

Special Revenue Funds

Special Revenue Funds are used to account revenue sources that are legally restricted or earmarked for specific functions or activities of government. In many cases, a Special Revenue Fund has been set up in response to legal requirements established by a granting agency or another level of government.

Housing Fund

The Housing Fund is comprised primarily of Housing Mitigation Fees and Below-Market-Rate Housing (“BMR”) fees, as well as loan payment revenues generated by loans made previously with these funds. Expenditures are for operations related to developing affordable housing, managing the City’s below-market-rate housing program, and for capital and special projects that produce new affordable housing.

Housing Mitigation

Housing Mitigation Fees are development impact fees paid by developers of new employment-generating developments (i.e., office, industrial, hotel and retail space) or new market-rate rental housing projects, as required by S.M.C. Title 19. These fees are used to maintain or improve the City’s jobs/housing balance and to finance the construction, rehabilitation, or preservation of affordable housing in the City, typically through loans for multi-family housing developments. A small amount of funds is also used to provide down-payment assistance loans to lower-and moderate-income, first- time home buyers through the First Time Home Buyer Program. When these loans are repaid, the payments are deposited into this fund and then reused for future Housing loans. Housing Mitigation Fees and accrued interest are maintained in this sub-fund of the Housing Fund.

Revenue projections are based on several factors, including projects subject to the Housing fees that are currently underway or in the development process, historical collections, total development square footage in the pipeline that is required to pay this fee, and the current and projected fee rates, which are based on square footage of the project. Based on expected development activity in the City, revenues of \$15.6 million are projected in FY 2023/24, and \$5 million in FY 2024/25. These short-term estimates have been lowered to reflect potential timing of revenue or unexpected moderation in development activity.

The payment of mitigation and impact fees cannot be precisely timed, however, as they are based on specific milestones of each development project. This can cause large variations in revenue each year affecting fund balance. Revenue estimates are reconciled and updated based on the status of projects in the development pipeline during each budget development cycle. Beginning in FY 2025/26, the revenue projection uses an inflation rate with a baseline of \$6.6 million, which is more indicative of the historical average.

Assistance to affordable housing developments is generally provided as a loan. Most of the more recent loans are structured as fully deferred, however, to the extent a project generates positive cash flow, residual receipts payments are required. Interest rates vary at slightly below market-rate loan rates and are set forth in each loan agreement. Payments received on these loans are deposited into this fund and re-used for additional housing activities, consistent with City policy for use of this fund.

The Housing Mitigation loan repayment revenue projections for the coming fiscal year are based on staff’s assessment of outstanding loans that may be repaid during that year. Future year projections are based on the historical average, which is reviewed and adjusted each year. During the first ten years of the planning period, staff projects the program will receive \$6.0 million in loan repayments.

The sub-fund currently has three major capital projects underway. The first project is the Orchard Gardens Apartments Redevelopment, which will provide \$10 million for the redevelopment of 120 units at the Orchard Gardens affordable rental housing complex. The second project is the 1178 Sonora Court – Affordable Housing Site, which has recently been entitled for a new affordable housing development. This project will consist of approximately 175 new affordable rental units for lower-income households. Lastly, the sub-fund is also working on the 1171 Sonora Court – Affordable Housing Site, which is currently undergoing planning review and will be a new affordable housing development consisting of over 190 new affordable rental units for lower-income households.

Future Projects have been projected for \$69 million. In FY 2024/25, this funding will be allocated towards new development, land acquisition, or major rehabilitation of affordable housing developments. Based on economic forecasts of slower than average growth in commercial development in the coming years, Housing Mitigation Fund balances will remain sufficient to cover expenses. However, the Housing Division plans to release new funding every two to three years as funding allows.

Below Market Rate (BMR) Housing

The BMR Program, set forth in SMC Title 19, generates new affordable housing units through mandatory development requirements applied to most new for-sale housing developments (and in some cases to rental housing developments). This zoning tool, known as “inclusionary zoning,” is used in many localities throughout the U.S. to generate affordable housing within market-rate developments. It is used most often primarily in areas with higher housing costs, where market-rate homes are not necessarily affordable to average or lower-income home buyers. The Municipal Code requires that developers sell 15% of all new homes in subdivision and condominium developments of seven or more units as BMR homes. These homes are available to lower and moderate-income households at affordable prices established by the BMR program guidelines and SMC Chapter 19.67. The BMR Program Guidelines describe the eligibility requirements and income limits for prospective BMR home buyers.

The City also has a 15% inclusionary rental program and oversees use of the State Density Bonus Law which brings in new affordable rental units. Developers may opt out of providing inclusionary rental units and instead pay an in-lieu fee, which is collected into the Below Market Rate Housing Sub-Fund account for future affordable housing developments. The Housing Division administers all these programs pursuant to Chapter 19.75, 19.69, and/or 19.67 of the Municipal Code and associated program guidelines.

Revenues in the BMR Program include BMR In-Lieu fees, BMR application fees, revenues from BMR compliance and enforcement actions, payments on prior home buyer loans funded from the BMR program, and interest earnings. Revenues from the Inclusionary Rental Program include inclusionary rental in-lieu fees.

Expenditures include operating costs for administering and monitoring the BMR program, and a special project for BMR compliance enforcement. The BMR Housing Program has a reserve for the deposit of BMR In-Lieu Fees which are paid by developers in accordance with developer agreements, in lieu of providing actual BMR homes for sale, and/or to fulfill fractional BMR unit requirements. The fee revenues are used by the City to provide a comparable or greater number of affordable housing units elsewhere in the City. Approximately \$3.6 million is expected over the next two years in BMR In-lieu fees.

Periodically, as significant revenues have accumulated in the BMR Housing sub-fund, staff issues an RFP to solicit affordable housing proposals to utilize these funds for developing additional affordable units, based on the priorities established by the City in the Housing Element, Consolidated Plan, and/or various adopted land use plans such as station area plans and/or specific plans. This sub-fund also provides funding for first-time homebuyer loan program with \$250,000 programmed annually for the next two years.

HOME Grant Fund

The U.S. Department of Housing and Urban Development’s (HUD) HOME Investment Partnerships Program (HOME) provides annual formula grants to states and localities (participating jurisdictions, or PJs), which often work in partnership with local nonprofit groups, to fund activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership, or providing direct rental assistance to low-income households or individuals. The program’s flexibility allows the use of HOME funds for grants, direct loans, loan guarantees or other forms of credit enhancements, or rental assistance or security deposits.

The City estimated to receive a grant allocation of \$454,952 for FY 2023/24. The City also receives loan repayments on prior loans made with HOME funds for affordable housing. Approximately \$5.4 million in loan payments are expected throughout the twenty-year plan. For FY 2022/23 and FY 2023/24, the City has adopted the strategy to focus available HOME funding on an enhanced Tenant Based Rental Assistance program. Partnering with Sunnyvale Community Services, the City expects to fund \$2 million in two years to provide rental assistance to thirty to forty homeless or low-income families with children.

Redevelopment Housing Fund

The Redevelopment Housing Fund accounts for funds received from the former Redevelopment Agency/Housing Successor Agency which are based on a percentage of the property tax increment from the former redevelopment project area. These funds may only be used to develop or preserve affordable housing, similar to the HOME funds, with some minor differences in the precise types of projects and programs that can be funded, and income levels that can be served. Allowable uses of these funds are set forth in CA Health and Safety Code section 34176.1. The final allocation of these funds was provided in FY 2021/22.

A small amount, no more than \$200,000 annually, of these funds can be applied to operating activities, including the work hours required to administer the revenue source. This fund also has one special project for Homeless Prevention and Rapid Re-Housing in FY 2023/24 that is funded at \$250,000 through FY 2031/32. In addition, an ongoing transfer to the Housing Mitigation Fund is programmed through FY 2025/26 to support affordable housing projects.

Community Development Block Grant (CDBG) Fund

The Community Development Block Grant (CDBG) program is a federal program that allocates annual grants to larger cities and urban counties for community development and housing programs that primarily benefit lower-income households. The City receives an annual CDBG grant from HUD based on a formula using factors such as population, poverty rate, and certain economic indicators. Major CDBG expenditure categories include housing rehabilitation, economic development, accessibility improvements and retrofits, workforce development programs, human services, public infrastructure improvements in lower-income neighborhoods, and program administration.

There are two sub-funds — one to account for CDBG entitlement grants and other direct CDBG grant proceeds, while the second sub-fund, the Revolving Loan Fund, accounts for program income.

Community Development Block Grant (CDBG)

The City estimates receiving approximately \$1.1 million in CDBG entitlement grants for FY23/24. The CDBG grants must be spent in accordance with a five-year “Consolidated Plan”, a strategic plan and budget for use of these grants, submitted to HUD for approval every five years. HUD requires the City to submit annual updates, called Action Plans, in May of each year. Projects funded with CDBG must implement the goals of the 2020-2025 Consolidated Plan. The City is also required to submit a performance report (the “CAPER”) to HUD annually. The CAPER summarizes the uses of the CDBG and HOME funds, and how these activities contribute toward achieving the goals of the Consolidated Plan.

HUD regulations limit the amount of CDBG funds that can be spent on public (human) services to no more than 15% of the annual CDBG grant plus 15% of prior year program income. The FY 2023/24 Recommended Budget anticipates approximately \$159,703 in CDBG funds for human services grants using this formula. The City awards these grants to human services providers every other year on a competitive basis for a two-year grant term. FY 2023/24 is the first year of the current funding cycle.

CDBG funds may also be used for projects that benefit groups with special needs, such as seniors or disabled residents, or for certain neighborhood with higher percentages of lower-income residents. Projects budgeted for FY 2023/24 includes rehabilitation of Carroll St. Inn for \$490,000, Sunnyvale Workforce Development Program for \$355,550, and Minor Home Repair Program for \$140,000.

A maximum of 20% of the CDBG grant can be used for program administration. Accordingly, \$220,935 has been budgeted for the FY 2023/24. To note, project allocations are contingent on the City’s FY 2022/23 CDBG grant amount and available CDBG program income. If insufficient funds are received, some projects may be delayed or canceled, consistent with the contingency provisions in the Action Plan.

CDBG CARES (CDBG-CV)

As a result of the COVID-19 pandemic, the Federal Government signed the Coronavirus Aid, Relief and Economic Security Act (CARES Act) on March 27, 2020. The City of Sunnyvale received approximately \$1.7 million in funding through this act, which has been allocated towards rent relief, COVID-19 testing and administration, financial assistance for persons with disabilities, as well as portable showers, laundry, restrooms, and case management for the unhoused. Additionally, CDBG-CV funds have been utilized to provide provided an additional administrative to manage the \$1.7 million in supplemental funding. The City has spent nearly all remaining CDBG-CV funds, with final funds to be drawn and reimbursed in FY 2024/25.

CDBG Revolving Loan Fund (RLF)

The RLF sub-fund accounts for CDBG program income in the form of housing loan repayments on prior housing loans made with CDBG funds. Once these funds are deposited into the RLF, they can only be reused for other housing rehabilitation loans and rehabilitation program operations, pursuant to City policy and HUD regulations. Staff projects \$198,000 in CDBG loan repayment revenue for FY 2023/24, although the actual amount received may vary significantly from that amount due to the sporadic nature of loan payments. Expenditures include project funding for the Housing Rehabilitation loan program. These loans may be made for rehabilitation of housing owned and/or occupied by lower-income households, which may include owner-occupied single-family homes, or small affordable rental housing projects, such as group homes or other small non-profit rental properties.

Park Dedication Fund

State law allows local communities to require developers of housing units to offset the impact of the demand from those units on the City's open space by providing additional open space or paying a comparable fee. The Park Dedication Fund was established to meet statutory requirements regarding the accounting for Park Dedication Fees paid by developers. In general, the City collects park in-lieu fees for housing projects that do not dedicate land for use as parks or open space. This fee is calculated on an average fair market value per square foot as determined by the Community Development Department annually. Council

approved a standard of 5.0 acres per 1,000 population. For the FY 2023/24 Budget, the Park Dedication Fee preliminary land value rate of \$196 per square foot is used.

Authorizing language in the State Quimby Act, which governs park dedication fees, requires that fees be used to pay for "developing new or rehabilitating existing neighborhood or community park or recreational facilities." Certain legal cases have clarified that park in-lieu fees may be used for parks or recreational facilities that are adjacent to the subdivision or multi-family development from which they are collected but may also be used for larger community parks and regional facilities that are reasonably available for use by the residents of the subdivision or development. Park Dedication Fees may not be used for operating or routine maintenance.

Park in-lieu fees must be committed within a five-year period. This revenue source is subject to the Fee Mitigation Act, which requires specific review and findings every five years. The City conforms to both requirements.

It is estimated that \$37.2 million in Park Dedication Fees will be received during FY 2022/23. Based on current development projects in process, revenues for FY 2023/24 and FY 2024/25 are expected to be \$12.9 million and \$14.5 million respectively. Going forward, estimates are based on the 10-year historical average of Park Dedication fees collected and inflated through the end of the long-term plan. These projections yield approximately \$197.4 million in revenue over the first ten years, and \$217.0 million during the second ten years of the long-term plan.

A total of \$214.3 million in capital and infrastructure projects are programmed throughout the long-term financial plan to ensure that park and recreational facilities are in good working condition and able to meet the demands of increased public use. During the last capital projects budget cycle, costs for all projects, and especially park renovation projects, were updated to reflect the latest cost estimates for construction and materials.

In FY 2023/24, \$14.9 million is programmed for projects. The largest of the funded projects include \$5.8 million for the Community Center Grounds Renovation and Enhancement Project, \$4.9 million for the Corn Palace Park Development Project, and \$1.1 million for Playground Equipment Replacement Project.

**CITY OF SUNNYVALE
2020. COMBINED HOUSING FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2022 TO JUNE 30, 2033**

	ACTUAL 2021/2022	CURRENT 2022/2023	BUDGET 2023/2024	PLAN 2024/2025	PLAN 2025/2026	PLAN 2026/2027	PLAN 2027/2028	PLAN 2028/2029	PLAN 2029/2030	PLAN 2030/2031	PLAN 2031/2032	PLAN 2032/2033	FY 2022/2023 TO FY 2032/2033 TOTAL
RESERVE/FUND BALANCE, JULY 1	58,923,419	80,345,504	80,486,183	83,032,846	0	0	0	0	0	0	0	0	80,345,504
CURRENT RESOURCES:													
Housing Mitigation Fees	37,666,107	3,509,180	15,550,264	4,922,953	6,609,466	6,807,750	7,011,983	7,222,342	7,439,013	7,662,183	7,892,049	8,128,810	82,755,994
Housing Loan Repayments	1,103,457	629,605	500,819	515,843	531,319	547,258	563,676	580,586	598,004	615,944	633,319	651,216	6,367,589
BMR In-Lieu Fees	10,160,557	1,213,434	1,035,196	2,550,000	2,550,000	1,104,401	1,137,533	1,171,659	1,206,808	1,243,013	1,280,303	1,318,712	15,811,058
BMR Processing Fees	39,182	26,775	27,578	28,406	29,258	30,135	31,040	31,971	32,930	33,918	34,935	35,983	342,929
Transfers From Other Funds	1,000,000	2,500,000	1,000,000	200,000	180,000	0	0	0	0	0	0	0	3,880,000
Rental Income	11,000	12,000	12,000	12,000	0	0	0	0	0	0	0	0	36,000
Interest Income	1,085,488	1,985,576	2,492,415	0	0	0	0	0	0	0	0	0	4,477,992
TOTAL CURRENT RESOURCES	51,065,792	9,876,570	20,618,272	8,229,202	9,900,043	8,489,545	8,744,231	9,006,558	9,276,755	9,555,058	9,840,606	10,134,721	113,671,562
TOTAL AVAILABLE RESOURCES	109,989,211	90,222,075	101,104,455	91,262,048	9,900,043	8,489,545	8,744,231	9,006,558	9,276,755	9,555,058	9,840,606	10,134,721	194,017,066
CURRENT REQUIREMENTS:													
Operations	879,657	1,056,569	1,137,193	1,162,482	1,202,618	1,240,400	1,278,301	1,317,083	1,355,765	1,395,288	1,432,914	1,474,624	14,053,237
New Civic Center Rent	0	200,619	407,257	419,474	432,059	445,020	458,371	472,122	486,286	500,874	515,901	531,378	4,869,362
Special Projects	17,212,278	8,191,032	16,250,000	262,000	0	12,077	0	12,812	239,404	13,592	0	14,420	24,995,337
Future Housing Projects	0	0	0	89,127,204	7,959,108	6,471,078	6,665,183	6,850,592	6,836,506	7,279,997	7,573,580	7,789,578	146,552,826
Transfer To General Fund	11,306,443	0	0	0	0	0	0	0	0	0	0	0	0
Transfer To Employee Benefits Fund	245,329	205,340	192,705	204,257	217,398	229,821	248,888	258,058	260,442	264,431	214,750	218,610	2,514,700
General Fund In-Lieu	0	82,333	84,455	86,631	88,861	91,146	93,489	95,891	98,352	100,875	103,461	106,112	1,031,606
TOTAL CURRENT REQUIREMENTS	29,643,706	9,735,892	18,071,609	91,262,048	9,900,043	8,489,545	8,744,231	9,006,558	9,276,755	9,555,058	9,840,606	10,134,721	194,017,066
RESERVES:													
Housing Mitigation Reserve	63,048,175	62,418,070	64,695,116	0	0	0	0	0	0	0	0	0	0
BMR Reserve	17,297,329	18,068,113	18,337,730	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES	80,345,504	80,486,183	83,032,846	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0

