2023

7:00 PM

Online Meeting: City Web Stream

Meeting Online Link: <https://sunnyvale-ca-gov.zoom.us/j/92867949471>

Special Teleconference Notice

Because of the COVID-19 emergency and the health orders issued by Santa Clara County and the State of California, this meeting of the Sunnyvale Housing and Human Services Commission will take place by teleconference, as allowed by Government Code Subdivision 54953(e) and Resolution No. 1089-21 (reaffirmed January 10, 2023).

Public Participation

• *Teleconference participation: You may provide audio public comment by connecting to the teleconference Meeting online or by telephone. Use the Raise Hand feature to request to speak (*9 on a telephone):*

Meeting online link: <https://sunnyvale-ca-gov.zoom.us/j/92867949471>

*Meeting call-in telephone number: 833-548-0276 | Meeting ID: 928 6794 9471
(*9 to request to speak | *6 to unmute/mute)*

• *Watch the Housing and Human Services Commission meeting at:*

<http://youtube.com/SunnyvaleMeetings>

• *Submit written comments to the Housing and Human Services Commission no later than 4 hours prior to the meeting start to*

HousingHumanServices@sunnyvale.ca.gov or by mail to City Clerk, 603 All America Way, Sunnyvale, CA 94086.

• *Review recordings of this meeting and past meetings at*

<https://sunnyvaleca.legistar.com/calendar.aspx> or

<http://youtube.com/SunnyvaleMeetings>

Accessibility/Americans with Disabilities Act (ADA) Notice

Pursuant to the Americans with Disabilities Act (ADA), if you need special assistance to provide public comment, or for other special assistance; please contact the City at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility to this meeting. ADA contact: Housing staff may be reached at 408-730-7250 or housing@sunnyvale.ca.gov (28 CFR 35.160 (b) (1)).

CALL TO ORDER

Call to Order via teleconference.

ROLL CALL

ORAL COMMUNICATIONS

This category provides an opportunity for members of the public to address the Housing and Human Services Commission on items not listed on the agenda and is limited to 15 minutes (may be extended or continued after the public hearings/general business section of the agenda at the discretion of the Chair) with a maximum of up to three minutes per speaker. Please note the Brown Act (Open Meeting Law) does not allow the Housing and Human Services Commission to take action on an item not listed on the agenda. If you wish to address the Housing and Human Services Commission, please refer to the notice at the beginning of this agenda. Individuals are limited to one appearance during this section.

CONSENT CALENDAR

All matters listed on the consent calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion of these items. If a member of the public would like a consent calendar item pulled and discussed separately, please refer to the notice at the beginning of this agenda.

- 1.A** [23-0208](#) Approve the Housing and Human Services Commission Meeting Minutes of December 14, 2022

Recommendation: Approve the Housing and Human Services Commission Meeting Minutes of December 14, 2022, as submitted.

PUBLIC HEARINGS/GENERAL BUSINESS

If you wish to speak to a public hearing/general business item, please refer to notice at the beginning of this agenda. Each speaker is limited to a maximum of three minutes.

2 [23-0209](#) Review and Rank 2023 Study Issues

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

[23-0211](#) Consideration of Potential Study Issues

STANDING ITEM: HOUSING ELEMENT UPDATE

[23-0212](#) Housing Element Update

NON-AGENDA ITEMS & COMMENTS

-Commissioner Comments

-Staff Comments

INFORMATION ONLY REPORTS/ITEMS

[23-0213](#) Housing and Human Services Commission Proposed Study
Issues, Calendar Year: 2024

ADJOURNMENT

Notice to the Public:

Any agenda related writings or documents distributed to members of this meeting body regarding any item on this agenda will be made available for public inspection in the originating department or can be accessed through the Office of the City Clerk located at 603 All America Way, during normal business hours and in the Council Chamber on the evening of the Housing and Human Services Commission Meeting, pursuant to Government Code §54957.5.

