



# City of Sunnyvale

## Notice and Agenda Housing and Human Services Commission

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Wednesday, November 15, 2017

7:00 PM

West Conference Room, City Hall, 456 W.  
Olive Ave., Sunnyvale, CA 94086

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### Special Meeting

#### **CALL TO ORDER**

#### **SALUTE TO THE FLAG**

#### **ROLL CALL**

#### **ORAL COMMUNICATIONS**

*This category provides an opportunity for members of the public to address the 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 commissioners to take action on an item not listed on the agenda. If you wish to address the commission, please complete a speaker card and give it to the Recording Secretary. Individuals are limited to one appearance during this section.*

#### **CONSENT CALENDAR**

- 1.A    [17-0637](#)    Approve the Housing and Human Services Commission Meeting Minutes of November 1, 2017

**Recommendation:** Approve the Housing and Human Services Commission Minutes of November 1, 2017 as submitted.

#### **PUBLIC HEARINGS/GENERAL BUSINESS**

- 2        [17-1011](#)        Review and Rank Study Issues

#### **NON-AGENDA ITEMS & COMMENTS**

**-Commissioner Comments**

**-Staff Comments**

**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, Sunnyvale, CA. during normal business hours and at the meeting location on the evening of the board or commission meeting, pursuant to Government Code §54957.5.*

*Agenda information is available by contacting Edith Alanis at (408) 730-7254. Agendas and associated reports are also available on the City's website at [sunnyvale.ca.gov](http://sunnyvale.ca.gov) or at the Sunnyvale Public Library, 665 W. Olive Ave., Sunnyvale, 72 hours before the meeting.*

*Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact Edith Alanis at (408) 730-7254. Notification of 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.160 (b) (1))*



# City of Sunnyvale

## Agenda Item

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**17-0637**

**Agenda Date:** 11/15/2017

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**SUBJECT**

Approve the Housing and Human Services Commission Meeting Minutes of November 1, 2017

**RECOMMENDATION**

Approve the Housing and Human Services Commission Minutes of November 1, 2017 as submitted.



# City of Sunnyvale

## Meeting Minutes - Draft

### Housing and Human Services Commission

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Wednesday, November 1, 2017

7:00 PM

Council Chambers, City Hall, 456 W. Olive  
Ave., Sunnyvale, CA 94086

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#### Special Meeting

#### **CALL TO ORDER**

Chair Grossman called the meeting to order at 7:03 p.m.

#### **SALUTE TO THE FLAG**

Chair Grossman led the salute to the flag.

#### **ROLL CALL**

**Present:** 6 - Chair Joshua Grossman  
Commissioner Patti Evans  
Commissioner Diana Gilbert  
Commissioner Ken Hiremath  
Commissioner Minjung Kwok  
Commissioner Elinor Stetson

**Absent:** 1 - Vice Chair Avaninder Singh

**Vice Chair Avaninder Singh (excused)**  
**Council Liaison Gustav Larsson (absent)**

#### **ORAL COMMUNICATIONS**

None.

#### **CONSENT CALENDAR**

**1.A**     [17-0970](#)     Approve the Housing and Human Services Commission  
Special Meeting Minutes of September 20, 2017

Chair Grossman asked for a motion on the consent calendar if there were no questions or comments.

MOTION: Commissioner Evans moved and Commissioner Hiremath seconded the motion to Approve the Housing and Human Services Commission Minutes of

September 20, 2017 as submitted.

The motion carried by the following vote:

**Yes:** 6 - Chair Grossman  
Commissioner Evans  
Commissioner Gilbert  
Commissioner Hiremath  
Commissioner Kwok  
Commissioner Stetson

**No:** 0

**Absent:** 1 - Vice Chair Singh

### **PUBLIC HEARINGS/GENERAL BUSINESS**

- 2      [17-0806](#)      Consider New First Mortgage Refinance Loan of \$3.3 Million in Housing Funds to MidPen Housing Corp. and Modification of Outstanding Loans to Finance Phase Two of Eight Trees Apartments Rehabilitation at 183 Acalanes Drive, Sunnyvale

Housing Officer Suzanne Ise gave some historical background on the Eight Trees Apartments property and noted that MidPen staff was also present to answer questions.