**CITY OF SUNNYVALE
2020. COMBINED HOUSING FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2033 TO JUNE 30, 2043**

	PLAN 2033/2034	PLAN 2034/2035	PLAN 2035/2036	PLAN 2036/2037	PLAN 2037/2038	PLAN 2038/2039	PLAN 2039/2040	PLAN 2040/2041	PLAN 2041/2042	PLAN 2042/2043	FY 2033/2034 TO FY 2042/2043 TOTAL	FY 2022/2023 TO FY 2042/2043 TOTAL
RESERVE/FUND BALANCE, JULY 1	0	0	0	0	0	0	0	0	0	0	0	80,345,504
CURRENT RESOURCES:												
Housing Mitigation Fees	8,372,674	8,623,855	8,882,570	9,149,047	9,423,519	9,706,224	9,997,411	10,297,333	10,606,253	10,924,441	95,983,329	178,739,324
Housing Loan Repayments	669,649	688,635	708,191	728,334	749,081	770,450	792,460	815,131	838,482	862,533	7,622,947	13,990,536
BMR In-Lieu Fees	1,358,274	1,399,022	1,440,992	1,484,222	1,528,749	1,574,611	1,621,850	1,670,505	1,720,620	1,772,239	15,571,083	31,382,142
BMR Processing Fees	37,063	38,175	39,320	40,500	41,715	42,966	44,255	45,583	46,950	48,359	424,884	767,813
Transfers From Other Funds	0	0	0	0	0	0	0	0	0	0	0	3,880,000
Rental Income	0	0	0	0	0	0	0	0	0	0	0	36,000
Interest Income	0	0	0	0	0	0	0	0	0	0	0	4,477,992
TOTAL CURRENT RESOURCES	10,437,660	10,749,686	11,071,074	11,402,103	11,743,063	12,094,252	12,455,976	12,828,552	13,212,306	13,607,572	119,602,243	233,273,807
TOTAL AVAILABLE RESOURCES	10,437,660	10,749,686	11,071,074	11,402,103	11,743,063	12,094,252	12,455,976	12,828,552	13,212,306	13,607,572	119,602,244	313,619,311
CURRENT REQUIREMENTS:												
Operations	1,522,758	1,572,032	1,622,903	1,675,412	1,729,616	1,785,585	1,843,462	1,903,233	1,937,454	2,000,205	17,592,661	31,645,897
New Civic Center Rent	547,319	563,739	580,651	598,070	616,012	634,493	653,528	673,133	693,327	714,127	6,274,400	11,143,762
Special Projects	0	15,298	0	16,229	0	17,350	0	18,391	0	19,494	86,761	25,082,098
Future Housing Projects	8,019,646	8,257,499	8,533,270	8,786,905	9,077,016	9,372,535	9,683,509	9,966,103	10,321,436	10,623,098	92,641,018	239,193,843
Transfer To General Fund	0	0	0	0	0	0	0	0	0	0	0	0
Transfer To Employee Benefits Fund	239,108	229,505	219,782	208,092	200,025	160,822	148,859	137,844	126,932	117,491	1,788,461	4,303,161
General Fund In-Lieu	108,829	111,613	114,468	117,394	120,393	123,467	126,618	129,847	133,158	133,158	1,218,943	2,250,549
TOTAL CURRENT REQUIREMENTS	10,437,660	10,749,686	11,071,074	11,402,103	11,743,063	12,094,252	12,455,976	12,828,552	13,212,306	13,607,572	119,602,244	313,619,311
RESERVES:												
Housing Mitigation Reserve	0	0	0	0	0	0	0	0	0	0	0	0
BMR Reserve	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES	0	0	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0

**CITY OF SUNNYVALE
2021. HOUSING MITIGATION FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2022 TO JUNE 30, 2033**

	ACTUAL 2021/2022	CURRENT 2022/2023	BUDGET 2023/2024	PLAN 2024/2025	PLAN 2025/2026	PLAN 2026/2027	PLAN 2027/2028	PLAN 2028/2029	PLAN 2029/2030	PLAN 2030/2031	PLAN 2031/2032	PLAN 2032/2033	FY 2022/2023 TO FY 2032/2033 TOTAL
RESERVE/FUND BALANCE, JULY 1	51,383,511	63,048,175	62,418,070	64,695,116	0	0	0	0	0	0	0	0	63,048,175
CURRENT RESOURCES:													
Housing Mitigation Fees	37,666,107	3,509,180	15,550,264	4,922,953	6,609,466	6,807,750	7,011,983	7,222,342	7,439,013	7,662,183	7,892,049	8,128,810	82,755,995
Housing Loan Repayments	1,074,999	600,578	470,921	485,048	499,600	514,588	530,026	545,926	562,304	579,173	596,548	614,445	5,999,158
Transfer From Redevelopment Housing Fund	1,000,000	2,500,000	1,000,000	200,000	180,000	0	0	0	0	0	0	0	3,880,000
Rental Income	11,000	12,000	12,000	12,000	0	0	0	0	0	0	0	0	36,000
Interest Income	876,546	1,548,966	2,492,415	0	0	0	0	0	0	0	0	0	4,041,381
TOTAL CURRENT RESOURCES	40,628,652	8,170,724	19,525,600	5,620,001	7,289,066	7,322,338	7,542,009	7,768,269	8,001,317	8,241,356	8,488,597	8,743,255	96,712,534
TOTAL AVAILABLE RESOURCES	92,012,163	71,218,899	81,943,670	70,315,117	7,289,066	7,322,338	7,542,009	7,768,269	8,001,317	8,241,356	8,488,597	8,743,255	159,760,709
CURRENT REQUIREMENTS:													
Operations	505,089	646,410	692,174	711,752	735,511	757,544	780,304	803,607	826,865	850,625	871,931	896,907	8,573,629
Special Projects	17,024,313	7,799,162	16,000,000	12,000	0	12,077	0	12,812	239,404	13,592	0	14,420	24,103,467
New Civic Center Rent	0	200,619	407,257	419,474	432,059	445,020	458,371	472,122	486,286	500,874	515,901	531,378	4,869,362
Future Housing Projects	0	0	0	69,015,448	5,956,865	5,935,249	6,119,576	6,289,789	6,256,153	6,680,108	6,929,203	7,125,434	120,307,824
Transfer To General Fund	11,306,443	0	0	0	0	0	0	0	0	0	0	0	0
Transfer To Employee Benefits Fund	128,144	107,427	100,695	106,766	113,676	120,182	130,148	134,953	136,212	138,312	112,235	114,269	1,314,874
General Fund In-Lieu	0	47,212	48,429	49,677	50,955	52,266	53,609	54,986	56,398	57,845	59,328	60,848	591,553
TOTAL CURRENT REQUIREMENTS	28,963,988	8,800,829	17,248,554	70,315,117	7,289,066	7,322,338	7,542,009	7,768,269	8,001,317	8,241,356	8,488,597	8,743,255	159,760,709
RESERVES:													
Housing Mitigation Reserve	63,048,175	62,418,070	64,695,116	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES	63,048,175	62,418,070	64,695,116	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0

**CITY OF SUNNYVALE
2021. HOUSING MITIGATION FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2033 TO JUNE 30, 2043**

	PLAN 2033/2034	PLAN 2034/2035	PLAN 2035/2036	PLAN 2036/2037	PLAN 2037/2038	PLAN 2038/2039	PLAN 2039/2040	PLAN 2040/2041	PLAN 2041/2042	PLAN 2042/2043	FY 2033/2034 TO FY 2042/2043 TOTAL	FY 2022/2023 TO FY 2042/2043 TOTAL
RESERVE/FUND BALANCE, JULY 1	0	0	0	0	0	0	0	0	0	0	0	63,048,175
CURRENT RESOURCES:												
Housing Mitigation Fees	8,372,674	8,623,855	8,882,570	9,149,047	9,423,519	9,706,224	9,997,411	10,297,333	10,606,253	10,924,441	95,983,330	178,739,325
Housing Loan Repayments	632,878	651,865	671,420	691,563	712,310	733,679	755,690	778,360	801,711	825,762	7,255,239	13,254,397
Transfer From Redevelopment Housing Fund	0	0	0	0	0	0	0	0	0	0	0	3,880,000
Rental Income	0	0	0	0	0	0	0	0	0	0	0	36,000
Interest Income	0	0	0	0	0	0	0	0	0	0	0	4,041,381
TOTAL CURRENT RESOURCES	9,005,553	9,275,719	9,553,991	9,840,610	10,135,829	10,439,904	10,753,101	11,075,694	11,407,965	11,750,204	103,238,569	199,951,103
TOTAL AVAILABLE RESOURCES	9,005,553	9,275,719	9,553,991	9,840,610	10,135,829	10,439,904	10,753,101	11,075,694	11,407,965	11,750,204	103,238,569	262,999,278
CURRENT REQUIREMENTS:												
Operations	925,430	954,354	984,212	1,015,021	1,046,816	1,079,639	1,113,509	1,148,486	1,157,097	1,193,394	10,617,960	19,191,589
Special Projects	0	15,298	0	16,229	0	17,350	0	18,391	0	19,494	86,761	24,190,227
New Civic Center Rent	547,319	563,739	580,651	598,070	616,012	634,493	653,528	673,133	693,327	714,127	6,274,400	11,143,762
Future Housing Projects	7,345,379	7,558,355	7,808,630	8,035,257	8,299,444	8,553,468	8,835,580	9,089,127	9,414,811	9,685,411	84,625,462	204,933,285
Transfer To General Fund	0	0	0	0	0	0	0	0	0	0	0	0
Transfer To Employee Benefits Fund	125,019	119,971	114,859	108,716	104,520	84,154	77,878	72,098	66,374	61,421	935,010	2,249,884
General Fund In-Lieu	62,406	64,002	65,639	67,317	69,037	70,799	72,606	74,458	76,356	76,356	698,978	1,290,531
TOTAL CURRENT REQUIREMENTS	9,005,553	9,275,719	9,553,991	9,840,610	10,135,829	10,439,904	10,753,101	11,075,694	11,407,965	11,750,204	103,238,569	262,999,278
RESERVES:												
Housing Mitigation Reserve	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES	0	0	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0

CITY OF SUNNYVALE
2023. HOUSING FUND/BELOW MARKET RATE (BMR) HOUSING SUB-FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2022 TO JUNE 30, 2033

	ACTUAL 2021/2022	CURRENT 2022/2023	BUDGET 2023/2024	PLAN 2024/2025	PLAN 2025/2026	PLAN 2026/2027	PLAN 2027/2028	PLAN 2028/2029	PLAN 2029/2030	PLAN 2030/2031	PLAN 2031/2032	PLAN 2032/2033	FY 2022/2023 TO FY 2032/2033 TOTAL
RESERVE/FUND BALANCE, JULY 1	7,539,908	17,297,329	18,068,113	18,337,730	0	0	0	0	0	0	0	0	17,297,329
CURRENT RESOURCES:													
BMR In-Lieu fees	10,160,557	1,213,434	1,035,196	2,550,000	2,550,000	1,104,401	1,137,533	1,171,659	1,206,808	1,243,013	1,280,303	1,318,712	15,811,058
BMR Processing Fees	39,182	26,775	27,578	28,406	29,258	30,135	31,040	31,971	32,930	33,918	34,935	35,983	342,929
Housing Loan Repayments	28,458	29,027	29,898	30,795	31,719	32,670	33,650	34,660	35,700	36,771	36,771	36,771	368,432
Interest Income	208,941	436,610	0	0	0	0	0	0	0	0	0	0	436,610
TOTAL CURRENT RESOURCES	10,437,139	1,705,847	1,092,672	2,609,201	2,610,977	1,167,206	1,202,223	1,238,289	1,275,438	1,313,701	1,352,009	1,391,466	16,959,029
TOTAL AVAILABLE RESOURCES	17,977,047	19,003,176	19,160,785	20,946,931	2,610,977	1,167,206	1,202,223	1,238,289	1,275,438	1,313,701	1,352,009	1,391,466	34,256,358
CURRENT REQUIREMENTS:													
Operations	374,568	410,158	445,019	450,730	467,107	482,857	497,997	513,476	528,900	544,663	560,984	577,717	5,479,607
Special Projects	187,965	391,870	250,000	250,000	0	0	0	0	0	0	0	0	891,870
Future Projects	0	0	0	20,111,755	2,002,243	535,829	545,607	560,804	580,353	599,889	644,377	664,144	26,245,002
Transfer To Employee Benefits Fund	117,185	97,913	92,011	97,491	103,722	109,639	118,739	123,105	124,231	126,119	102,514	104,341	1,199,826
General Fund In-Lieu	0	35,121	36,026	36,954	37,905	38,880	39,880	40,904	41,954	43,030	44,133	45,264	440,053
TOTAL CURRENT REQUIREMENTS	679,718	935,063	823,055	20,946,931	2,610,977	1,167,206	1,202,223	1,238,289	1,275,438	1,313,701	1,352,009	1,391,466	34,256,358
RESERVES:													
BMR Reserve	17,297,329	18,068,113	18,337,730	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES	17,297,329	18,068,113	18,337,730	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0

CITY OF SUNNYVALE
2023. HOUSING FUND/BELOW MARKET RATE (BMR) HOUSING SUB-FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2033 TO JUNE 30, 2043

	PLAN 2033/2034	PLAN 2034/2035	PLAN 2035/2036	PLAN 2036/2037	PLAN 2037/2038	PLAN 2038/2039	PLAN 2039/2040	PLAN 2040/2041	PLAN 2041/2042	PLAN 2042/2043	FY 2033/2034 TO FY 2042/2043 TOTAL	FY 2022/2023 TO FY 2042/2043 TOTAL
RESERVE/FUND BALANCE, JULY 1	0	0	0	0	0	0	0	0	0	0	0	17,297,329
CURRENT RESOURCES:												
BMR In-Lieu fees	1,358,274	1,399,022	1,440,992	1,484,222	1,528,749	1,574,611	1,621,850	1,670,505	1,720,620	1,772,239	15,571,083	31,382,142
BMR Processing Fees	37,063	38,175	39,320	40,500	41,715	42,966	44,255	45,583	46,950	48,359	424,884	767,813
Housing Loan Repayments	36,771	36,771	36,771	36,771	36,771	36,771	36,771	36,771	36,771	36,771	367,708	736,139
Interest Income	0	0	0	0	0	0	0	0	0	0	0	436,610
TOTAL CURRENT RESOURCES	1,432,107	1,473,967	1,517,083	1,561,492	1,607,234	1,654,348	1,702,875	1,752,858	1,804,341	1,857,368	16,363,675	33,322,703
TOTAL AVAILABLE RESOURCES	1,432,107	1,473,967	1,517,083	1,561,492	1,607,234	1,654,348	1,702,875	1,752,858	1,804,341	1,857,368	16,363,675	50,620,032
CURRENT REQUIREMENTS:												
Operations	597,328	617,678	638,691	660,390	682,801	705,946	729,953	754,747	780,357	806,810	6,974,701	12,454,308
Special Projects	0	0	0	0	0	0	0	0	0	0	0	891,869
Future Projects	674,267	699,144	724,641	751,649	777,572	819,066	847,929	876,976	906,625	937,687	8,015,557	34,260,559
Transfer To Employee Benefits Fund	114,089	109,534	104,923	99,376	95,505	76,668	70,982	65,746	60,558	56,070	853,451	2,053,277
General Fund In-Lieu	46,423	47,611	48,829	50,077	51,356	52,667	54,011	55,389	56,801	56,801	519,966	960,019
TOTAL CURRENT REQUIREMENTS	1,432,107	1,473,967	1,517,083	1,561,492	1,607,234	1,654,348	1,702,875	1,752,858	1,804,341	1,857,368	16,363,675	50,620,032
RESERVES:												
BMR Reserve	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES	0	0	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0