Agenda information is available by contacting Edith Alanis at 408-730-7254 or ealanis@sunnyvale.ca.gov. Agendas and associated reports are also available on the City's website at sunnyvale.ca.gov or at the One-Stop Desk, City Hall, 456 W. Olive Ave., Sunnyvale, CA, 72 hours before the Meeting.



Sunnyvale

City of Sunnyvale

Agenda Item

23-0208

Agenda Date: 1/25/2023

SUBJECT

Approve the Housing and Human Services Commission Meeting Minutes of December 14, 2022

RECOMMENDATION

Approve the Housing and Human Services Commission Meeting Minutes of December 14, 2022, as submitted.



City of Sunnyvale

Meeting Minutes - Draft Housing and Human Services Commission

Wednesday, December 14, 2022

7:00 PM

Telepresence Meeting: City Web Stream

Special Meeting

CALL TO ORDER

Chair Stetson called the meeting to order at 7 p.m.

ROLL CALL

Present: 7 - Chair Elinor Stetson
Vice Chair Leesa Riviere
Commissioner Jim Davis
Commissioner Scott Duncan
Commissioner Sue Harrison
Commissioner Ken Hiremath
Commissioner Helen Lei

Council Liaison Russ Melton (absent)

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

- 1.A** [22-1073](#) Approve the Housing and Human Services Commission Meeting Minutes of November 16, 2022
- 1.B** [22-1149](#) Approve 2023 Draft Master Work Plan

Chair Stetson asked if any member of the public wanted to discuss any item on the consent calendar. No one wished to speak.

Chair Stetson asked for discussion or a motion on the Consent Calendar.

MOTION: Vice Chair Riviere moved and Commissioner Harrison seconded the motion to approve the Consent Calendar.

Motion carried by the following vote:

Yes: 6 - Chair Stetson
Vice Chair Riviere
Commissioner Davis
Commissioner Duncan
Commissioner Harrison
Commissioner Hiremath

No: 0

Abstain: 1 - Commissioner Lei

PUBLIC HEARINGS/GENERAL BUSINESS

- 2 [22-0711](#) Forward Recommendation to City Council to Approve the Non-Residential Housing Mitigation Fee Nexus Study and Adopt a Resolution Amending the Housing Impact Fee for Non-Residential Development (Study Issue) and Find the Actions are Exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15378 (b)(4)

Housing Specialist Ryan Dyson introduced the item and Stephanie Hagar, Principal at BAE Urban Economics gave a slide presentation.

Staff and consultants answered a few clarifying questions. Staff noted that this item will be considered by the Planning Commission on Jan. 9 and by Council on Jan. 24.

Chair Stetson opened and closed the public hearing at 7:33 p.m. upon confirming that no members of the public wished to speak.

After a lengthy discussion and additional questions from the Commissioners, Chair Stetson asked for a motion.

The consensus among the commissioners was that Sunnyvale should not be afraid to lead and recommended a higher fee.

MOTION: Commissioner Hiremath moved and Commissioner Duncan seconded the motion to Alternatives 1 and 4: Recommend that the City Council Approve the Non-Residential Housing Mitigation Fee Nexus Study and Adopt a Modified Fee

Schedule Amending the Housing Impact Fee for Non-Residential Development for Office/R&D Development to Increase the Fee to \$15 per Square Foot for the First 10,000 Square Feet and \$30 per Square Foot for All Remaining Square Feet, Adjusted Annually for Inflation, with No Changes to the Fee Schedule for Retail, Lodging, and Industrial.

The motion carried by the following vote:

Yes: 7 - Chair Stetson
Vice Chair Riviere
Commissioner Davis
Commissioner Duncan
Commissioner Harrison
Commissioner Hiremath
Commissioner Lei

No: 0

- 3 [22-1150](#) Annual Review of the City Code of Ethics and Conduct for Elected and Appointed Officials

Housing Officer Jenny Carloni noted that this annual review was an opportunity for commissioners to ask questions or give recommendations about the Code of Ethics and Conduct for Elected and Appointed Officials.