MidPen Project Manager, Helen Tong-Ishikawa, provided an overview of requested City financing and loan restructure, and the proposed rehabilitation project.

Commissioners asked questions of staff and MidPen representatives regarding details of the project, funding details, and the tax credit scoring and application process.

Chair Grossman opened and closed the public hearing at 7:44 p.m. noting that there were no requests to speak.

After some discussion, Chair Grossman asked for a motion.

MOTION: Commissioner Gilbert moved and Commissioner Evans seconded the motion to recommend to Council Alternative 1: Approve a new first mortgage refinance loan of \$3.3 million in Housing Mitigation Funds for the Eight Trees Phase Two Project and authorize the City Manager to execute the new first mortgage

refinance loan and amendments to the existing City loans to forgive accrued interest and adjust interest rates to 0%, as further described in Attachments 2 and 5 of the report.

The motion carried by the following vote:

**Yes:** 6 - Chair Grossman  
Commissioner Evans  
Commissioner Gilbert  
Commissioner Hiremath  
Commissioner Kwok  
Commissioner Stetson

**No:** 0

**Absent:** 1 - Vice Chair Singh

#### **STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES**

After a short discussion and questions of staff, the commissioners agreed that there were no new suggestions at this time.

#### **NON-AGENDA ITEMS & COMMENTS**

##### **-Commissioner Comments**

None.

##### **-Staff Comments**

Staff reminded the commissioners of the next meeting on November 15.

#### **INFORMATION ONLY REPORTS/ITEMS**

**3**      [17-0986](#)      Multi-family Residential Transportation Demand Management Program

Staff noted that this information was provided in response to the inquiry by the Commissioners at the September 20 meeting regarding transportation demand programs.

#### **ADJOURNMENT**

MOTION: Chair Grossman moved and Commissioner Evans seconded the motion to adjourn the meeting.

The motion carried by the following vote at 7:57 p.m.

**Yes:** 6 - Chair Grossman  
Commissioner Evans  
Commissioner Gilbert  
Commissioner Hiremath  
Commissioner Kwok  
Commissioner Stetson

**No:** 0

**Absent:** 1 - Vice Chair Singh



# City of Sunnyvale

## Agenda Item

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17-1011

Agenda Date: 11/15/2017

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### **SUBJECT**

Review and Rank 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 to study the issue. Papers are then routed to the appropriate board and commission for ranking in November/December. 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 early in the calendar year (February for 2018); and approving target completion dates for each study.

**City staff** - City staff manage the annual study issues administrative process; generate study issue topics; prepare the study issue papers; following Council ranking of issues, determine how many issues can be supported with available operating resources; and propose 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 areas of authority. 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 about a month prior to Council's Study Issues Workshop.

### ***Discussion***

Attachment 1 describes the process for ranking study issues. The two study issues referred to the Housing and Human Services Commission (HHSC) for ranking this year are provided in Attachments 2 and 3. These study issues must be ranked by the HHSC at this meeting to meet the deadline for inclusion in the Council Study Issues Workshop materials.

### ***Results of HHSC-sponsored 2018 study issue topic:***

A new study issue topic was proposed by the HHSC at its September meeting. The topic was, as summarized in the September minutes, "to determine what the City could do to optimize housing opportunities in Sunnyvale given new State legislation and funding measures enacted in 2017."

The Housing staff and the Department Director analyzed this proposal and consulted with the City Manager's Office on study issue procedures, the Department determined that this topic was operational in nature and would be handled through existing City processes, including the annual review of new legislation, and the upcoming 2017 Housing Strategy study issue, both of which are currently underway. Staff will submit a draft work plan on the 2017 Housing Strategy for City Council review at the City Council meeting on December 12, 2017. Staff will also provide a report to Council on newly enacted State legislation at the January 9, 2018 Council meeting, which will include key highlights of anticipated impacts to, or opportunities for the City resulting from the new housing legislation.