**CITY OF SUNNYVALE
2060. HOME GRANT FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2022 TO JUNE 30, 2033**

	ACTUAL 2021/2022	CURRENT 2022/2023	BUDGET 2023/2024	PLAN 2024/2025	PLAN 2025/2026	PLAN 2026/2027	PLAN 2027/2028	PLAN 2028/2029	PLAN 2029/2030	PLAN 2030/2031	PLAN 2031/2032	PLAN 2032/2033	FY 2022/2023 TO FY 2032/2033 TOTAL
RESERVE/FUND BALANCE, JULY 1	1,518,482	1,150,716	1,018,726	2,885,983	0	0	0	0	0	0	0	0	1,150,716
CURRENT RESOURCES:													
HOME Grant Allocations:													
HUD Program Year 2016	85,278	46,326	0	0	0	0	0	0	0	0	0	0	46,326
HUD Program Year 2017	162,824	0	0	0	0	0	0	0	0	0	0	0	0
HUD Program Year 2018	234,735	146,546	0	0	0	0	0	0	0	0	0	0	146,546
HUD Program Year 2019	42,868	319,008	0	0	0	0	0	0	0	0	0	0	319,008
HUD Program Year 2020	101,204	325,452	0	0	0	0	0	0	0	0	0	0	325,452
HUD Program Year 2021	0	415,138	0	0	0	0	0	0	0	0	0	0	415,138
HUD American Rescue Plan 2021	0	75,157	0	0	0	0	0	0	0	0	0	0	75,157
HUD Program Year 2022	0	477,145	0	0	0	0	0	0	0	0	0	0	477,145
HUD Program Year 2023	0	0	454,952	0	0	0	0	0	0	0	0	0	454,952
Future HUD Allocations	0	0	0	449,078	449,078	449,078	449,078	449,078	449,078	449,078	449,078	449,078	4,041,705
Housing Loan Repayments	145,306	124,064	1,431,530	0	0	0	0	0	0	964,152	0	185,000	2,704,745
Interest Income	23,633	26,783	76,563	0	0	0	0	0	0	0	0	0	103,346
TOTAL CURRENT RESOURCES	795,848	1,955,620	1,963,045	449,078	449,078	449,078	449,078	449,078	449,078	1,413,230	449,078	634,078	9,109,521
TOTAL AVAILABLE RESOURCES	2,314,330	3,106,336	2,981,771	3,335,061	449,078	449,078	449,078	449,078	449,078	1,413,230	449,078	634,078	10,260,237
CURRENT REQUIREMENTS:													
Operations	52,932	81,013	89,191	89,191	89,191	89,191	89,191	89,191	89,191	89,191	89,191	89,191	972,925
In-Lieu Charges	0	6,597	6,597	6,597	6,597	6,597	6,597	6,597	6,597	6,597	6,597	6,597	72,567
Special Projects	1,110,682	2,000,000	0	0	0	0	0	0	0	0	0	0	2,000,000
Future HOME/Housing Projects	0	0	0	3,239,273	353,290	353,290	353,290	353,290	353,290	1,317,442	353,290	538,290	7,214,744
TOTAL CURRENT REQUIREMENTS	1,163,614	2,087,610	95,788	3,335,061	449,078	449,078	449,078	449,078	449,078	1,413,230	449,078	634,078	10,260,237
RESERVES:													
HOME Reserve	1,150,716	1,018,726	2,885,983	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES	1,150,716	1,018,726	2,885,983	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0

**CITY OF SUNNYVALE
2060. HOME GRANT FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2033 TO JUNE 30, 2043**

	PLAN 2033/2034	PLAN 2034/2035	PLAN 2035/2036	PLAN 2036/2037	PLAN 2037/2038	PLAN 2038/2039	PLAN 2039/2040	PLAN 2040/2041	PLAN 2041/2042	PLAN 2042/2043	FY 2033/2034 TO FY 2042/2043 TOTAL	FY 2022/2023 TO FY 2042/2043 TOTAL
RESERVE/FUND BALANCE, JULY 1	0	0	0	0	0	0	0	0	0	0	0	1,150,716
CURRENT RESOURCES:												
HOME Grant Allocations:												
HUD Program Year 2016	0	0	0	0	0	0	0	0	0	0	0	46,326
HUD Program Year 2017	0	0	0	0	0	0	0	0	0	0	0	0
HUD Program Year 2018	0	0	0	0	0	0	0	0	0	0	0	146,546
HUD Program Year 2019	0	0	0	0	0	0	0	0	0	0	0	319,008
HUD Program Year 2020	0	0	0	0	0	0	0	0	0	0	0	325,452
HUD Program Year 2021	0	0	0	0	0	0	0	0	0	0	0	415,138
HUD American Rescue Plan 2021	0	0	0	0	0	0	0	0	0	0	0	75,157
HUD Program Year 2022	0	0	0	0	0	0	0	0	0	0	0	477,145
HUD Program Year 2023	0	0	0	0	0	0	0	0	0	0	0	454,952
Future HUD Allocations	449,078	449,078	449,078	449,078	449,078	449,078	449,078	449,078	449,078	449,078	4,490,783	8,532,488
Housing Loan Repayments	0	0	0	0	0	0	48,928	198,592	1,690,588	708,764	2,646,872	5,351,617
Interest Income	0	0	0	0	0	0	0	0	0	0	0	103,346
TOTAL CURRENT RESOURCES	449,078	449,078	449,078	449,078	449,078	449,078	498,006	647,670	2,139,666	1,157,843	7,137,655	16,247,176
TOTAL AVAILABLE RESOURCES	449,078	449,078	449,078	449,078	449,078	449,078	498,006	647,670	2,139,666	1,157,843	7,137,653	17,397,891
CURRENT REQUIREMENTS:												
Operations	89,191	89,191	89,191	89,191	89,191	89,191	89,191	89,191	89,191	89,191	891,912	1,864,837
In-Lieu Charges	6,597	6,597	6,597	6,597	6,597	6,597	6,597	6,597	6,597	6,597	65,970	138,537
Special Projects	0	0	0	0	0	0	0	0	0	0	0	2,000,000
Future HOME/Housing Projects	353,290	353,290	353,290	353,290	353,290	353,290	402,218	551,882	2,043,878	1,062,055	6,179,771	13,394,514
TOTAL CURRENT REQUIREMENTS	449,078	449,078	449,078	449,078	449,078	449,078	498,006	647,670	2,139,666	1,157,843	7,137,653	17,397,891
RESERVES:												
HOME Reserve	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES	0	0	0	0	0	0	0	0	0	0	0	0
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0

CITY OF SUNNYVALE
2040. COMBINED COMMUNITY DEVELOPMENT BLOCK GRANT FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2022 TO JUNE 30, 2033

	ACTUAL 2021/2022	CURRENT 2022/2023	BUDGET 2023/2024	PLAN 2024/2025	PLAN 2025/2026	PLAN 2026/2027	PLAN 2027/2028	PLAN 2028/2029	PLAN 2029/2030	PLAN 2030/2031	PLAN 2031/2032	PLAN 2032/2033	FY 2022/2023 TO FY 2032/2033 TOTAL
RESERVE/FUND BALANCE, JULY 1	141,500	102,536	545,733	243,932	115,550	46,796	84,341	128,380	179,851	238,211	53,662	126,419	102,536
CURRENT RESOURCES:													
HUD Program Year 2017	0	33,649	0	0	0	0	0	0	0	0	0	0	33,649
HUD Program Year 2018	19,978	0	0	0	0	0	0	0	0	0	0	0	0
HUD Program Year 2019	90,149	10,915	0	0	0	0	0	0	0	0	0	0	10,915
HUD Program Year 2020	1,034,235	203,214	0	0	0	0	0	0	0	0	0	0	203,214
HUD Program Year 2021	699,728	500,833	0	0	0	0	0	0	0	0	0	0	500,833
HUD Program Year 2022	0	1,128,312	0	0	0	0	0	0	0	0	0	0	1,128,312
HUD Program Year 2023	0	0	1,054,691	0	0	0	0	0	0	0	0	0	1,054,691
Future HUD Allocations	0	0	0	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	9,900,000
Housing Loan Repayments	167,392	203,000	198,000	203,940	210,058	216,360	222,851	229,536	236,422	243,515	250,820	258,345	2,472,848
CDBG-CV	94,972	353,665	0	0	0	0	0	0	0	0	0	0	353,665
TOTAL CURRENT RESOURCES	2,106,455	2,433,588	1,252,691	1,303,940	1,310,058	1,316,360	1,322,851	1,329,536	1,336,422	1,343,515	1,350,820	1,358,345	15,658,127
TOTAL AVAILABLE RESOURCES	2,247,954	2,536,124	1,798,424	1,547,872	1,425,608	1,363,156	1,407,192	1,457,916	1,516,274	1,581,726	1,404,482	1,484,764	15,760,663
CURRENT REQUIREMENTS:													
Operations	407,579	425,734	395,641	395,641	395,641	395,641	395,641	394,891	394,891	394,891	394,891	465,427	4,448,928
Special Projects	386,217	696,776	495,550	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	1,642,326
Capital Projects	231,944	448,000	490,000	0	0	300,000	0	0	300,000	0	0	300,000	1,838,000
Outside Group Funding Projects	1,119,678	397,053	159,703	165,000	165,000	165,000	165,000	165,000	165,000	165,001	165,000	165,000	2,041,757
Future CDBG Projects	0	0	0	808,082	754,573	354,575	654,573	654,619	354,617	904,618	654,618	284,082	5,424,359
Transfer To General Fund	0	22,828	13,599	13,599	13,599	13,599	13,599	13,554	13,554	13,554	13,554	13,554	158,593
TOTAL CURRENT REQUIREMENTS	2,145,419	1,990,391	1,554,492	1,432,321	1,378,812	1,278,814	1,278,812	1,278,064	1,278,062	1,528,064	1,278,063	1,278,063	15,553,963
RESERVES:													
20 Year RAP	102,536	545,733	243,932	115,550	46,796	84,341	128,380	179,851	238,211	53,662	126,419	206,700	206,700
TOTAL RESERVES	102,536	545,733	243,932	115,550	46,796	84,341	128,380	179,851	238,211	53,662	126,419	206,700	206,700
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0

CITY OF SUNNYVALE
2040. COMBINED COMMUNITY DEVELOPMENT BLOCK GRANT FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2033 TO JUNE 30, 2043

	PLAN 2033/2034	PLAN 2034/2035	PLAN 2035/2036	PLAN 2036/2037	PLAN 2037/2038	PLAN 2038/2039	PLAN 2039/2040	PLAN 2040/2041	PLAN 2041/2042	PLAN 2042/2043	FY 2033/2034 TO FY 2042/2043 TOTAL	FY 2022/2023 TO FY 2042/2043 TOTAL
RESERVE/FUND BALANCE, JULY 1	206,700	294,732	390,747	244,984	357,691	479,120	359,534	499,202	398,403	307,421	206,700	102,536
CURRENT RESOURCES:												
HUD Program Year 2017	0	0	0	0	0	0	0	0	0	0	0	33,649
HUD Program Year 2018	0	0	0	0	0	0	0	0	0	0	0	0
HUD Program Year 2019	0	0	0	0	0	0	0	0	0	0	0	10,915
HUD Program Year 2020	0	0	0	0	0	0	0	0	0	0	0	203,214
HUD Program Year 2021	0	0	0	0	0	0	0	0	0	0	0	500,833
HUD Program Year 2022	0	0	0	0	0	0	0	0	0	0	0	1,128,312
HUD Program Year 2023	0	0	0	0	0	0	0	0	0	0	0	1,054,691
Future HUD Allocations	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	11,000,000	20,900,000
Housing Loan Repayments	266,095	274,078	282,301	290,770	299,493	308,478	317,732	327,264	337,082	347,194	3,050,486	5,523,334
CDBG-CV	0	0	0	0	0	0	0	0	0	0	0	353,665
TOTAL CURRENT RESOURCES	1,366,095	1,374,078	1,382,301	1,390,770	1,399,493	1,408,478	1,417,732	1,427,264	1,437,082	1,447,194	14,050,486	29,708,613
TOTAL AVAILABLE RESOURCES	1,572,796	1,668,811	1,773,048	1,635,754	1,757,183	1,887,597	1,777,266	1,926,466	1,835,484	1,754,615	14,257,186	29,811,149
CURRENT REQUIREMENTS:												
Operations	465,427	465,427	465,427	465,427	465,427	465,427	465,427	465,427	465,427	465,427	4,654,274	9,103,202
Special Projects	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000	2,142,326
Capital Projects	0	0	300,000	0	0	300,000	0	0	300,000	0	900,000	2,738,000
Outside Group Funding Projects	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	1,650,000	3,691,757
Future CDBG Projects	584,082	584,082	534,082	584,082	584,082	534,082	584,082	834,082	534,082	834,082	6,190,818	11,615,177
Transfer To General Fund	13,554	13,554	13,554	13,554	13,554	13,554	13,554	13,554	13,554	13,554	135,543	294,136
TOTAL CURRENT REQUIREMENTS	1,278,063	1,278,063	1,528,063	1,278,063	1,278,063	1,528,063	1,278,063	1,528,063	1,528,063	1,528,063	14,030,635	29,584,597
RESERVES:												
20 Year RAP	294,732	390,747	244,984	357,691	479,120	359,534	499,202	398,403	307,421	226,552	226,551	226,551
TOTAL RESERVES	294,732	390,747	244,984	357,691	479,120	359,534	499,202	398,403	307,421	226,552	226,551	226,551
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0

Sunnyvale Budget Guide

Understanding the Sunnyvale Budget

Sunnyvale's Budget and Long-Term Financial Plan provides a framework for a unique budget document that presents both the immediate short-term action plans and the long-term trends for the City. In this manner, the budget provides the reader with a comprehensive view of the City's current financial picture, staff assumptions for long-term trends, and the way we work to achieve and maintain financial stability using those assumptions. The following elements contained in this document are integral to understanding this year's budget:

- Twenty-Year Financial Plans
- Departmental Overviews
- Performance Based Operating Budget
- Projects Budget

Twenty-Year Resource Allocation Plan & Financial Planning

The Budget Document presents a twenty-year financial plan for the City's General Fund, as well as all other City funds. Twenty-year financial plans for other City funds are grouped into four categories: Special Revenue Funds, Capital and Infrastructure Funds, Enterprise Funds, and Internal Services and Other Funds. The General Fund is presented separately. It is the primary fund that accounts for many of the largest revenues, such as Property Tax and Sales Tax, and the most visible City services, such as police, fire, road maintenance, the library, and parks. For each category, detailed Fund Reviews are included before the Financial Plans. These reviews provide a summary of the funds, including explanations of major components and new developments for the current budget.

The Twenty-Year Resource Allocation Plan (RAP, or the long term-financial plan) is the backbone of the City's financial planning process. Each long-term financial plan lays out the revenues and expenditures by fiscal year. The financial plans include the prior year actual audited results and the current year budget, as well as projections for each of the coming twenty years. The City examines its operating and project budgets in depth in alternating years. In addition, key factors are rigorously evaluated and updated annually. For revenues, the current year budget is updated based on year-to-date revenue receipts. For ongoing revenues, staff works to estimate the next two years as accurately as possible and then analyzes historical information, economic cycles, and factors that can impact the revenue source, among other data, to project the revenue trend over the long term.

For expenditures, the operating budget is updated with Council- approved budget modifications that have occurred during the fiscal year. If significant project budgets are anticipated to be spent in future fiscal years, estimated carryover of project funds will be incorporated. All program budgets are rolled up annually by fund or sub-fund to the total amounts in the "Operations" line of the financial plans. From that base, inflation factors are applied to expenditures. Inflation factors are developed for each category of expenditures such as salaries, employee benefits, purchased goods and services, and equipment. Project budgets are also totaled annually by fund and reflected in the "Projects" line of the financial plans. In addition, project operating costs, if applicable, are shown separately on the financial plan.

A critical purpose of the long-term financial plan is its use as a tool for achieving and maintaining a structurally balanced budget. A fundamental part of the financial plans is that they are, by policy, balanced to the twentieth year. In order for the budget to be balanced, not only must resources be available to meet requirements over the twenty-year planning period with all reserve requirements met per Council Policy, but service levels must also not be impacted.

A balanced budget enables the City to maintain service levels over the twenty-year planning horizon by ensuring reserves are used strategically. For example, a budget is not balanced for the long term when there are drawdowns of reserves over a protracted length of time. Conversely, the build-up of reserves to the detriment of service levels also does not portray a balanced budget.

The objective in utilizing a twenty-year planning horizon is to sustain service levels, in large part, by managing reserves so that reserve levels are increased in good times and drawn down in difficult financial times. Further, the City's budget policy dictates that one-time revenues should not be used for ongoing expenditures, and all revenue estimates must be conservative, objective, and reasonable.