There were no comments or discussion.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

- [22-1151](#) Consideration of Potential Study Issues

None.

STANDING ITEM: HOUSING ELEMENT UPDATE

- [22-1152](#) Housing Element Update

NON-AGENDA ITEMS & COMMENTS

-Commissioner Comments

None

-Staff Comments

Officer Carloni had the following remarks:

1. She welcomed to the newest HHS Commissioner, Helen Lei. Noted that there are no more vacancies.
2. She reported that Council had considered the Second Harvest loan forgiveness request and denied it. Council directed staff to prepare a Budget Modification to grant Second Harvest the loan amount from the General Fund to repay the Revolving Loan fund.
3. She shared that Council had started holding in-person meetings and that Boards and Commissions will follow soon, but a date has not been set.
4. She highlighted that the draft Work Plan that was just approved shows that 2023 will be another very busy year for the HHSC.
5. She expressed gratitude for the commissioners' work and dedication in 2022.

INFORMATION ONLY REPORTS/ITEMS

[22-1153](#)

Housing and Human Services Commission Proposed Study
Issues, Calendar Year: 2023

ADJOURNMENT

Chair Stetson adjourned the meeting at 8:29 p.m.



REPORT TO HOUSING AND HUMAN SERVICES COMMISSION

SUBJECT

Review and Rank 2023 Study Issues

BACKGROUND

In the 1970's, the City of Sunnyvale developed a process for prioritizing local policy concerns that became known as the "study issues process". A study issue is a topic of concern that may result in a new or revised City policy. The study issues process provides both City Council and City staff with a valuable planning and management tool, by providing a method for identifying, prioritizing and analyzing policy issues in an efficient and effective way. It provides a structured approach for addressing the large number of policy issues that are raised each year.

Council reviews all study issues once a year at the Council Study Issues Workshop. The process allows Council to rank the issues, separating those issues that may have seemed important when they were first raised from the truly critical issues. It also allows the City Manager and department directors to set and schedule the examination of issues so the workload does not interfere with the day to day delivery of City services at levels set by Council.

After a study issue is sponsored by Council, a commission, or staff, staff prepares and submits study issue papers to the city manager for review and approval. The study issue paper describes the topic of concern proposed to be studied, identifies how the issue relates to the General Plan, the origin of the issue, expected public outreach, staff hours, any additional resources required for study, and a staff recommendation regarding whether or not to study the issue. Study issue papers not under the purview of a board or commission are routed directly to Council for the annual Study Issues Public Hearing and Council Study Issues Workshop.

Roles in the Process

The study issues process includes participation by Councilmembers, City staff, board and commission members, and the public. A brief explanation of each of their roles follows:

- Council - Council's role is to set policy. Regarding the study issues process, policy-related responsibilities include generating (or sponsoring) study issue topics; taking public input; prioritizing or "ranking" issues at the Council Study Issues Workshop in February; and approving target completion dates for each study.
- City staff - City staff manages the annual study issues administrative process; prepares the study issue papers; follows Council ranking of issues, determines how many study issues can be completed based on available operating resources, and proposes target completion dates

for studies able to be completed.

- **Boards and Commissions** - In their advisory capacity to Council, Boards and Commissions generate study issue papers for Council's consideration, and provide a recommended ranking of the issues relevant to their purview. Boards and Commissions also provide a forum for public input and, with majority support, can sponsor issues brought to them by members of the public.
- **Members of the Public** - Members of the public may suggest study issue topics to staff, boards and commissions, or directly to Council. In order for a study issue topic to get to the Council Study Issues Workshop it must be "sponsored" by staff, Council or a board or commission. Members of the public also provide input to Council on the relative importance or priorities of individual studies at the annual Study Issues Public Hearing, which is held a week or two prior to Council's Study Issues Workshop.