The citation below is provided for a reminder and to clarify the Commission's role in the study issues process:

### ***B/C Proposed Study Issue that is Operational (not Policy):***

*Council Policy 7.2.19, Statement 1.B: "Boards and commissions shall not involve themselves in administrative/ operational matters or the implementation of Council policy, except as requested by the city manager or his/her designated staff."*

*Board and commission members have two roles in the study issues process:*

- *To advise Council regarding the identification of policy issues to study.*
- *To advise Council on those issues Council has decided to study.*

### ***Tallying the Votes on the Study Issues to be Ranked***

Staff will provide assistance with tallying the votes, as needed. See Attachment 1 for details.

***Recommended Actions:***

Following any questions for staff, hold a public hearing, open the floor for discussion and/or questions by commissioners, and then begin the ranking process consistent with the instructions in Attachment

1. Once the ranking process has been completed, staff will forward the results to Council.

**ATTACHMENTS**

1. Board/Commission Process for Ranking Study Issues
2. CDD 17-03: Rent Stabilization for Mobile Home Parks (Deferred in 2017)
3. CDD 18-05: Increase Opportunities for more Accessory Dwelling Units

## 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 (image at right). 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.

TIE BREAK RANKING SHEET
Board/Commission Member: _____

**FIRST TIE BREAK**

Please print the study issue number of all that are tied, ranked in order of first to last choice.

First Choice:	
Second Choice:	
Third Choice:	
Fourth Choice:	
Fifth Choice:	
Sixth Choice:	
Seventh Choice:	

**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).

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



# City of Sunnyvale

## Agenda Item

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**17-0919**
**Agenda Date: 2/16/2018**


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### 2018 COUNCIL STUDY ISSUE

#### **NUMBER**

CDD 17-03

#### **TITLE** Rent Stabilization for Mobile Home Parks

#### **BACKGROUND**

**Lead Department:** Community Development

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

Office of the City Attorney

**Sponsor(s):** Councilmembers: Davis, Griffith, Martin-Milius

**History:** 1 year ago: Deferred

2 years ago: N/A

#### **SCOPE OF THE STUDY**

##### **What precipitated this study?**

In 2016, several residents of Plaza del Rey Mobile Home Park requested that the City impose rent stabilization on their Park due to the 7.5% rent increase imposed by the new park owners in early 2016 and concerns about future rent increases. Mobile home parks are unique in that typically the home is owned by the resident and rent is paid to a park owner for the use of the space. The rent varies due to a number of factors, including: the amenities available at the park (e.g., pools, spas, parks, recreation rooms, etc.); whether utilities are included in the rent; the level of maintenance and management services; and property taxes on the land.

##### **What are the key elements of the study?**

Key elements include:

**Phase I.** Conduct initial research on the types of mobile home park rent stabilization programs that exist and identify alternative approaches being used. Also assess the benefits, costs, and possible unanticipated effects of implementing rent stabilization, such as possible impacts on mobile home sale prices, impacts on the mobile home parks and/or possible pricing impacts on other types of housing in the City.

Hold community outreach meetings and study sessions with the Housing and Human Services Commission and with the City Council to collect feedback on approaches. Council direction will be sought on whether or not to proceed with rent stabilization for mobile home park residents. Staff presentations will include a discussion of various approaches, such as a Council adopted ordinance, or a voter adopted ordinance or Charter Amendment (through a ballot measure) in order to establish rent stabilization for mobile home park residents. The Council could also consider initially adopting an ordinance and then placing a ballot measure for voter approval on the ballot. If directed to proceed, the remaining scope of the study could be as outlined below, or as otherwise directed by Council at

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the conclusion of Phase I.