The General Fund's Budget Stabilization Fund is required by policy to be maintained at a minimum 15% of projected revenues for the first two years of the twenty-year planning period. The purpose of the Budget Stabilization Fund is to absorb economic cycle and maintain stable service levels over the long term.

By contrast, the General Fund Contingency Reserve can only be used for non-fiscal emergencies or disasters as determined by Council. The General Fund Contingency Reserve is required to be maintained at 15% of operating costs

in the first year of the twenty-year plan and increased annually for projected increases in the Consumer Price Index.

The City's balanced twenty-year plan allows decision makers to better understand the true impact of policy decisions, and effectively requires that decisions made today include a guarantee that resources will be available to maintain services in the future. More importantly, this methodology incorporates both short- and long-term perspectives for planning revenues, operating requirements, and capital spending. It allows the cost of any policy decision to be measured in terms of long-range expenditure requirements, thereby raising "red flags" in areas where financial conditions may be significantly different in the future.

Performance Based Operating Budget

To help the reader understand the proposed two-year operating budget, departmental overviews provide the context for the services and service levels provided. Leading off the section presenting each department's program or set of programs, the departmental overviews describe the organizational structure for service delivery, performance accomplishments, budget highlights, and significant changes in the proposed budget as compared to the current budget.

A summary of performance and workload indicators are included in the departmental overviews. The performance indicators represent the goals and results staff plan to achieve, while the workload indicators provide output and relevant statistical data. These performance metrics are linked to goals laid out in the City's Consolidated [General Plan](#), the City's long-term blueprint for the community's vision of future growth. Additionally, these indicators help explain why services are provided and the impacts of the level at which we provide them. As such, the indicators are an important component of the performance-based budget structure and continuous review is part of our process of holding the City accountable.

A detailed walk through of budgetary changes from the prior year budget is included and itemized for readers to understand the major changes in a department's budget. These include changes to the Base Budget, the cost of providing the Council-approved service level for the upcoming fiscal years.

Service level adjustments are described in detail with the associated performance impacts. A summary of budgeted costs can be reviewed by program and service delivery plan. Through this presentation, community members can see the costs of the services being provided.

The departmental overviews also include detailed costing of budgeted positions and goods and services. Information is displayed by programs and service delivery plans, cost category, and fund.

Projects Budget

In the City of Sunnyvale, the term “project” refers to a non-operating activity. The City segregates each project into one of four possible categories: Capital, Infrastructure, Special, and Outside Group Funding. Capital projects are major expenditures related to construction, improvement or acquisition of capital assets. Infrastructure projects are inherently related to capital projects. After a capital project is complete, the City has an asset that must be maintained through the operating budget until the asset reaches a point where maintenance costs exceed renovation/replacement costs. An infrastructure project is developed in order to provide future funds at the time that replacement or renovation is required. Special projects are one-time only in nature and are set up to eliminate the impact such costs would have on operating programs. For example, the cost of service study for solid waste would be a special project. Outside group funding projects are essentially special projects; however, they are established to identify contributions made to local community-based organizations.

Each project is identified individually in the budget document and linked to a General Plan goal. Estimated costs are included for each project over the twenty-year planning period. Projects also reflect anticipated outside revenues that will fund the project, such as grants and fees. In addition, project operating costs are budgeted for those ongoing operating costs that will need to be included in future years upon completion of a given project. Consideration of this information enables decision makers to evaluate the complete costs of proposed actions. This prevents the City from adding assets or activities that are not sustainable over the long term.

The projects budget also includes unfunded projects, which are desirable or pose a liability in the long term but do not have identified funding sources. In some cases, future grant funds may be available for all or a portion of the costs, but it is the City’s policy not to recognize these revenue sources until they are actually available.

Projects related to long-range plans are also identified separately in their respective sections of the Projects Budget volume. Specifically, projects related to Traffic and Transportation that are part of long-range plans are listed in the Traffic and Transportation section of the Projects Budget volume.

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Budget & Fiscal Policies

Two-Year Operating & Projects Budget

In recognition of the tremendous effort required to develop budgets, the City implemented a two-year operating budget. Although the City reviews its budget on an annual basis, it only prepares a detailed operating budget each biennium. This means that operating budgets are minimally updated during the second year of the two-year budget. During the “off year” of the operating budget, the projects budget is reviewed in detail.

Types of Expenditures

There are four major types of expenditures in the City’s spending plan: operating, equipment, capital improvements, and debt service. Operating expenditures are related to a program’s base budget and include such items as general supplies, personnel costs, and equipment rental. Major equipment expenses like computer hardware or city-owned cars are provided for separately under a general services program. Capital improvements are expenditures which affect the economic vitality and quality of life in the community. A good example would be construction of a park or resurfacing a city street. Debt service allows an improvement to be made when it is needed rather than being delayed until funds are accumulated in the City’s treasury. Debt service is essentially a long-term loan, buying something today and paying for it over time. It may be used to finance, for example, a new community center building.

Cost Accounting

Cost accounting is a method of accounting that gathers together all the elements of cost incurred to accomplish a purpose, carry on an activity, or complete a unit of work. By using this financial technique, the City is able to assess the true cost of providing a service. The City’s internal users of information management, fleet and equipment, and buildings are assessed rental rates through their programs for the use and eventual replacement of services and equipment. Employee benefits such as leave usage, retirement, and insurances

also are recovered by charging the programs that use personnel services. The City also uses an allocation system to distribute administrative costs for services provided by departments such as Finance and Human Resources.

Basis of Budgeting

“Basis of budgeting” refers to the method used to recognize revenues and expenditures in the budget. For the City of Sunnyvale, the basis of budgeting is the same basis used for accounting. The modified accrual basis is followed in the Governmental and Agency Funds including the General Fund and special revenue funds like the Park Dedication Fund. Under this basis, revenues are recognized when they become “susceptible to accrual,” which means they are both measurable and available. Measurable means the amount of the transaction can be determined.

The City considers revenues to be available if they are collected within 60 days of the current fiscal year, except for sales tax and grant revenues. The City uses a ninety-day availability period for sales taxes as the State disburses the April-to-June cleanup each September. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue sources. Expenditures generally are recorded when a liability is incurred except for debt service expenditures, which are recorded when payment is due.

Intergovernmental revenues (primarily grants) that are received as reimbursement for specific purposes or projects are recognized based on when the related expenditures are recorded. Intergovernmental revenues which have virtually unrestricted purpose and are revocable only for failure to meet prescribed compliance requirements are reflected as revenues at the time of receipt or earlier if availability criteria are met.

The accrual basis is used in the proprietary funds, which include enterprise funds and internal service funds. Revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

Annual Comprehensive Financial Report

The Annual Comprehensive Financial Report is prepared according to generally accepted accounting principles (GAAP). The City prepares its budget in accordance with GAAP with the following exceptions:

- Loans requiring the use of current resources need to be budgeted as expenditures; in the Comprehensive Annual Financial Report, the disbursement of loans is treated as a balance sheet item.
- Appropriated budgets are not always needed for all of the City's funds. For example, a budget is not appropriated for the advance refunding of bonds because the resulting bond proceeds are deposited into escrow accounts and are considered restricted assets.
- Principal payments on long-term debt within the enterprise funds are applied to the outstanding liability in the Comprehensive Annual Financial Report, while such items are treated as expenses in the budget.
- Capital outlay within enterprise funds and internal service funds are capitalized as fixed assets in the Comprehensive Annual Financial Report, in contrast to their treatment as expenses in the budget.
- The budget does not record depreciation expenses.
- GAAP requires the reporting of investments at fair value. Because the City's policy is to hold investments to maturity, the changes in fair value are not reflected in the budget.

Budgetary Policy & Control

The City's Adopted Budget serves as a planning and policy document.

State law requires cities to prepare a general plan outlining the long-range goals and direction for the community. Sunnyvale's General Plan is a fundamental tool in guiding the City through change and growth. It addresses the physical development of the City and, when used together with a larger body of Council policies, provides direction for decision-making on City services and resources. It is both a long-range and a strategic planning document, containing long-term goals and policies for the next 10-20 years and strategic actions for the next five to ten years. Sunnyvale's budget implements the goals, policies, and programs outlined in the General Plan. Therefore, the budget and the General Plan must be in sync.

The City's budget is very detailed, ensuring that the City Council as the governing body is fully informed and in control of all aspects of the City's financial activities. Information is organized by fund, department, and by project. The budget includes equipment, operating, and debt service costs as well as capital, infrastructure, and special projects. The budget also contains detailed long-term financial plans with projections for expenditures, revenues, and reserves for an additional nineteen years.

Council approval also is required for proprietary funds and internal services funds if the expenditures for the fiscal year exceed actual revenues plus the planned, annualized appropriation from Reserves.

Budgets are legally adopted for all governmental funds except for the Special Assessment Debt Service Fund. The Special Assessment Debt Service Fund does not have an adopted budget because the City is only required to make debt service payments in the event of a property owner's default.

Budgets are also adopted legally for all proprietary funds. Formal budgets are employed as a management control device for all funds in which a budget has been adopted. However, it serves as the primary means of spending control for the General Fund, special revenue funds, debt service funds, and capital project funds.

Budgets can be modified during the fiscal year if needed because of a legislative mandate, City Council or City Manager directive, an increase above planned costs, or an unanticipated change in service level. Budget modifications cover one fiscal year only and must generally be approved and appropriated by City Council through the Report to Council (RTC) process. The fiscal impact of the RTC outlines any potential revenue and expenditure impact as well as impact on fund reserves. This allows management to focus on changes to the base budget during the next budget process. To aid City Council and administration efficiency, per Council Policy 7.1.5, the City Manager may appropriate grants up to \$100,000 that are also free of local match requirements and do not obligate the City to ongoing expenses not already planned in the City’s Resource Allocation Plan. These budget amendments are approved by the City Manager via the Report to Council process with all approved amendments reported to Council with the year end budgetary report.

During the budget year, for governmental and agency funds, the City Manager is authorized to reappropriate budgeted amounts between departments that are financed by the same fund. Council approval is required if the reappropriation exceeds the thresholds outlined below:

Annual Program Budget	Reappropriation Threshold	Maximum Reappropriation Threshold (Annual)
> \$500,000	\$100,000 or 5%, whichever is greater	\$250,000
< \$500,000	\$50,000 or 50%, whichever is less	\$50,000

Community Participation

The Sunnyvale community has an opportunity to participate in the Twenty-Year Resource Allocation planning process through numerous avenues such as Council-appointed boards and commissions, study sessions, and public hearings. The public may attend Council study sessions dealing with pending policy issues as well as Council meetings every other Tuesday throughout the year. At Council meetings, the community is given an opportunity to speak during the

public hearing period. Additionally, for major policy updates, the City provides extensive outreach to the affected community groups.

There are also various opportunities for the community to provide direct input during the budget process. The public can propose Budget Proposals or Study Issues for consideration in the Recommended Budget at anytime and can also comment at the formal Study Issues/Budget Proposals public hearing that is held in January. In addition, the annual Budget Workshop in May is open to the public and a formal public hearing on the Adopted Budget is held in June.

Strategic Planning

The City’s strategic planning process is integral to budget development and informs the City’s budget. In January, the City Council specifically discusses important fiscal issues that may have short-term or long-term effects on how the City provides and maintains services to the community. During this strategic session, Council is updated with a fiscal and economic outlook as well as a progress update on Council priorities and key focus areas. The culmination of this strategic planning session is direction from Council to confirm or update Council priorities for the year. This strategic direction is then implemented as part of budget development process with the ability to further Council’s priorities a key evaluation component of funding requests during the budget process.

City Council holds an annual public hearing and workshop to consider Study Issues and Budget Proposals. The Study Issues process provides a method for identifying, prioritizing, and analyzing policy issues that may result in new or revised city policies. City Council ranks Study Issues and the City Manager includes those that can be completed during the calendar year without disrupting service delivery or modifying service levels set by Council in the City Manager’s Recommended Budget as a Budget Supplement. Council then acts on Budget Supplements in the annual Budget Workshop. Council-approved Budget Supplements are incorporated into the final Adopted Budget.

The Budget Proposal process is an opportunity for Council to recommend the addition of one-time or ongoing expenses in an efficient and effective way. A Budget Proposal is a suggestion to add a new service, eliminate a service or change the level of an existing City service. Budget Proposals are included in the Recommended Budget as Budget Supplements. Council then acts on Budget Supplements in the annual Budget Workshop. Council-approved Budget Supplements are incorporated into the final Adopted Budget.

Budget Calendar Overview

The City operates on a July 1 through June 30 fiscal year. The City's annual budget development process begins in October each year and culminates with the adoption of the budget by the City Council in June. This is consistent with the City Charter that requires the the City Manager to submit a Recommended Budget to the City Council no later than 35 days prior to June 30th. In June of each year, the City Council holds a public hearing, also required by the City Charter. Prior to June 30 of each year, the budget as modified by the City Council is legally enacted by adoption of a budget resolution.

Below is a high-level calendar detailing key steps throughout the process. As noted previously, the City of Sunnyvale alternates years for developing operating budgets and projects budgets. The budget development process is the same whether an operating or projects budget year and consists of three main phases: baseline budget review to evaluate and re-align existing resources; the adjusted baseline phase to revise revenue and expenditure assumptions to maintain existing commitments; and the service level adjustment phase to consider service level enhancements.

During the baseline budget phase (October - Nov), the focus is on ensuring resource alignment with current operating and project plans. Some key activities of this stage are:

- Reviewing operating organizational structure and project scope
- Reviewing operating performance measures and project evaluation and analysis
- Realigning resources within the approved existing service level budget

The Adjusted Baseline phase (Dec – Jan) includes updating the baseline budget to ensure adequate funding to maintain existing service levels. This includes:

- Revising revenue projections and updating fund balance with audited financials from the prior year; budgetary year-end RTC
- Updating inflation assumptions (i.e., salaries and benefits, goods and services, construction costs, etc.) to meet existing service levels and scope of existing planned projects
- Funding previously committed costs (e.g., operating costs for recently completed projects, etc.)
- Incorporating costs for regulatory changes and other legal mandates

The Service Level Adjustment phase (Feb – Mar) is an opportunity to consider enhancing service levels or proposing new initiatives. Each service level adjustment submission is reviewed in terms of potential to further the City's General Plan goals or Council's priorities, fiscal impact, and stated performance goals before including or excluding in the budget. To this end, it should be noted that service level adjustments can reduce service levels as well, especially during times of economic uncertainty. Also during this phase:

- Council priorities are confirmed
- City Manager provides strategic direction regarding Service Level Adjustment process
- Budget Supplements are completed and reviewed

The Recommended Budget is produced and delivered to City Council at the beginning of May. During this timeframe (Apr-May), we undertake the following activities:

- Finalizing revenue and expenditure projections in the 20-yr long-term financial plans
- Drafting and delivering the Recommended Budget to City Council
- Holding the annual City Council Budget Workshop hosted by the City Manager

City Council adopts the budget (June) after:

- Holding a public hearing on the Adopted Budget
- Adopting a budget resolution to legally enact the budget for the year

Budget Modifications can be approved by City Council all year via the RTC process per the following financial policies:

- Budget Modifications \$100,000 or less with no City funding commitments approved by City Manager
- Budget modifications over \$100,000 and/or modifications under \$100,000 if ongoing costs by majority of Council

The calendar below represents key milestones that take place regardless of whether the budget being developed is an operating budget or a projects budget. It also incorporates critical elements of budgetary policy and control, as discussed in a separate section above.

Budget Calendar

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget kick-off												
Baseline budget review												
*Budgetary year-end report for previous fiscal year to Council												
Incorporate baseline adjustments												
Update major revenue projections												
Council Strategic Planning Session & Budget Proposals Workshop												
*Budget Supplements from Workshop completed and approved												
Review proposed service level adjustments												
Develop 20-year Long-Term Financial Plans for all City funds												
Deliver Recommended Budget to Council												
*City Manager's Budget Workshop												
Adopted Budget public hearing												
*City Council adopts budget												
*Budget amendments approved per Council policy (July – June)												

*These are milestones during the Budget Calendar that are related to Budgetary Policy & current year update Control

Fiscal Policies

Council Fiscal Policy applies the following guiding fiscal policies to the City's Budget and Resource Allocation Plan:

7.1 A Budget Policies

A.1: Development of the Budget and Resource Allocation Plan

- A.1.1 The public will be encouraged to participate fully in the budget process.
- A.1.2 A Study/Budget Proposals Workshop will be held each year prior to preparation of the City Manager's Adopted Budget to consider budget proposals for the upcoming Recommended Budget.
- A.1.3 A balanced Twenty-Year Resource Allocation Plan shall be presented to the City Council annually.
- A.1.4 The Twenty-Year Resource Allocation Plan shall be prepared on a two-year Operating Budget cycle.
- A.1.5 The Operating Budget shall be approved annually with the second year approved in concept.
- A.1.6 A proposed budget shall be recommended to the City Council by the City Manager no less than thirty-five days before the beginning of the fiscal year, in accordance with the City Charter.
- A.1.7 At least one public hearing shall be held after the City Manager's Adopted Budget is presented to the Council in order to solicit public input before adoption.
- A.1.8 Boards and Commissions should review the annual budget as appropriate to their area of interest and make recommendations to the City Council.