DISCUSSION

At the hearing on January 25, 2023, the HHSC will recommend to the City Council whether each study issue within the HHSC's purview (Attachments 2 and 3) should be ranked, deferred, or dropped (or "no recommendation", if so desired). HHSC will then rank the items not recommended for deferral, drop, or no recommendation per the City's ranking policy. The Housing and Human Services Commission's recommendations will be transmitted to the Council as input for decisions on the potential Study Issues.

Although the ranking format used in previous years will be largely followed, in lieu of each Commissioner having an individual ranking sheet to fill out independently staff will call on Commissioners to give their rankings verbally due to the virtual setting of the hearing.

The City Council will rank the study/budget issues at the Council Workshop on Thursday, February 16, 2023.

ATTACHMENTS

1. Board/Commission Process for Ranking Study Issues
2. Study Issue CDD 23-01: Consider Increasing Inclusionary Housing Requirements to 20% in New Residential Development
3. Study Issue CDD 23-03: Review and Potentially Update the Housing In-Lieu Fees for Rental and Ownership Housing

Board/Commission Process for Ranking Study Issues

The Study Issues process is designed to assist City Council with setting policy study priorities for the coming calendar year. Board and commission members have two roles in this process:

- To advise Council regarding the identification of policy issues to study (i.e., the generation of study issue ideas for Council's consideration); and
- To advise Council on those issues Council has decided to study.

All procedures must comply with Council Policies [7.2.19 Boards and Commissions](#), [7.3.26 Study Issues Process](#), and Administrative Policy [Chapter 1, Article 15 Boards and Commissions](#). All board and commission members shall adhere to those operational practices and procedures as contained in the *Board and Commission Handbook* prepared by the Office of the City Clerk.

To ensure consistency in approach and practice, all boards/commissions shall use the same ranking process as Council for all proposed Study Issues (described below and captured in Council Policy [7.3.26 Study Issues Process](#)).

Ranking Process

Step 1: Review issues

Staff provides a brief summary of each proposed Study Issue. Any Study Issue ranked by a Board/Commission, must be signed/approved by the City Manager prior to ranking. Boards and commissions shall review and take action on only those issues under their purview, as determined by the City Manager. Items not under the specific purview of a board or commission may be presented to them for "information only".

Step 2: Questions of Staff

Staff will address questions Commissioners may have regarding each study issue.

Step 3: Public Hearing

Chairperson opens Public Hearing for public input on any of the issues under consideration. (Note: the Commission may not take action on, or rank any new issue raised by the public for which there is not already a study issue paper developed. Those seeking to raise new issues at this point in the process should be informed that their options are to seek Council sponsorship of their issue or submit it to the Board/Commission for the following year's process.) Chairperson will close the Public Hearing.

Step 4: Determine which issues, if any, will be dropped

Commissioners may make motions to drop issues from consideration. After the motion is seconded, discussion on each item may ensue. If the motion passes by a simple majority of those present, the Board/Commission will drop the issue. Such action suggests that there is no need to study the issue.

If the Board/Commission votes to drop an issue that was initiated by the Commission that same year, the issue will not be forwarded to City Council for the Council's consideration. If, however, the Commission votes to drop an issue that was not initiated by the Commission - meaning that it was initiated by staff, Council or another Commission - or that had been deferred or fell below the line in the previous year, the issue would be forwarded to Council with a notation that the Commission recommended it be dropped from consideration.

Step 5: Determine which issues, if any, will be deferred

Commissioners may make motions to defer issues from consideration to a later year. After the motion is seconded, discussion on each item may ensue. If the motion passes by a simple majority of those present, the Commission will not rank the issue. Such action suggests only that the issue is not currently a priority and/or it is not the appropriate time to study the issue.