**Phase II.** If Council decides to proceed with further evaluating rent stabilization for mobile home residents, prepare preliminary budget for administration of rent stabilization program; also identify costs that other communities have experienced due to litigation. Council could decide to adopt an ordinance (see Phase II A below) or place an ordinance or amend the charter on the ballot for voter approval (see Phase II B below).

**Phase II A.** If Council is interested in adopting an ordinance, preliminary language would be developed. After outreach with stakeholders (i.e., park residents, park owners, Sunnyvale voters, and other interested parties) regarding draft language and implementation plan staff will prepare a draft ordinance and schedule public hearings for formal consideration of a rent stabilization ordinance.

**Phase II B.** If Council is interested in placing an ordinance or charter amendment on the ballot, staff recommends developing a draft ballot measure and hiring a public opinion research firm to conduct initial polling of likely Sunnyvale registered voters to determine level of support for a proposed mobile home park rent stabilization measure. If polling results indicate enough support for possible passage, staff would bring forward for Council consideration a draft administrative plan, including cost and proposed funding structure, to implement the program if measure passes.

Continue public outreach among stakeholders regarding draft language and implementation plan. Conduct follow-up polling with likely Sunnyvale voters on ballot measure with updated language (as modified through public input) as well as any fees that would be imposed on mobile home park residents and/or park owners to fund program.

Return to Council with findings from second iteration of polling as well as a summary of the community engagement results to determine whether the measure should be placed on a ballot for voter consideration

*Note:* In 2017 a similar study issue (CDD 17-06) was proposed to analyze rent stabilization options for other types of rental housing in the City; Council dropped that item as a potential study issue.

Also in 2017 the City Council approved and ranked CDD 17-09 (2017 Housing Strategy), which was offered as an alternative to the following study issues: CDD 17-03 (Rent Stabilization for Mobile Home Parks), CDD 17-05 (Consider Certain Requirements for the Sunnyvale Municipal Code Chapter 19.72: Mobile Home Park Conversions), and CDD 17-06 (Explore Introduction of a Rent Stabilization Ordinance). The 2017 Housing Strategy study issue was ranked number 1 for the Community Development Department (CDD).

**Estimated years to complete study:** 1 year for Phase I, if the study is ranked as a top policy action. Future phases would depend on interim actions of the City Council.

## **FISCAL IMPACT**

### **Cost to Conduct Study**

Level of staff effort required (opportunity cost):	Major
Funding Required for Non-Budgeted Costs:	Phase I: \$80,000
	Phase II: > \$100,000

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Funding Source:

Will seek budget supplement

**Phase I** will require funding for outreach, postage and other noticing expenses, contract staff and/or consultants, etc. A significant public outreach process is anticipated to include outreach to about 4,000 households residing in mobile home parks and to the mobile home park owners, managers, and industry associations. Contract staff or consultants would assist with the outreach process, preparing meeting materials and facilitating meetings, or have specialized skills in rent stabilization programs, and/or market analysis. Staff assistance may also be needed for Communications, City Attorney, City Clerk, and City Manager staff due to high volume of inquiries, media contacts, multiple stakeholder contacts, need for specialized legal counsel, etc.

Depending on Council direction, **Phase II** would likely require more than \$100,000 for additional consultant assistance for preparation of an ordinance and administrative programs (Phase II A), and for a public opinion research firm to conduct two-phase polling study (Phase II B). Consultant assistance would also be needed with the preparation of regulations and administrative programs.

**Cost to Implement Study Results**

Unknown. Study would include assessment of potential costs, including capital and operating, as well as revenue/savings.

**EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION**

Council-Approved Work Plan: No

Council Study Session: Yes

Reviewed by Boards/Commissions: Housing and Human Services Commission

**STAFF RECOMMENDATION**

Drop. This policy issue does not merit discussion at a Study Issues Workshop.