- A.1.9 The City Council shall adopt the City Manager's Adopted Budget, with any changes desired, by resolution before June 30th of each year.
- A.1.10 Resources will be allocated in direct relation to General Plan goals.
- A.1.11 The Resource Allocation Plan shall be prepared by General Plan element to link city resources with the accomplishment of General Plan goals.
- A.1.12 New or expanded services should support the priorities reflected in the General Plan.
- A.1.13 All competing requests for City resources should be weighed within the formal annual budget process.
- A.1.14 Final actions on study issues with significant financial impacts should be withheld until they can be made in the full context of the annual budget process.

A.2: Long-Term Financial Planning

- A.2.1 The City shall maintain a long-term fiscal perspective by annually preparing a Twenty-year Long-Term Financial Plan for each fund except for Fiduciary and Debt Services Fund. Those funds which account for intergovernmental grants will only include known entitlements.
- A.2.2 Major financial decisions should be made in the context of the Twenty-Year Long-Term Financial Plan.
- A.2.3 Long-term financial planning should enable the current service level provided to be sustained over time through the strategic use of reserves.
- A.2.4 The Long-Term Financial Plans should be used to communicate the fiscal impact of City decisions to all stakeholders whenever possible.

A.3: Performance-Based Budget System

- A.3.1. The operating budget will be prepared and managed on a program basis.
- A.3.2. All costs attributable to a budgeted program will be fully reflected in program budgets (with the exception of capital costs of general-use public buildings and facilities).
- A.3.3. An emphasis should be placed on achieving maximum work productivity to ensure an optimal allocation of human and fiscal resources for Council approved services and programs.
- A.3.4. All operating programs must identify the service provided, the service level, and the resources necessary to accomplish the specific service level.
- A.3.5. A performance measurement system will be maintained and used to evaluate quality of service and to report results.

A.4: Budget Monitoring and Modification

- A.4.1. Expenditures for each department are legally limited to the amount authorized by the City Council in the Budget Resolution, plus subsequent changes approved by the City Council through Budget Modifications.
- A.4.2. The City's annual budget may be modified at any Council meeting by a majority vote of the City Council.
- A.4.3. The City's budget appropriation control shall be by department within the same fund for departments in the General Fund and Special Revenue Funds. For the Proprietary and Internal Service Funds, expenditures cannot exceed actual revenues plus the planned use of reserves.

- A.4.4. Appropriations for capital and special projects shall be limited to the amounts contained on the Budget Resolution for each project. All modifications to project budgets require Council approval.
- A.4.5. Budget reappropriations among programs within a Department and Fund may be authorized by the City Manager if service levels as approved by City Council are maintained.
- A.4.6. Any unexpended appropriations shall expire at fiscal year-end unless specifically reappropriated by the City Council for expenditure during the new fiscal year. (* per City Charter Article XIII Fiscal Administration Section 1305, amended November 28, 2007, approved appropriations for Capital Improvement Projects shall not lapse at the end of the fiscal year unless the Capital Improvement Project has been completed and closed out or the City Council takes affirmative action to modify the budget appropriation for the Capital Improvement Project)

7.1 B Revenue Policies**B.1: Revenue Base**

- B.1.1. The City will maintain a diversified and stable revenue base, not overly dependent on any land use or external funding source.
- B.1.2. Taxes levied by the City will be used for the purpose of financing services performed for the common benefit.
- B.1.3. Taxes should be held at their lowest possible level, while maintaining Council-approved service levels.

- B.1.4. When considering a new tax or revenue source or an increase in an existing tax or revenue source, the following criteria should be considered:
- Community/voter acceptance
 - Competitiveness with surrounding communities
 - Efficiency of revenue collection and enforcement
 - Effectiveness in generating sufficient revenues in the short- and long-term to justify its establishment
 - Enhancement of revenue diversity to promote stability and provide protection from downturns in business cycles
 - Equity/Fairness in distribution of the revenue burden on various segments of the community
- B.1.5. Reliance on any restricted sources of revenue will be avoided.
- B.1.6. One-time revenues should not be used for ongoing expenditures.
- B.1.7. Revenue should not be targeted for a specific program, unless a revenue source has been established for the sole purpose of financing a particular expenditure.
- B.1.8. Potential new revenue sources will be investigated periodically to ensure that the City's revenue base is stable and diversified.
- B.1.9. Donations, contributions, and sponsorships may be accepted if they are in accordance with City policy and General Plan priorities.

B.2: Revenue Forecasting and Monitoring

- B.2.1. All revenue estimates must be conservative, objective and reasonable.
- B.2.2. Revenue forecasts should be based on detailed information regarding historical performance and economic conditions whenever possible.
- B.2.3. At least ten years data for all tax revenue sources will be maintained.
- B.2.4. Revenues will be estimated for the budget year and for each planning year in the Twenty-Year Resource Allocation Plan.
- B.2.5. Methods to maximize the accuracy of revenue forecasts will be established.
- B.2.6. Estimated revenues from grant sources will be projected only to the specific date on which the entitlement will end.
- B.2.7. Estimated intergovernmental revenues for which the City is eligible (but which are not guaranteed) will be forecast to assure that local matching funds will be available if the revenues are realized.

B.3: Revenue Collection

- The City will seek all possible Federal and State reimbursement for eligible projects and/or programs unless the cost of seeking the reimbursement exceeds the benefit received.
- An aggressive collection system for all accounts receivable, including utility receivables, will be utilized to assure that monies due to the City are received in a timely fashion.
- Monthly reviews and periodic audits of Transient Occupancy Tax returns will be conducted.

- Monthly reviews and periodic audits of all major locally administered revenue sources will be conducted.
- Periodic point-of-sale audits for Sales Tax will be conducted.

B.4: Grants and Intergovernmental Assistance

See Council Policy 7.1.5 Grants, Donations, Contributions, and Sponsorships.

B. 5: User Fees

- B.5.1. User fees should be used to recover the cost of services that benefit specific segments of the community.
- B.5.2. User fees should be reviewed and adjusted at least annually to avoid dramatic changes.
- B.5.3. User fees and charges should not exceed the City's full cost of providing the service.
- B.5.4. User fees should be established at a level which reflects the full cost of providing those services unless the City Council determines a subsidy is appropriate.
- B.5.5. The City Council may determine for any service whether a subsidy from the City is in the public interest.
- B.5.6. User fees shall only be used when the cost of providing the service can be readily calculated and administered.
- B.5.7. User fees should be adopted by Council resolution and included in the Annual Fee Schedule.
- B.5.8. For fees and other charges not subject to administrative hearings, the City Manager or the City Manager's designees have the authority to waive fees,

finest, interest, and/or penalties under the following circumstances:

- The fee or fine is for the first offense and the amount waived is \$50 or less, or
- The balance due is less than \$10 and sending it to collections is not cost effective, or
- City staff has determined waiving a portion of fees, fines, penalties, and/or interest maximizes the amount of revenue the City will collect and has received approval from the department director.

- B.5.9 A Fee Waiver system should be provided to allow persons who are economically disadvantaged to participate in and utilize programs, facilities, and services provided by the Community Recreation Fund. The criteria for eligibility in this system shall be established by Council policy.
- B.5.10 User fees for Golf, Tennis and recreation services shall be set administratively by the Director Library and Community Services in accordance with a documented methodology that depicts a relationship to cost recovery, market forces, and adjustments based on such factors as:
 - Perceived benefit to the community
 - Pricing which favors Sunnyvale residents over non- residents
 - Target populations
 - Promotional and marketing considerations
- B.5.11 The fees established administratively by the Director of Library and Community Services shall be published at least twice a year.

7.1C Capital Improvement Policies**C. 1: Capital Improvement Plan**

- C.1.1 An updated Twenty-Year Capital Improvement Plan shall be prepared on a two-year budget cycle.
- C.1.2 The City shall fund only those Capital Improvement Projects that are consistent with the adopted Capital Improvement Plan, City priorities, and General Plan goals.
- C.1.3 High priority should be given to replacing capital improvements prior to the time that they have deteriorated to the point where they are hazardous, incur high maintenance costs, negatively affect property values, or no longer serve their intended purposes.
- C.1.4 New or expanded capital improvements should maximize value and avoid duplication whenever possible by partnering with other entities to pool resources or share facilities.
- C.1.5 Priority will be given to the repair and replacement of existing infrastructure as compared to the provision of new or expanded facilities.
- C.1.6 The decision on whether to repair or to replace an existing capital asset will be based on which alternative is most cost-effective or provides the best value to the City over time.
- C.1.7 The operating impact of proposed capital projects, including ongoing operating expenditures, capital outlay, debt service, and infrastructure replacement will be identified in the Capital Budget and considered in the selection of projects for funding.

- C.1.8 Staff will identify the estimated costs, potential funding sources, return on investment, project schedule and relationship to the General Plan for each capital project proposal before it is submitted to the Council for approval.
- C.1.9 Capital improvements should be maintained to the level required to adequately protect the City's capital investment and to minimize future maintenance and replacement costs.
- C.1.10 A Capital Projects Fund shall be used to account for major capital acquisition or construction projects associated with the General Fund and other governmental funds. The capital projects of the Utility Enterprise Funds shall be accounted for within the respective fund.
- C.1.11 The Infrastructure Renovation and Replacement Fund shall be used to account for projects related to the renovation and replacement of existing general City assets. Infrastructure projects related to the City's utilities shall be accounted for in the respective utility fund.

C.2: Funding

- C.2.1 Governmental capital improvements should be funded on a "pay-as-you-go" basis in most cases. Alternate financing strategies may be considered in light of the specific project and the consequences of each financing strategy.
- C.2.2 Development-related improvements such as sidewalks, curbs and gutters, streetlights, and water and sewer lines should be funded by those directly benefiting from the improvements.

C.2.3 The City will seek out and use intergovernmental funding sources for capital improvements, as is consistent with City priorities and General Plan goals.

C.2.4 Funds for the replacement of City assets originally paid for by a developer should be included in the Capital Improvement Plan of the appropriate City fund.

C.3: Design and Evaluation

C.3.1 The planning and design of capital improvements should be based on standards that minimize construction costs, while assuring acceptable useful life and reducing maintenance requirements. Value engineering processes will be utilized when necessary and appropriate.

C.3.2 Budgeting for capital projects must reflect when the expenditures are scheduled to occur, using multi-year planning to ensure a reasonable time frame for projecting costs.

C.3.3 Budgeting for capital projects over time should reflect the current industry standards for the growth of construction costs.

C.3.4 Improvements should be designed with the following goals: to maximize energy efficiency, require minimal maintenance, create an efficient physical relationship for those working in the facility, provide adequate capacity for the projected useful life, and to have the ability to accommodate expected future expansion with minimum remodeling costs.

7.1D Land Policies

See Council Policy 1.2.7 Acquisition, Leasing, and Disposition of City-Owned Real Property

7.1E Reserve Policies

E1: General Fund Reserves

E.1.1 The General Fund Contingency Reserve will be maintained at 15% of operations costs in year one of the long-term plan, with annual increases based on projected increases in the Consumer Price Index. This reserve will only be utilized for non-fiscal emergencies or disasters as determined by Council.

E.1.2 The sale of surplus property owned by the General Fund and any other one-time revenues shall be placed into a Reserve for Capital Improvement Projects to be used for capital improvement or expansion.

E.1.3 The Budget Stabilization Fund shall be used to absorb economic cycles and maintain stable service levels over the long term.

E.1.4 The Budget Stabilization Fund will be a minimum of 15% of projected revenues for the first two years of the 20-year planning period. Beyond year two, the Budget Stabilization Fund will always have a balance of at least zero.

E.1.5 The Service Level Set-Aside will be used to provide ongoing funds to increase service levels or add new services. Once used, this Set-Aside may be replenished according to economic conditions.

E.2: Internal Service Fund Reserves

- E.2.1 The City will establish and maintain an Equipment Replacement Reserve to provide for timely replacement of the City's fleet, furniture and fixtures, technology and communication equipment.
- E.2.2 Reserve levels for each type of equipment will be established based on the lifecycle of existing assets accounted for in the appropriate Sub-Fund of the General Services Fund.
- E.2.3 Equipment replacement expenses should be amortized through the use of rental rate charges to be fully funded by users.
- E.2.4 The Workers' Compensation Reserve shall be maintained at a level deemed adequate to meet projected liabilities as determined by an actuarial evaluation.
- E.2.5 The Liability and Property Reserves will be maintained at a level which, together with purchased insurance policies, will adequately indemnify the City's property and liability risk. A qualified actuarial firm shall be retained in order to recommend appropriate funding levels.
- E.2.6 An Actuarial Retiree Medical Reserve will be maintained at a level that is deemed adequate to meet projected liabilities as determined by an actuarial evaluation. This Reserve should meet the GASB reporting requirements for these future costs.
- E.2.7 Rate Uncertainty Reserves will be funded for those employee benefits expenditures exhibiting high volatility or significant increases. The reserves will ensure adequate funding while minimizing the effect on the funding of other City operations.

E.3. Pension and Other Post Employment Benefit Funding

- E.3.1 The City shall utilize the services of an independent professional actuary ("actuary") not less than every other year to advise the City on its progress in paying down pension liabilities. The report shall also recommend if it is financially advantageous for the City to make payments directly to CalPERS for paying down the liability, or to invest in the Section 115 Trust or some combination thereof.
- E.3.2 The City shall keep track of the City's pension liability for Utility Funds separately from General or Special Revenue funded employees, since the former have a dedicated source of funding. Prudent actuarial assumptions shall govern how the liabilities of Utility employees will be calculated. Utility Funds shall build the cost of paying down these liabilities into their rate plans for both actives and retirees.
- E.3.3 In years where there are one-time savings in the General Fund operating budget, a portion of those savings shall be prioritized to pay for unfunded Pension and OPEB Liabilities except where replenishing the Budget Stabilization Fund to maintain fiscal sustainability is needed

7.1F Debt Management Policy

See Council Policy 1.1.8 Fiscal – Debt Management Policy

7.1G Accounting Policies**G.1: Accounting Principles**

- G.1.1 A Comprehensive Annual Financial Report will be prepared each year within six months of the close of the previous fiscal year.
- G.1.2 The Comprehensive Annual Financial Report shall be prepared in accordance with generally accepted accounting principles applicable to local governments and shall receive an unqualified opinion by the City's independent auditor each year.
- G.1.3 The Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting should be pursued annually.
- G.1.4 The accounting system shall provide a mechanism to fund accrued benefits liabilities.
- G.1.5 Pension obligations will be fully funded annually, and current pension contributions will not be deferred to balance current expenditures.
- G.1.6 An integrated accounting and budgeting system will be maintained so that production and cost for each activity can be calculated and evaluated.
- G.1.7 The City Council shall be provided with periodic summary financial reports, by fund, comparing actual revenues and expenditures to budgeted amounts.
- G.1.8 The City shall maintain a full cost accounting system.
- G.1.9 A city-wide Cost Allocation Plan shall be developed to identify the cost of administrative support for all City departments and special funds.

- G.1.10 The "modified approach" to account for streets infrastructure capital assets, as defined by GASB No. 34, shall be utilized for the City's street network. The City Council will establish a range of acceptable condition levels for the street network on a biennial basis and the City Manager will set the actual target condition level(s) each year.
- G.1.11 The City shall establish such separate funds as required by law to account for grant funding and other revenues limited to specific use.
- G.1.12 Internal Service Funds shall be used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City.
- G.1.13 Internal Service Funds shall be used to equitably distribute facility, vehicle and equipment replacement and maintenance costs among City user departments and to assure that adequate funding is on hand to replace/maintain assets and pay liabilities.
- G.1.14 Internal Service Funds shall be maintained to account for employee benefits and to provide a mechanism to fully fund accrued benefit liabilities.

G. 2: Internal Controls

- G.2.1 A system of effective internal controls shall be maintained that assures only properly authorized expenditures, recordings of financial transactions, and accounting entries are executed and provides for the physical security of City funds and assets.