If the Commission votes to defer an issue that was initiated by the Commission that year, the issue will not be forwarded to City Council for the Council's consideration. If the Commission votes to defer an issue that was not initiated by the Commission - meaning that it was initiated by staff, Council or another Commission - or that had been deferred or fell below the line in the previous year, the issue would be forwarded to Council with a notation that the Commission recommended it be deferred from consideration.

Step 6: Commission discussion on issues to be ranked

Commissioners have the opportunity to speak to the remaining issues to be ranked and to discuss merits and priorities before ranking the remaining issues. No motion is required.

Step 7: Commissioners rank issues individually

Depending on the number of issues left to rank, the Board/Commission shall utilize one of the following ranking methods:

Simple Majority/Borda Count (for ranking ten or fewer issues) – Commissioners individually and simultaneously rank each of the remaining issues. Rankings are from 1 to the total number of issues, with “1” representing the issue with the highest priority for study. Each number can be used only once (no ties) and each issue must receive a ranking.

Choice Ranking (for ranking eleven or more issues) – the number of items to be ranked is divided by three and each Commissioner is given that many votes. Each Commissioner allocates his or her votes, one each, to different issues. Some issues will receive votes, others may not, depending on the total number of issues and the number targeted for selection. A tally is made for each issue selected. Two-way ties between issues are resolved by quick votes of the group. Multiple ties are resolved in the same manner as before: dividing by three (if four items are tied, for example, each member gets one vote to assign to one of those issues). The issues that receive the most votes are thereby prioritized. If necessary and desired, the process is repeated for the remaining issues (the ones that didn't get votes the first time).

Regardless of ranking method, all individual Commissioner ranking votes and final Board/Commission rank recommendations will become a part of the official record and shall be made available to the public.

Step 8: Combined ranking determined

A combined Commission ranking is determined when staff totals the individual ranking from all Commissioners for each issue.

Simple Majority/Borda Count The issue with the lowest total becomes the Commission's Priority 1 issue; the next lowest total is Priority 2, etc.

Choice Ranking The issues that receive the most votes becomes the Commission's Priority 1 issue; the next lowest total is Priority 2, etc.

Step 9: Tie Breaks

Two-way ties should be resolved by quick hand votes of the Board/Commission.

Three-way (or more) ties should be resolved using a tie break ranking sheet. The sheet lists all tied issues and the Board/Commission ranks in order, first to last choice. The issues receiving the most votes get the higher priority. This step is repeated if there are multiple ties.

Step 10: Acceptance of rankings

A motion is then made to accept, reject or modify the overall Commission rankings for issues. After the motion is seconded, discussion may ensue. Simple majority is required for passage.

After the Commission Ranking

B/C liaisons are responsible for inputting the commission's rankings in the B/C Ranking Spreadsheet provided by OCM. The completed sheet is due to OCM in early December.

Council will hold a Public Hearing on Study Issues in early January. The Chair or his/her appointee is encouraged to speak before Council and share the Board/Commission's recommended rankings.

Issues Sponsored AFTER Commission Ranking

If a study issue is sponsored after the Commission has held its ranking meeting, the issue will identify the paper as "too late to rank" for the B/C. In this instance, Commissioners are able to attend the January Public Hearing, identify themselves as Commissioners, and testify on how they would have voted (as an individual) had this item gone before the Commission (I would have voted to [drop, defer, rank] this item).

Key Dates for each year are available on the [Proposed Study Issues](#) page on the website.

Note: There is no proxy ranking: Commissioners must be present to rank study issues.



City of Sunnyvale

Agenda Item

23-0120

Agenda Date: 2/16/2023

2023 COUNCIL STUDY ISSUE

NUMBER

CDD 23-01

TITLE

Consider Increasing Inclusionary Housing Requirements to 20% in New Residential Development

BACKGROUND

- Lead Department:** Community Development
- Support Departments:** Office of the City Manager
Office of the City Attorney
- Sponsor(s):** Housing and Human Services Commission
- History:** 1 year ago: N/A
2 years ago: N/A

SCOPE OF THE STUDY

What precipitated this Study?