At the 2017 Study Issues Workshop, Council ranked another Study Issue, 2017 Housing Strategy (CDD 17-09), which incorporated Phase 1 of this study issue as described above, as the highest priority study for CDD. Work on CDD 17-09 is currently underway, with Council approval of the work plan anticipated to occur before the 2018 Study Issues Workshop. Because CDD 17-09 incorporates most of the initial analysis required under CDD 17-03, and will include recommendations for further study and/or implementation related to mobile home park rent stabilization, staff recommends dropping CDD 17-03 to avoid duplication of effort.

Prepared By: Trudi Ryan, Director, Community Development Department

Reviewed by: Teri Silva, Interim Assistant City Manager

Approved by: Kent Steffens, Interim City Manager





# City of Sunnyvale

## Agenda Item

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 17-1025

 Agenda Date: 2/16/2018
 

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### 2018 COUNCIL STUDY ISSUE

#### **NUMBER**

CDD 18-05

**TITLE** Increase Opportunities for more Accessory Dwelling Units

#### **BACKGROUND**

**Lead Department:** Community Development

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

**Sponsor(s):** Planning Commission

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

#### **SCOPE OF THE STUDY**

##### **What precipitated this study?**

During the Planning Commission review of the Accessory Dwelling Unit (ADU) Development Standards study at its meeting on September 11, 2017, Commissioners expressed an interest to undertake another study to consider additional options to encourage the construction of ADUs.

##### **What are the key elements of the study?**

This study would build on the previous year's study and could include:

- Creating density bonuses or green building incentives for projects that include construction of an ADU;
- Examining ways to assist unpermitted ADUs into achieving compliance and obtaining permits;
- Considering a lower minimum required lot area for ADUs; and
- Evaluating potential modifications to other development standards and permitting processes that could encourage the construction of an ADU.

**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: \$0

##### **Cost to Implement Study Results**

Minimal or no cost expected to implement.

#### **EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION**

17-1025

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Council-Approved Work Plan: No

Council Study Session: No

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

**STAFF RECOMMENDATION**

Drop. This policy issue does not merit discussion at a Study Issues Workshop.

The pending Housing Strategy study issue (CDD 17-09) will include consideration of a wide range of possible housing policy changes and/or new or improved housing programs, and provides an opportunity to prioritize the various options that merit further consideration and/or implementation. Staff recommends the Housing Strategy as the best approach to consider a range of housing initiatives, rather than individual studies such as this.

Further, the recently completed ADU study and related Sunnyvale Municipal Code (SMC) amendments approved by City Council significantly increased opportunities for homeowners to create an ADU, which could provide new housing opportunities for family members and/or local workers. The SMC changes more than tripled the number of properties on which ADUs can be built within the R-0 and R-1 zones alone (from a prior total of nearly 3,000 to a new total of nearly 13,500 lots), not including single family lots within R-2 and DSP zones, which are also eligible for ADU development (number not changed). This most recent increase in ADU capacity was in addition to the SMC amendments approved in late 2016, which allowed homeowners to create ADUs from existing built space (part of the home or an existing accessory structure) on any single-family lot within the City, regardless of lot size, consistent with new state laws. The Planning Commission suggestion for this study issue preceded the City Council action to further reduce the minimum lot size in the R-0 zoning district.

Encouraging compliance for unpermitted ADUs would not increase the supply of housing; however, it could help provide a more accurate report of available housing in the City and would likely provide enhanced safety in the community. The City's Neighborhood Preservation Division already responds to complaints or concerns regarding unpermitted and/or unsafe dwellings. The standard approach is to try to help the property owner to achieve compliance with applicable health and safety codes, building codes, etc. if at all feasible and minimize displacement of occupants to the extent possible. Staff assist this effort by providing the property owner with guidance on obtaining any permits necessary to complete any code compliance retrofits that may be required. An expanded pro-active "amnesty" program, as suggested in this study issue, is a budget consideration.

Green building incentives for the construction of ADUs can be considered as part of the pending Green Building Program update.

Prepared by: Trudi Ryan, Director, Community Development Department

Reviewed by: Teri Silva, Interim Assistant City Manager

Approved by: Kent Steffens, Interim City Manager