- G.2.2 The City's Internal Audit function should conduct its work in accordance with generally accepted government auditing standards to ensure the independence of its findings.
- G.2.3 Periodic financial reviews will be conducted to assure that adequate internal controls exist, at a reasonable cost, and that fiscal practices are in compliance with Federal, State and City rules and regulations.
- G.2.4 Operational audits will be conducted to evaluate the efficiency and effectiveness of City functions.
- G.2.5 Performance audits will be conducted regularly the City Manager to verify that the performance data reported by each Department is complete, valid, and accurate.
- G.2.6 The City's cash handling practices shall be reviewed at least quarterly, as required by the City Charter, in order to safeguard the City's cash assets.

7.1H Purchasing Policies

- H.1: Centralized Purchasing System
 - H.1.1 Whenever possible, purchases will be made through a competitive bid or proposal process.
 - H.1.2 Purchasing policies and procedures will be as fair and open as possible so that everyone involved will understand the elements of the process, including procedures, timelines, expectations, requirements, and criteria for supplier selection.
 - H.1.3 A preference of 1% shall be given to local businesses in the evaluation of bids and proposals in the procurement of goods. Contracts exempt from this preference are:

- Emergency procurement
- Sole source contracts
- Contracts funded from grants, donations, or gifts with special conditions that specify otherwise

- H.1.4 Purchases of goods and services will be made from locally owned businesses whenever possible, in accordance with purchasing regulations.
- H.1.5 The City will actively seek opportunities to participate with other public agencies in the development of competitive bids that combine purchasing power to achieve volume pricing.
- H.1.6 City staff shall not use their position for personal gain in any procurement.
- H.1.7 Environmentally responsible procurement policies will be used where possible, to encourage recycling, reduce waste, conserve energy and natural resources and protect environmental quality.
- H.1.8 Technological advances that present more efficient and effective ways to purchase goods and services will be encouraged.
- H.1.9 An efficient and effective system of inventory management for City-stocked items and for sale or disposal or surplus items will be maintained.

7.1I Enterprise Fund Policies

I.1: Utility Fund Policies

- I.1a: Accounting and Fund Management
 - I.1a.1 The financial activities of each utility should be accounted for in a separate fund.

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| <p>I.1a.2 The City will assure that all direct and indirect costs of each utility are fully cost-accounted.</p> <p>I.1a.3 Expenses which are incurred to support more than one utility should be allocated to each utility in a manner that reasonably reflects the benefit received.</p> <p>I.1a.4 Each utility fund shall reimburse the General Fund, and/or other applicable funds, for the full cost of general government support services provided to that utility.</p> <p>I.1a.5 The user fees established for each utility will be reviewed annually and set at a level that will support the total costs of the utility, including direct and indirect costs and contributions to reserves set by Council policy.</p> <p>I.1a.6 In the event that any utility requires one-time resources from other City funds to support its operations, or that the utility provides resources to an unrelated program, the use of these funds should be accounted for as an inter-fund loan.</p> <p>I.1a.7 Debt service coverage should be maintained for each bond issue as required by the bond covenants.</p> <p>I.1a.8 No utility resources shall be used to fund unrelated General Fund services.</p> <p>I.1b: Capital Program</p> <p>I.1b.1 Capital improvements associated with the existing infrastructure of a utility should be primarily funded from two sources: rate revenue and debt financing.</p> | <p>I.1b.2 New improvements or expanded capacity in any utility should be funded by those benefiting through specific charges, such as connection fees, impact fees, or mitigation fees.</p> <p>I.1b.3 Local, state, and federal funding sources, such as grants and contributions, should be pursued for utility-related capital improvement projects consistent with City priorities.</p> <p>I.1b.4 Water and wastewater improvements should be designed and constructed to the size required to serve the City's capacity needs when fully developed plus any required redundancy to assure reliable operation and provision of service.</p> <p>I.1b.5 Bonded debt financing should be used for capital improvements as appropriate to:</p> <ul style="list-style-type: none"> • Make cost recovery of an asset more consistent with its useful life • Equitably assign cost over multiple generations of customers who use the assets • Smooth near-term rate impacts of the project <p>I.1b.6 Total bonded debt should equal no more than 30% of the utility's fixed assets.</p> <p>I.1b.7 Resources for the capital requirements of each utility such as bond proceeds or connection fees should be dedicated only for capital projects and not be used for ongoing maintenance and operations.</p> |
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- I.1b.8 The annual depreciation expense of the assets of each utility should be set aside into a Rehabilitation and Replacement Reserve as a minimum funding level for system replacement.
- I.1c: Reserves
- I.1c.1 A Contingency Reserve of 25% of operating expenses shall be maintained in the Water and Wastewater Funds to allow approximately 90 days of working capital in case of emergency.
- I.1c.2 A Contingency Reserve of 10% of operating expenses shall be maintained in the Solid Waste Fund. This lower reserve is appropriate because the asset value of the Solid Waste Fund is substantially smaller than the other city utilities, and because operations are performed by contract, with insurance and bonding requirements as part of the contract assuring the continued operation in the case of an emergency.
- I.1c.3 In the event that the Contingency Reserve of any utility fund is used it shall be replenished by the end of the following fiscal year or as soon as practical thereafter considering the circumstances that prompted the need to use the reserve.
- I.1c.4 A Capital Replacement Reserve shall be maintained in the SMaRT Station Replacement Fund to account for contributions from the three participating cities for the replacement of City-owned SMaRT Station equipment.
- I.1c.5 A Rate Stabilization Fund shall be maintained in each utility fund to levelize the rates and annual rate increases in light of fluctuations in financial requirements from year-to-year.
- I.1c.6 A Capital Rehabilitation and Replacement Reserve for each utility should be established to provide resources for the infrastructure replacement needs of the respective utility system. This reserve should act as a sinking fund for annual depreciation expense of the utility assets.
- I.1c.7 Debt service reserves should be maintained for each bond issue as required by the bond covenants.
- I.2: Golf and Tennis Operations Fund Policies**
- I.2b: User Fees
- I.2b.1 Golf fees shall be set annually utilizing market-based comparisons and included in the City's Annual Fee Schedule adopted by Council resolution.
- I.2c: Reserves
- I.2c.1 The Golf and Tennis Operations Fund shall maintain a Twenty-Year Resource Allocation Plan Reserve to stabilize economic cycles and maintain service levels over the long term.
- I.2c.2 Any fund balance remaining in the Golf and Tennis Operations Fund shall remain in the Fund for use in subsequent years.

- I.2c.3 The General Fund will maintain a Co- op Sports Reserve to administer the after school intra-mural sports league programs at Sunnyvale Middle School and Columbia Middle School as required by agreement with the Sunnyvale School District.

(Adopted by Resolution 119-88; RTC 88-114 (3/15/88); Amended: RTC 06-353 (11/28/06); Amended: RTC 11-167 (8/9/11); Amended: RTC 12-196 (8/28/12); Amended: RTC 14-0205 (4/29/14); Amended: RTC 17-0245 (4/11/17); Amended: RTC 19-0293 (3/19/2019))

Lead Department: Department of Finance



City of Sunnyvale

Agenda Item

23-0544

Agenda Date: 5/18/2023

BUDGET SUPPLEMENT NO. 1

SUBJECT

Funding for Study Issues for the FY 2023/24 Recommended Budget

BUDGET SUPPLEMENT REQUEST SUMMARY

This Budget Supplement requests funding for eleven study issues ranked above the line at the Council's February 16, 2023 Study Issues/Budget Proposals Workshop.

The study issues are:

Study Issue	Title	FY 2023/24 Cost	20-Year Cost	Funding Source	Recommended?
CDD 19-04	Update to the Historical Context Statement to Include Historical Contributions Made by Asian Americans and Other Minority Groups	\$50,000	\$50,000	General Fund	Yes
CDD 23-01 (Combined w/CDD 23-03)	Consider Increasing Inclusionary Housing Requirements to 20% in New Residential Development, and Review and Update the Housing In-Lieu Fees for Rental and Ownership Housing	\$225,000	\$225,000	General Fund	Yes
DPW 21-01	Bike Lanes on Hollenbeck Avenue between El Camino Real and Homestead Road	\$175,000	\$175,000	General Fund	Yes

Study Issue	Title	FY 2023/24 Cost	20-Year Cost	Funding Source	Recommended?
DPW 22-03	Research Possible Causes of and Potential Mitigation Measures for Nuisance Bird Populations in Sunnyvale Public Spaces	\$100,000	\$100,000	General Fund	Yes
DPW 22-04	Street Tree Repopulation with an Equity Lens	\$50,000	\$50,000	General Fund	Yes
DPW 22-06	Evaluate Range of Options for Shuttle Service and Alternative Transportation Options for Fremont and Homestead High School Students Who Live in North Sunnyvale	\$150,000	\$150,000	General Fund	Yes
ESD 17-01	Eliminate the Use of Chemical Pesticide on City Owned or Leased Property	\$100,000	\$100,000	General Fund	Yes
ESD 23-01	Climate Budgeting	\$75,000	\$75,000	General Fund	Yes
ITD 23-01	Access Sunnyvale Customer Relationship Management System Upgrade to include access designed for Mobile Apps	\$150,000	\$150,000	Technology and Communication Services Internal Services Sub-Fund	Yes

Study Issue	Title	FY 2023/24 Cost	20-Year Cost	Funding Source	Recommended?
ITD 23-02	Evaluate the Development of a Single Mobile Application (Sunnyvale App) for All of the Functions of the Current City of Sunnyvale Mobile Applications	\$48,000	\$48,000	Technology and Communication Services Internal Services Sub-Fund	Yes
LRS 20-03	Assessment of Needs for Additional Outdoor Sports Programs and Facilities	\$65,000	\$65,000	General Fund	Yes
Total Cost		\$1,188,000	\$1,188,000		

BACKGROUND

At the February 16 Study Issues/Budget Proposals Workshop, Council ranked nineteen study issues. Of the nineteen, the City Manager identified six below the line and thirteen recommended for study (above the line). Of the thirteen recommended for study, eleven require funding.

EXISTING POLICY

7.1A.1 Development of the Budget and Resource Allocation Plan

A.1.14 Final actions on study items with significant financial impacts should be withheld until they can be made in the full context of the annual budget process.

DISCUSSION

The FY 2023/24 Recommended Budget reflects a continued recovery from the COVID 19 Pandemic and strong investments in the City's infrastructure that supports high quality service delivery. However, economic uncertainty and persistent inflation does continue to impact expenditures and the longer-term outlook for some of the City's primary revenue sources continues to be a concern. All Study Issues are recommended for funding, however, any changes in the City Manager's recommendation for the amount of funding should come at the cost of reducing another service or project.

ENVIRONMENTAL REVIEW

The action being considered is not a project that requires environmental review under the California Environmental Quality Act (CEQA) because it is a fiscal activity that does not involve a commitment to any specific project which may result in a potentially significant physical impact on the environment. (CEQA Guidelines, Section 15378(b)(4).)

FISCAL IMPACT

The one-year and twenty-year cost is identified in the table at the beginning of this Supplement. Nine of the Eleven Study Issues are funded by the General Fund, with the remaining two funded by the Technology and Communications Services Sub-Fund of the General Services Internal Service Fund. It's also important to note that some of these studies may result in ongoing cost increases for maintenance and operation expenses. These additional costs will be evaluated as part of the report back to Council on each Study that moves forward.

ALTERNATIVES

1. Approve the supplement as proposed.
2. Approve the supplement for a different dollar amount or timing.
3. Do not approve the supplement.
4. Other direction as provided by Council.

STAFF RECOMMENDATION

Staff recommends Alternative 1, Approve the supplement as proposed.

Prepared by: Tim Kirby, Director of Finance
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Study Issue Papers



City of Sunnyvale

Agenda Item

23-0117

Agenda Date: 2/16/2023

2023 COUNCIL STUDY ISSUE

NUMBER

CDD 19-04

TITLE Update to the Historical Context Statement to Include Historical Contributions Made by Asian Americans and Other Minority Groups

BACKGROUND

Lead Department: Community Development

Support Departments: Office of the City Manager

Office of the City Attorney

Sponsor(s): Heritage Preservation Commission

History: 1 year ago: Ranked, Below the Line
2 years ago: Ranked, Below the Line

SCOPE OF THE STUDY

What precipitated this Study?

The Heritage Preservation Commission identified the need for an update to the Historical Context Statement to include more thorough information about Asian Americans and other minority groups. An updated document could help to inform the Council on potential heritage and landmark resources that are not currently designated for preservation.

The City Council adopted the Historical Context Statement in 2012, which provides a framework for setting goals, policies and action statements that direct the City's heritage preservation program. The Historical Context Statement documents different aspects of the historical development of Sunnyvale, such as land use patterns, important events, and architecture. In addition, prominent figures who have contributed to Sunnyvale's history are included, such as the early Native Americans, Spanish-Mexican settlers, European farmers, and Japanese and Chinese laborers and farmworkers.

What are the key elements of the Study?

The Study would expand on the current Historical Context Statement with more detailed information on contributions made by Asian Americans and other minority groups to Sunnyvale's rich and diverse history. Research may include a review of existing publications not already referenced in the current Historical Context Statement, meeting with the Sunnyvale Heritage Park Museum staff, and visits to local libraries and the California History Center at De Anza College.

Estimated years to complete study: 1 year

FISCAL IMPACT

Cost to Conduct Study

Level of staff effort required (opportunity cost): Minor

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Funding Required for Non-Budgeted Costs:	\$50,000
Funding Source:	Will seek budget supplement

A historical consultant would be hired, who would also have access to additional information that may not be readily available to City staff.

Cost to Implement Study Results
Minimal cost expected to implement.

EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION

Council-Approved Work Plan: No

Council Study Session: No

Reviewed by Boards/Commissions: Heritage Preservation Commission

STAFF RECOMMENDATION

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

Staff acknowledges that this additional research would provide an opportunity to further recognize the various achievements of a continually growing diverse community and could inform future decisions related to designation of heritage and landmark resources.

Prepared by: George Schroeder, Principal Planner
Reviewed by: Shaunn Mendrin, Planning Officer
Reviewed by: Trudi Ryan, Director, Community Development
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Link to Historical Context Statement

RTC #: 22-0996

Document Title: Historical Context Statement

Link:

<https://www.sunnyvale.ca.gov/home/showpublisheddocument/1564/637820850929330000>



City of Sunnyvale

Agenda Item

23-0411

Agenda Date: 3/21/2023

2023 COUNCIL STUDY ISSUE

NUMBER

CDD 23-01

TITLE

Consider Increasing Inclusionary Housing Requirements to 20% in New Residential Development, and Review and 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?

At the February 16, 2023 Study Issues/Budget Proposals Workshop, the City Council supported combining CDD 23-03, Review and Potentially Update the Housing In-Lieu Fees for Rental and Ownership Housing, with CDD 23-01, Consider Increasing Inclusionary Housing Requirements to 20% in New Residential Development.

With the affordable housing crisis worsening annually, 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 8-year planning cycle of the Housing Element provides that the City must accommodate nearly 12,000 new residential units, with nearly 6,000 of those units designated as moderate and lower income units.

If a residential developer receives approval, at the City Council's discretion, for alternate compliance (i.e., to not build on-site inclusionary units), one option is to pay an in-lieu fee. Part of this Study would 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 costs. The Rental Housing In-Lieu Fee (Sunnyvale Municipal Code (SMC) Chapter 19.77) and Below Market Rate (BMR) ownership in-lieu fee (SMC Section 19.76.100)

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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 feasibility 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.

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?

The Study would focus on two deliverables: (1) a feasibility study for analyzing an increase of the inclusionary requirement from 15% to 20%, and identifying whether higher in-lieu fees for residential housing is appropriate and whether such fees can be used as a tool to incentivize developers to provide units rather than request to pay an in-lieu fee; and (2) an updated ordinance which would be needed to implement the results of the feasibility study.

- Deliverable 1:

A feasibility study would be prepared to identify whether 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. The Study would analyze appropriate income levels for these requirements based on feasibility and will also evaluate requirements based on residential product types (e.g., townhome, single family detached home). Under Assembly Bill (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, the City would proactively complete the feasibility study with an outside consultant. As part of this feasibility study, to merge the two previously separate Study Issues, the existing residential in-lieu fee structure will also be analyzed to determine if its current rate is or is not accurate based on today’s economic climate, and whether it is achieving its goal of supporting the City to be able to provide funds to non-profit developers to build affordable housing. 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 hinder new residential development. The Study would also analyze local inclusionary requirements of nearby cities to ensure that Sunnyvale aligns with or

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does not greatly exceed the requirement for these communities.

- Deliverable 2:
Depending on the outcome of the feasibility study, an updated ordinance would be prepared to increase residential inclusionary percentages as identified. The City would ensure adequate legal review is included in this ordinance revision because of the new level of review by the State.