With the affordable housing crisis worsening annually and home sales prices and rental rates significantly increasing, one of the City’s best tools to create new affordable housing is using an inclusionary housing requirement. Inclusionary housing is when a market rate developer has a required percentage of units that must be deed restricted as affordable housing, for either ownership or rental units. The City currently requires 15% of new units be deed restricted as affordable housing. For ownership units, 15% of new units must be sold to moderate income households (those earning between 81-120% of the Area Median Income (AMI)); for rental developments, 5% of new units must be rented to very low income households (those earning 31-50% AMI) and 10% of units rented to low income households (earning 51-80% AMI). In addition, the City’s Regional Housing Needs Assessment (RHNA) for the next eight-year planning cycle of the Housing Element identifies the City must accommodate nearly 12,000 new residential units, with nearly 6,000 of those units being moderate and lower income units.

What are the key elements of the study?

Increasing the City’s inclusionary housing requirement from 15% to 20% for both for-sale and rental housing will allow the City to capture additional affordable units and make progress towards meeting the RHNA.

Under AB 1505, any inclusionary ordinance that requires more than 15% inclusionary requirement is subject to review by the California Department of Housing and Community Development (HCD) and subject to an economic feasibility study. Therefore, a formal Nexus Study completed by an outside consultant would need to be completed along with an updated Ordinance. This Study Issue would require significant public and stakeholder outreach, especially with local market rate residential developers, to ensure an increase to inclusionary percentages would not

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hinder new residential development. The Study would also analyze local inclusionary requirements of nearby cities to ensure Sunnyvale aligns or does not greatly exceed the requirement for these communities.

Estimated years to complete study: 1 year

FISCAL IMPACT

Cost to Conduct Study

Level of staff effort required (opportunity cost):	Moderate
Funding Required for Non-Budgeted Costs:	\$100,000
Funding Source:	Will seek budget supplement

The major cost effort of this Study is hiring of an outside consultant. In 2022, the City hired a consultant for a similar style housing fee nexus study at a rate of \$88,000. Additional costs may be associated with the Study if the consultant needs to attend in person public outreach and public hearings.

Cost to Implement Study Results

Minimal or no cost expected to implement. Once adopted by Council, the new inclusionary ordinance would go into effect and no significant costs would incur. Additional staff time would be needed to manage the greater number of BMR units, particularly the for-sale portion of the program as there would be more initial sales, additional annual audits and great potential for unit resale.

EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION

Council-Approved Work Plan: No

Council Study Session: No

Reviewed by Boards/Commissions: Housing and Human Services, Planning Commission

STAFF RECOMMENDATION

Support. This policy issue merits discussion at the 2023 Study Issues Workshop.

The City is currently preparing the 2023-2031 Housing Element Update and policies in that Element consider the City seeking new ways of supporting or producing affordable housing. An increased inclusionary requirement is a common way to obtain additional affordable housing units, and neighboring cities have begun to require 20% inclusionary in new development.

Prepared by: Jenny Carloni, Housing Officer

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

23-0122

Agenda Date: 2/16/2023

2023 COUNCIL STUDY ISSUE

NUMBER

CDD 23-03

TITLE

Review and Potentially Update the Housing In-Lieu Fees for Rental and Ownership Housing

BACKGROUND

Lead Department: Community Development

Support Departments: Office of the City Manager
Office of the City Attorney

Sponsor(s): Housing and Human Services Commission

History: 1 year ago: N/A
2 years ago: N/A

SCOPE OF THE STUDY

What precipitated this Study?