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:	\$225,000
Funding Source:	Will seek budget supplement

One feasibility study for both the 20% inclusionary analysis and the reviewing of residential fees will be prepared by a consultant. A consultant would be required to perform the work, along with significant outreach to developers and stakeholders. The Study will focus on various aspects, such as what affordability level is feasible, what product types are feasible, and what in-lieu fees are feasible and appropriate, causing a higher cost than that of a typical feasibility study. As part of the Study, an analysis of neighboring jurisdictions' fees will be conducted as well. Lastly, the cost will include outside legal guidance on a draft Ordinance.

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: Yes

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 to review the inclusionary housing and residential housing in-lieu fees from time to time. With increasing housing demands and a drastically increased sixth cycle RHNA, supporting affordable housing development is more important than ever. Potentially increasing the inclusionary percentage and in-lieu fees can make a huge difference in the affordable housing supply in the coming years. While the current questionable economic climate may have a direct impact on the result of the feasibility study, the City should stay proactive in analyzing these key tools on a regular basis.

Prepared by: Jenny Carloni, Housing Officer

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Teri Silva, Assistant City Manager

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Agenda Date: 3/21/2023

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

23-0105

Agenda Date: 2/16/2023

2023 COUNCIL STUDY ISSUE

NUMBER

DPW 21-01

TITLE Bike Lanes on Hollenbeck Avenue between El Camino Real and Homestead Road

BACKGROUND

Lead Department: Public Works

Support Departments: Office of the City Manager

Office of the City Attorney

Sponsor(s): Bicycle and Pedestrian Advisory Commission

History: 1 year ago: Deferred by Council

2 years ago: Deferred by Bicycle and Pedestrian Advisory
Commission

SCOPE OF THE STUDY

What precipitated this Study?

Hollenbeck Avenue is classified as a collector street and spans from El Camino Real to Homestead Road. The roadway becomes Pastoria Avenue north of El Camino Real and Stelling Road south of Homestead Road. Since there are existing bicycle lanes between El Camino Real and Danforth Avenue and between Alberta Avenue and Homestead Road, the actual Study Segment consists of Hollenbeck Avenue between Danforth Drive to the north and Alberta Avenue to the south. The Study Segment mostly consists of a two-lane road with on-street parking and includes turn lanes at Danforth Drive, Torrington Drive, and Fremont Avenue. The Study Segment does not have bicycle facilities. However, there are Class II Bicycle Lanes on Hollenbeck Avenue north of Danforth Drive to El Camino Real and on Hollenbeck south of Alberta Avenue and continuing on Stelling Road south of Homestead Road throughout Cupertino.

The land uses adjacent to the Study Segment mostly consist of single-family homes with a few local serving properties such as commercial buildings, Challenger School (private school), Church of the Resurrection and Resurrection Catholic School (private school), and Serra Park. In addition, De Anza College is adjacent to Stelling Road in Cupertino.

The purpose of the Study is to determine the feasibility of installing Class II bicycle facilities on the Study Segment to close the gap of missing bicycle lanes and provide direct access to schools, parks, and retail through the Hollenbeck Avenue/Stelling Road corridor.

What are the key elements of the Study?

The Study will include a review of existing and future vehicle, bicycle, and parking usage on Hollenbeck Avenue between Homestead Road and El Camino Real. The project will include level of service analysis, collision analysis, and a parking occupancy analysis. Data collection will consist of

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traffic volumes, collision records, and parking counts.

The Study will also include a re-analysis of the Active Transportation Plan (ATP), which does not contemplate Class II bicycle facilities on the corridor, and the General Plan as part of the need determination. Furthermore, the Study will evaluate the most appropriate bicycle facility, if feasible, for this segment of Hollenbeck Avenue based on existing roadway widths. Vehicle travel lanes may only be narrowed to no less than 11 feet. This task will require a road survey of the Study Segment to obtain accurate roadway widths and for the development of conceptual implementation plans.

Finally, this project will require a public outreach component to evaluate public support for the project. Public outreach may consist of a variety of tasks including community meetings, online surveys, and mail surveys for adjacent properties that would be affected by the parking removal.

Estimated years to complete study: 2 years

FISCAL IMPACT

Cost to Conduct Study

Level of staff effort required (opportunity cost): Major

Funding Required for Non-Budgeted Costs: \$175,000

Funding Source: Will seek budget supplement

The cost associated with this Study would be for consultant services to perform the study as listed under the Key Elements of the Study. City staff will work with the consultant throughout the project process including the analysis and the development of recommendations, as well as the public outreach efforts.

Cost to Implement Study Results

Unknown. The 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: No

Reviewed by Boards/Commissions: Bicycle and Pedestrian Advisory Commission

STAFF RECOMMENDATION

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

The existing roadway width on Hollenbeck Avenue within the Study Segment prohibits the possibility of implementing bike lanes without the removal of existing on-street parking or a vehicle turning lane at some of the intersections. This could negatively impact the parking needs of the residents or other properties along the Hollenbeck Avenue corridor and the traffic operations at the intersections along the Study Segment.

Additionally, the City has adopted the Active Transportation Plan (ATP), which has identified several bicycle, pedestrian, and safe routes to school improvements that are needed throughout the City. Staff resources will be dedicated to implementing the improvements identified in the ATP. The ATP describes improvements on parallel nearby facilities such as a Class IV facility on Sunnyvale-

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Saratoga Road and Class II facility and protected intersections along Mary Avenue.

Prepared by: Lillian Tsang, Principal Transportation Engineer

Reviewed by: Dennis Ng, Transportation and Traffic Manager

Reviewed by: Chip Taylor, Director, Public Works

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

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Agenda Date: 2/16/2023

2023 COUNCIL STUDY ISSUE

NUMBER

DPW 22-03

TITLE Research Possible Causes of and Potential Mitigation Measures for Nuisance Bird Populations in Sunnyvale Public Spaces

BACKGROUND

Lead Department: Department of Public Works

Support Departments: Office of the City Manager

Office of the City Attorney

Sponsor(s): Councilmembers: Cisneros, Din, Melton, Klein

History: 1 year ago: Ranked, Budget Supplement not Approved

2 years ago: N/A

SCOPE OF THE STUDY

What precipitated this Study?

Nuisance bird populations such as the American Crow (*Corvus brachyrhynchos*) and Canadian Goose (*Branta canadensis*) have seemed to increase dramatically over the last 10 years in many of Sunnyvale's public spaces. Crows and other birds tend to roost in the downtown areas of Plaza Del Sol and Historic South Murphy Avenue. As a result, residents and City staff have noticed a substantial increase in the amount of bird droppings, especially at Plaza Del Sol, South Murphy Avenue and the immediate surrounding areas including street surfaces and sidewalks. The excessive droppings are very unsightly, may negatively affect businesses in the area and potentially may pose a health risk to humans. City staff have received numerous complaints from residents and business owners regarding the bird droppings. In Fall of 2021, staff did a pilot investigation of utilization of green laser to deter crows from Plaza Del Sol. The long-term results of that pilot have not yet been determined.

Also, at the Sunnyvale Community Center, Canadian Geese have been particularly difficult to keep away, also resulting in excessive amounts of bird droppings and numerous public complaints. In both areas (Downtown and Community Center), City staff have used a variety of techniques (e.g., visual deterrents, trained dogs) to scare away the birds with little effect. In addition, staff has significantly increased the amount of pressure washing of the affected areas and, in the case of Plaza Del Sol, changed the frequency of trash collection from three times a week to daily. Also, City staff partnered with a local property manager to employ a falconer to use a falcon to harass the birds around Plaza Del Sol and Historic Murphy Avenue with little lasting effect.

What are the key elements of the Study?

This Study would investigate the root causes of the increase in the large nuisance bird populations in

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Sunnyvale public spaces with a focus on the areas around Plaza Del Sol, Historic South Murphy Avenue and the Sunnyvale Community Center. In addition, the Study would provide a range of potential mitigation measures and associated costs to implement. If approved, a consultant would be hired to study what specifically is causing the large number of nuisance birds in downtown Sunnyvale and the Community Center such as increased resident population, trash or loss of habitat. The Study would also give a broad range of mitigation techniques and strategies, with costs, both short and long-term, that could be implemented together or independently to discourage or eliminate the large nuisance bird populations in the previously mentioned locations.

Estimated years to complete study: 2 years

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

A consultant would be hired to conduct the research related to the nuisance bird populations and provide differing levels of mitigation techniques and associated costs.

Cost to Implement Study Results

Unknown. The 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: No

STAFF RECOMMENDATION

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

Staff supports the Study Issue as the bird nuisance is complex and not easily understood or remedied. City staff has already tried a number of techniques to discourage the birds in the mentioned areas with little success.

Prepared by: Jim Stark, Parks Superintendent

Reviewed by: Chip Taylor, Director, Department of Public Works

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

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2023 COUNCIL STUDY ISSUE

NUMBER

DPW 22-04

TITLE Street Tree Repopulation with an Equity Lens

BACKGROUND

Lead Department: Department of Public Works
Support Departments: Office of the City Manager
Office of the City Attorney
Environmental Services Department
Sponsor(s): Sustainability Commission
History: 1 year ago: Ranked, Below the Line
2 years ago: N/A

SCOPE OF THE STUDY

What precipitated this Study?

In February 2021, the Department of Public Works, Parks Division presented an update to the Sustainability Commission on the City's Urban Forest Management Plan (UFMP). In this presentation, staff noted that there are more than 5,000 empty street tree spaces. The goal of the UFMP is to increase the urban tree canopy to 20.5%. Currently, canopy coverage is at 18.5% (2007 data); achieving the goal of 20.5% would require adding 29,000 new trees. Thus, filling empty tree spaces will be important to achieving this goal. The cost of planning, planting, watering and lifetime trimming of street trees is significant, but results in environmental benefits (e.g., reduced heat island effect, improved air quality, and carbon sequestration).

The City's Climate Action Playbook's Play 4.3 goal is to enhance natural carbon sequestration capacity by implementing various strategies, including Move 4.F (Implement the City's UFMP and continue to protect and greatly expand tree canopy). Further, prioritizing trees in underserved neighborhoods is aligned with Council's Policy Priority of Equity, Access, and Inclusion. This Study Issue aims to ensure the available resources are used to add trees in underserved, low-income neighborhoods, or neighborhoods with the least amount of tree cover.

What are the key elements of the Study?

The intent of this Study is to develop a strategy/plan for planting trees in the 5,000 vacant tree locations within five years. This strategy/plan would include the following elements:

1. Identify how to fill all 5,000 vacant street tree locations within five years including how to secure the resources required. This would include a cost analysis for:
 - a. Planting trees and establishing them; and
 - b. Ongoing maintenance and operation costs following tree planting. In the past, the responsibility, cost, and logistics of watering newly planted trees has been a barrier for

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their establishment.

2. Develop a strategy for prioritizing residential areas with lower tree canopy, low-income neighborhoods, multifamily dwellings, and other historically underserved 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: \$50,000

Funding Source: Will seek budget supplement

This Study can be conducted by staff and consultant services.

Cost to Implement Study Results

Staff estimates that the cost to implement this Study is significant. The Study will develop estimates to implement this type of program including the cost of new trees, planting the trees, installing root barriers, and watering the trees during the first three years of establishment. Additional staff and at least one watering truck may be necessary to maintain the new trees.

EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION

Council-Approved Work Plan: No

Council Study Session: No

Reviewed by Boards/Commissions: Sustainability, Parks and Recreation

STAFF RECOMMENDATION

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

The Study would provide valuable information for evaluating the implementation of two key City Plans: the UFMP and the Climate Action Playbook. An analysis of vacant tree locations in underserved neighborhoods could help to accelerate and guide the City's implementation of the UFMP, and ensure that these neighborhoods would be prioritized when resources become available for adding new trees in the future. Based on staff's experience, residents in underserved neighborhoods tend to decline a street tree as they typically do not have resources (e.g., time, income) to care for it. In addition to prioritizing locations in underserved neighborhoods, this Study would examine a longer-term resource plan for maintaining trees where residents may otherwise face hardships or challenges to maintain the trees themselves. Developing such a resource plan would assist staff in budgeting reliably for future UFMP implementation, while addressing equity disparities and achieving climate goals.

Prepared by: Madeline Willett, Environmental Programs Manager

Reviewed by: Jim Stark, Superintendent of Parks and Golf

Reviewed by: Ramana Chinnakotla, Director of Environmental Services

Reviewed by: Chip Taylor, Director of Public Works

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

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2023 COUNCIL STUDY ISSUE

NUMBER

DPW 23-06

TITLE Evaluate Range of Options for Shuttle Service and Alternative Transportation Options for Fremont and Homestead High School Students Who Live in North Sunnyvale

BACKGROUND

Lead Department: Department of Public Works

Support Departments: Office of the City Manager

Office of the City Attorney

Sponsor(s): Councilmembers: Srinivasan, Mehlinger, Sell, Cisneros,
Klein, Melton, and Din

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

SCOPE OF THE STUDY

What precipitated this Study?

Implementing a shuttle service or alternative transportation option program may help bridge gaps in the current public transit system and provide services for Fremont and Homestead High School students who live in the northern part of Sunnyvale. The existing transit service provided by the Santa Clara Valley Transportation Authority (VTA) is very limited in terms of bus routes and schedule. Currently, VTA Bus 55 and 523 serve Fremont High School. Bus 523 currently operates with a 20-minute headway throughout the day, where Bus 55 currently operates with a 30-minute headway throughout the day with a special stop in the afternoon at Fremont Avenue at Sydney Drive. VTA Bus 51H, 53 and 523 serve Homestead High School. Bus 51H operates with 60-minute headway during the morning and afternoon school commute hours. Bus 53 operates with a 30-minute headway throughout the day. Bus 523 stops east of the school on Homestead Road at Hollenbeck Avenue with a 20-minute headway throughout the day. Implementing a shuttle service or alternative transportation option program would provide more flexibility than traditional fixed-route bus services, potentially a shorter wait time and a shorter walking distance for students to attend school as well as their after-school activities. This program has the potential to decrease automobile reliance, and, if electric shuttles or vehicles are utilized, to reduce greenhouse gas emissions.

What are the key elements of the Study?

The Study will evaluate a range of options for shuttle service or alternative transportation options serving mainly high school students living in the northern part of Sunnyvale. As this potential service is for students, the Study will include a review of federal and state laws to determine if there are any requirements related to transporting students. The program will include public outreach meetings, as well as online surveys for students and parents who attend Fremont and Homestead High Schools, to understand the needs and potential usage of the program. The Study will also include discussion

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with the administrators of Fremont Union High School District about the school district's ability to provide school bus service for students or potential partnership in deploying such service, and discussion with VTA on possibility and costs to increase service levels to both high schools. The Study will determine the quantity of shuttles or alternative transportation options needed, routes, schedule, and shuttle stop locations. It will explore whether the shuttle would be a fixed-route, multiple fixed-routes, or on-demand service, depending on time of day and class schedule. Depending on whether an on-demand service is recommended, the Study will investigate various technology options for users to request service. It will also evaluate the various types of commercially available shuttles or alternative transportation options, including green options. If needed, the Study will include coordination with the administrators at Fremont Union High School District on developing a future communication plan to student's families and students who will be using the service. The Study will determine transportation options available to high school students, the operating costs of a shuttle program, an affordable fare structure, as well as identify ride share funding opportunities and other transportation options beyond shuttles such as carpool or enhanced transit service.

Estimated years to complete study: 2 years

FISCAL IMPACT

Cost to Conduct Study

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

The cost associated with this Study would be for consultant services to perform the study as listed under the Key Elements of the Study. City staff will work with the consultant throughout the project process in the analysis and the development of the recommendations, as well as the public outreach efforts.

Cost to Implement Study Results

Unknown. The Study would include assessment of potential costs, including capital and operating costs to run the scheduled and on-demand school shuttle program. It will also identify funding opportunities to implement the program and evaluate potential fare structures, which could provide some revenue to offset the cost.

EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION

Council-Approved Work Plan: No
Council Study Session: No
Reviewed by Boards/Commissions: No

STAFF RECOMMENDATION

Defer. This policy issue merits discussion at a future Study Issues Workshop.

In 2016, the City, in partnership with the Santa Clara Valley Transportation Authority (VTA), was awarded \$1,129,000 from the Metropolitan Transportation Commission Climate Initiatives Parking Management and Transportation Demand Management Grant Program to implement the Peery Park Shuttle Program. The City Council also approved a local match of \$400,000 and subsequently another \$100,000 to ensure that the shuttle program would be fare-free to passengers. The funding

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from the grant is for the operation of a two-year pilot shuttle program that would run in an area generally bounded by the Mountain View/Sunnyvale city limits on the west, El Camino Real on the south, Fair Oaks Avenue on the east and US Highway 101 on the north, which includes the Peery Park Specific Plan area and nearby neighborhoods. The shuttles would likely run on-demand. The City and VTA originally hoped to launch the Peery Park Shuttle Program in the summer of 2020. The COVID-19 pandemic caused a pause in the start of the pilot program as many of the potential riders in Sunnyvale are working from home for the foreseeable future. With employees within the Peery Park area starting to return to in-person office work, the City and VTA are working to start operation of this pilot program in May 2023. Since the Peery Park Shuttle Program is fully funded, when it starts operation, staff can evaluate the effectiveness of the shuttle program to gauge ridership as well as operating costs including feasibility to scale up to cover the entire City.