The purpose of this Study is to examine whether higher residential housing in-lieu fees for rental and ownership housing developments are justified and desirable to meet the growing demand for affordable housing, and the rising development cost. The Rental Housing In-Lieu Fee (SMC Chapter 19.77) and Below Market Rate (BMR) ownership in-lieu fee (SMC Section 19.76.100) programs offer the ability for a market rate developer to pay the in-lieu fee for residential developments at the sole discretion of the City Council through an Inclusionary Housing “Alternative Compliance Plan”. The cost to develop one unit of affordable housing is nearly \$850,000, and this cost increases over time. The City should regularly analyze, using a formal Nexus Study, the current fee structures to ensure that the in-lieu inclusionary fees for all residential development effectively support the City’s efforts by using these funds to create new loans for non-profit affordable housing developers. The construction of affordable housing is needed to help meet the City’s Regional Housing Needs Allocation. The fees are currently as follows:

Rental Development	Fee
Small Rental Projects (3-6 units)	\$14.00 per applicable sq. ft.
Large Rental Projects (7+ units)	\$28.50 per applicable sq. ft.

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Ownership Development	Fee
Ownership Developments with seven (7) or more units.	The amount of the in-lieu fee shall be equal to seven percent (7%) of the contract sales price of all units in the project. If the applicant is paying the in-lieu fee for a fractional unit only, the minimum fee rate may be adjusted proportionally.

What are the key elements of the Study?

A new formal Nexus Study for both rental and ownership in-lieu fees would be recommended for the City to analyze appropriate fees that will not burden new development. A consultant would be required to perform the work, along with significant outreach to developers and stakeholders. As part of the Nexus Study, an analysis of neighboring jurisdictions' fees will be conducted as well.

Estimated years to complete study: 1 year.

FISCAL IMPACT

Cost to Conduct Study

Level of staff effort required (opportunity cost):	Moderate
Funding Required for Non-Budgeted Costs:	\$150,000
Funding Source:	Will seek budget supplement

Costs associated with this Study include hiring a qualified economic consultant team to conduct the Study and prepare a formal Nexus Study of both rental and ownership housing in-lieu fees; it is assumed both fees can be analyzed in one study. Staff support and management of the consultant are assumed internal costs that the Housing Division can absorb.

Cost to Implement Study Results

Minimal or no cost expected to implement.

EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION

Council-Approved Work Plan: No
 Council Study Session: No
 Reviewed by Boards/Commissions: Housing and Human Services Commission, Planning Commission

STAFF RECOMMENDATION

Support. This policy issue merits discussion at the 2023 Study Issues Workshop.

It is recommended that housing in-lieu fees be reviewed from time to time. While the inclusionary ordinances for rental and ownership were updated in 2019 and 2021 respectively, the fees were not analyzed or modified when the ordinances were updated. Therefore, based on the significant increase in the lower income RHNA allocation for the upcoming 2023-2031 Housing Element cycle, a deeper review of fees is recommended as a tool to support developers that acquire land and/or build

23-0122

Agenda Date: 2/16/2023

new deed-restricted affordable housing units in Sunnyvale.

Prepared by: Jenny Carloni, Housing Officer

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



Sunnyvale

City of Sunnyvale

Agenda Item

23-0211

Agenda Date: 1/25/2023

Consideration of Potential Study Issues



Sunnyvale

City of Sunnyvale

Agenda Item

23-0212

Agenda Date: 1/25/2023

Housing Element Update



City of Sunnyvale

Agenda Item

23-0213

Agenda Date: 1/25/2023

Housing and Human Services Commission Proposed Study Issues, Calendar Year: 2024

Proposed Study Issues*

Date	Working Title	Summary of Scope	Staff Comments

*The study issues have been proposed for future sponsorship

Toward the end of the calendar year, no later than October, boards and commissions will review the list of proposed study issues and officially vote on sponsorship for each individually listed study issue. Official sponsorship means that the study issue is approved for ranking with a majority vote of the board or commission. Staff will then prepare the sponsored study issue papers, including fiscal impact **but not** the staff recommendation.