In addition, City Council has ranked Study Issue DPW 22-07 “Evaluate a Range of Options for On Demand Shuttle Service including Technology Options, Availability of Electric Shuttles, and Potential Funding Sources” at the 2022 Study Issues/ Budget Proposals Workshop; however, it was below the line for budget allocation during the Fiscal Year 2022/23 Budget Workshop. This year, DPW 22-07 (RTC No. 23-0102) will be brought back to City Council for ranking. This Study will evaluate the implementation of a citywide on-demand shuttle service for any destination within Sunnyvale.

Prepared by: Joshua Llamas, Transportation Planner
Reviewed by: Dennis Ng, Transportation and Traffic Manager
Reviewed by: Chip Taylor, Director, Department of Public Works
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

23-0110

Agenda Date: 2/16/2023

2023 COUNCIL STUDY ISSUE

NUMBER
ESD 17-01

TITLE Eliminate the Use of Chemical Pesticide on City Owned or Leased Property

BACKGROUND

Lead Department: Environmental Services Department
Support Departments: Office of the City Manager
Office of the City Attorney
Public Works Department
Library and Recreation Services
Sponsor(s): Sustainability Commission
History: 1 year ago: Deferred by Council
2 years ago: Ranked, Budget Supplement Not Approved

SCOPE OF THE STUDY

What precipitated this study?

The Sustainability Commission raised concerns that using chemicals to control weeds and pests may contaminate water and soil leading to negative long-term impacts to human health and non-targeted species (e.g., bees, aquatic life, birds, pets, and beneficial insects).

What are the key elements of the Study?

The purpose of this Study is to evaluate the effectiveness of the City's current Integrated Pest Management (IPM) Policy (Administrative Policy Manual, Chapter 6, Article 12), levels of pesticide use on City property, assess community support for eliminating pesticide use on City property and identify the potential impact on City operations. Additionally, the Study will also consider opportunities for educating residents about chemical pesticide alternatives.

Key Study elements include:

- Identify current costs to the City for purchasing and applying pesticides (i.e., insecticides, herbicides, fungicides, and rodenticides) that are covered in the IPM Policy. Separately identify costs of "Pesticides of Concern" and other chemical pesticides (e.g., glyphosate) used that are not on the 'concern' list. Identify expected net costs of further reducing and eliminating all pesticide use on City property (e.g., increased cost of mechanical weed removal, physical barriers, etc. minus savings from not purchasing pesticides, using mulch etc.).
- Identify benefits to community and environment. These will not be monetized since it is beyond the scope of this Study to assess the value of environmental benefits.

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- Identify cost of a pilot study in selected parks or City properties to measure costs/savings in a real application.
- Study cost of implementing a public outreach program to encourage pesticide elimination at homes, schools and businesses and provide information on alternative control means.
- Through a survey of residents and businesses, identify level of awareness and concern by the public on this topic and the desire for the City to devote attention to further pesticide reduction and eventual elimination.
- Benchmark and monitor progress of other cities in the region who have undertaken similar actions.
- Review the City's IPM Policy (effective June 1, 2010) and consider cost/benefit to:
 1. Provide public notification prior to the application of pesticides in public areas;
 2. Add reporting measures to allow the public to be informed on the quantities of each chemical pesticide used by the City (or associated contractors) on an annual basis;
 3. Eliminate use of specific synthetic pesticides that have significant known human toxicity and ecotoxicity impacts; and
 4. Eliminate use of synthetic pesticides within a certain distance of playgrounds and creeks/channels where they may pose a threat to human health and water quality.

Estimated years to complete study: 2 years

FISCAL IMPACT

Cost to Conduct Study

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

The Study would be completed with a mix of staff time and additional consultant services as follows:

- Department of Public Works (DPW) is responsible for landscape management, including the application of pesticides and herbicides on City property.
- Environmental Services Department (ESD), with support from DPW, will take the lead in evaluating the public outreach aspects of the study and complete a survey of residents and businesses.
- The consultant, with management from ESD and support from DPW staff, will survey and monitor what other cities in the area have undertaken for similar projects, complete a cost analysis for current practices and possible changes, and identify options for a pilot project and costs associated with it.

Staff had previously indicated an intention to apply for grant funding. After evaluating grant funding opportunities, staff has determined that the California Department of Pesticide Regulations' (DPR) Alliance Grant Program is not a good match for funding this Study Issue. The Alliance Grant Program would be better suited to fund implementation of actions that the City may take as a result of this Study.

The cost does not anticipate a time-in-motion study to estimate potential cost impacts of chemical alternatives, such as mechanical weed removal. The determination of the net cost impact of chemical alternatives, as identified in the study scope, would be estimated based on research of cost impacts

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experienced by the benchmarked communities. Additional funding beyond the \$100,000 may be needed to conduct time-in-motion studies and such costs will be included in the development of the potential pilot project to measure costs/savings in a real application as identified in this Study Issue.

Cost to Implement Study Results

Unknown. The 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: No

Reviewed by Boards/Commissions: Sustainability Commission, Parks and Recreation Commission

STAFF RECOMMENDATION

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

Staff recommends supporting this Study Issue. Last year, staff recommended deferral, pending the outcomes of a planned application for the California Department of Pesticide Regulations' (DPR) Alliance Grant Program to implement the key elements of this Study. However, after further evaluation of the feasibility of applying for that grant and the grant requirements, staff have concluded that the Alliance Grant Program is better suited to fund implementation of actions that may result from this Study rather than the Study itself.

The City's current IPM policy has been in place since 2010. City DPW staff receives annual training on the IPM policy, and pest control contractors are required to also comply with the policy when working on City property. In accordance with the IPM policy, pesticides are used only after other controls have been considered and applied and data on pesticide usage are reported to ESD on a monthly basis. Additionally, the City provides education on IPM at environmental outreach events and participates in regional educational campaigns. ESD also hosts sustainable landscaping classes that promote alternatives to pesticides in partnership with the Bay Area Water Supply and Conservation Agency (BAWSCA) in the spring and fall.

Other cities in the region are implementing variations of limited pesticide use programs. Some examples are:

1. The City of Menlo Park eliminated the use of pesticides in a majority of city parks in 2018, excluding athletic fields. (Menlo Park action, February 2018, www.menlopark.org/DocumentCenter/View/16607/12---Herbicide-Free-Parks?bidId=). Some parks were included as potential sites for future pesticide elimination. Additional costs for FY 20/21 are estimated at approximately \$400,000 (Contract award to pest control contractor, July 2020, www.menlopark.org/Archive/ViewFile/Item/11429).
2. The City of Los Altos discourages the use of synthetic pesticides in city-owned parks and open spaces, relying instead on certified organic pesticide products and IPM techniques (Revised IPM Policy, August 2020, www.losaltosca).
3. The City of Palo Alto limited the use of specific pesticides (e.g. glyphosate), designated pesticide-free locations, and eliminated use of pesticides within 100 feet of playgrounds and creeks (Revised IPM Policy, July 2020, www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=71323.71&BlobID=79014).

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This Study would provide valuable information to inform potential revisions to the City's IPM policy and also allow the City to pilot pesticide-free facilities. This is aligned with the City's stormwater management practices and goal of achieving a healthier, safer community.

In December 2020, Chair Wickham of the Sustainability Commission presented on best practices of pesticide management with a focus on local municipalities. The presentation noted that in all cases the transition from chemical pesticide use resulted in an increased operating cost. The presentation also noted that there are significant ecological and community health benefits associated with eliminating chemical pesticide use. A copy of the presentation is available here:

<https://sunnyvaleca.legistar.com/View.ashx?M=AO&ID=98034&GUID=dca43681-dda3-492b-972b-8acbed24bffc&N=QmVzdCBQcmFjdGljZXMgZm9yIFBlc3RpY2lkZSBNYW5hZ2VtZW50>

Prepared by: Madeline Willett, Environmental Programs Manager

Reviewed by: Ramana Chinnakotla, Director, Environmental Services

Reviewed by: Chip Taylor, Director, Public Works

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

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2023 COUNCIL STUDY ISSUE

NUMBER
ESD 23-01

TITLE Climate Budgeting

BACKGROUND

Lead Department: Environmental Services Department
Support Departments: Office of the City Manager
Office of the City Attorney
Department of Finance
Sponsor(s): Sustainability Commission
History: 1 year ago: N/A
2 years ago: N/A

SCOPE OF THE STUDY

What precipitated this Study?

During a Sustainability Commission discussion of the City budget, the Commission reflected that identification of climate impacts of projects could be incorporated into the budget process to show overall alignment of the budget with the City's Climate Action Playbook (Playbook). Because the City does twenty-year financial planning for all its major funds, and the greenhouse gas reduction goals are established for 2030 and 2050, consideration of greenhouse gas impacts of projects and operations should be incorporated in the City's budget. This Study Issue would assess if and how a climate impacts can be incorporated into the City's budget and long-term planning process.

A climate budget is a new system that embeds climate targets into decision-making, as part of a city's ordinary budgeting process (C40 Cities Climate Leadership Group). It ensures that long-term emissions reduction targets are integrated into a city's daily operations and policies. It is different from a carbon budget, which determines the city's allowable emissions consistent with limiting global warming effects. Climate budgeting is a new and emerging concept with limited and varied examples of implementation. The Commission emphasized the opportunity for an incremental approach to ensure that implementation is not delayed.

Currently, the City's budget process includes a review of each operating budget or project budget for alignment with the City's plans and goals, including environmental goals identified in the City's General Plan. The Commission is requesting examination of a more enhanced process for determining alignment, specifically with the Playbook goals and utilizing the guidelines and structure of climate budgeting.

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The Commission has recommended the City look to resources and guidelines provided by C40 Cities Climate Leadership Group's knowledge hub (https://www.c40knowledgehub.org/s/article/Climate-budgets-why-your-city-needs-one?language=en_US).

What are the key elements of the Study?

Climate budgets are a new concept and initiative that vary in structure and implementation based on the cities process for decision making and budget development. To address the question of how evaluation of projects and operating budget for greenhouse gas emissions impacts can be incorporated into the budget development and review process, the Study will consist of:

- Research how climate budgeting, or similar processes, have been implemented in other cities, specifically looking for local examples. This research will utilize networks like Green Cities California and Urban Sustainability Directors Network for best practices.
- Based on the research findings, evaluate how to implement climate budgeting within Sunnyvale's budget development process. This evaluation should consider a phased approach to implementation:
 - o Initially, this could consist of identifying qualitatively whether project and operation budget items support Playbook targets or not during the budget approval process. This would be made transparent in the published budget (i.e., included in the project one page overview)
 - o Eventually, implement an approach that quantitatively assesses the greenhouse gas emission reductions or additions of project and operation budget items.

Estimated years to complete study: 18 months

FISCAL IMPACT

Cost to Conduct Study

(Delete any empty rows in table)

Level of staff effort required (opportunity cost):	Moderate
Funding Required for Non-Budgeted Costs:	\$75,000
Funding Source:	Will seek budget supplement

This Study would require a moderate level of staff research and coordination. The climate budgeting concept is a relatively new and emerging concept with limited examples of implementation. The Finance Department would provide guidance and research on how climate budgeting could be incorporated into the current budget process. The Environmental Services Department would provide guidance on how to show alignment of the project and operating costs with the Playbook. The Environmental Services Department would also examine the potential for calculating the greenhouse gas reduction potential of budget items.

A consultant or supplemental staff would be needed to assist in completing the evaluation and research of this Study. The Department of Finance and Environmental Services Department would co-lead this effort. If a consultant is required for this work, staff will time the consultant onboarding with the start of the budget review process.

Cost to Implement Study Results

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

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as revenue/savings. It is likely a consultant would be needed to support the evaluation of greenhouse gas reduction potential for budget items. If the budget process is altered, there will be significant Finance, managerial, and executive leadership staff time to implement the updated process.

EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION

Council-Approved Work Plan: No

Council Study Session: No

Reviewed by Boards/Commissions: Sustainability Commission

STAFF RECOMMENDATION

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

Staff feel that evaluating how to integrate consideration of the City's Playbook goals and targets into the decision-making process is critical to achieving the 2030 and 2050 emission reduction goals. While Sunnyvale achieved 44% below 1990 levels in 2020, which is only 12% away from the 2030 goal, it is expected that the 2021 and 2022 emissions will be higher as the economy rebounds from COVID-19 impacts. While the City is close to achieving the Play level metric targets of Strategy 1: Promoting Clean Electricity, progress toward other targets is still slow. Three critical targets to achieve in order to meet the City's 2030 emission reduction goal are:

- 20% of homes and businesses completely electrified
- 20% reduction in vehicle miles traveled
- 20% of all vehicles on road are zero-emission

Implementing components of a process similar to climate budgeting could help Sunnyvale prioritize projects and operational decisions that contribute to advancing these targets. Staff feel that conducting research on climate budgeting could illuminate alternative implementation strategies to help the City achieve its Playbook targets.

Prepared by: Madeline Willett, Environmental Programs Manager

Reviewed by: Ramana Chinnakotla, Director, Environmental Services Department

Reviewed by: Dennis Jaw, Assistant Director of Finance

Reviewed by: Tim Kirby, Director, Finance Department

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

23-0125

Agenda Date: 2/16/2023

NUMBER
ITD 23-01

TITLE Access Sunnyvale Customer Relationship Management System Upgrade to include access designed for Mobile Apps

BACKGROUND

Lead Department: Information Technology Department
Support Departments: Office of the City Manager
Office of the City Attorney
Sponsor(s): Councilmembers: Mehlinger, Din, Cisneros, Klein,
Srinivasan
History: 1 year ago: N/A
2 years ago: N/A

SCOPE OF THE STUDY

What precipitated this Study?

Access Sunnyvale, the City's web portal and customer relationship management (CRM) system was implemented in 2017 with input from all City departments. The needs of our community have changed, along with the technology. The current system does not have a mobile application, but can be accessed on a mobile device, which can be more challenging based on feedback from users. Users want the ability to report issues from their mobile phones, tablets and other devices the moment they notice an issue, without waiting to get back to a computer. This Study Issue seeks to improve the user experience on Access Sunnyvale.

What are the key elements of the Study?

This Study Issue would include identifying technical and user requirements for a user-focused interface for Access Sunnyvale, including a modernized desktop/web experience and mobile application (able to run on iOS and Android). The goal is to create an easier to use interface for public users (residents and businesses), while streamlining processes for internal users (City staff). The Study Issue will provide options that will be presented to Council. This Study Issue will receive assistance from a consultant who can help the City address the following potential requirements:

- review potential for meeting current needs with an integrated mobile application
- community outreach with residents, neighborhood associations, businesses, and other stakeholders
- simplify ticket categories and optimize the request creation process

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- optimize the routing and workflow to complete requests
- establish a user account system that remembers user profiles from session to session
- review alternative technology solutions with cost-benefit analysis
- provide a report to Council on the existing technology platform along with various options and costs to improve the customers' experience

Estimated years to complete study: 1 year

FISCAL IMPACT

Cost to Conduct Study

Level of staff effort required (opportunity cost):	Medium
Funding Required for Non-Budgeted Costs:	\$85,000
Funding Source:	Will seek budget supplement

The cost of this Study would be the use of a consulting firm to conduct an assessment and identify potential Access Sunnyvale enhancement options. The consulting firm will work closely with the Information Technology Department, City Manager's Office, representatives from each City department, and engage the community in order to explore comprehensive alternatives.

Cost to Implement Study Results

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

EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION

Council-Approved Work Plan: Yes

Council Study Session: No

Reviewed by Boards/Commissions: No

STAFF RECOMMENDATION

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

At a minimum, the Study Issue will set the direction for potential improvements to Access Sunnyvale.

Prepared by: Kathleen Boutté Foster, Chief Information Officer

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

23-0200

Agenda Date: 2/16/2023

2023 COUNCIL STUDY ISSUE

NUMBER
ITD 23-02

TITLE Evaluate the Development of a Single Mobile Application (Sunnyvale App) for All of the Functions of the Current City of Sunnyvale Mobile Applications

BACKGROUND

Lead Department: Information Technology Department

Support Departments: Office of the City Manager

Office of the City Attorney

Finance Department

Sponsor(s): Councilmembers: Srinivasan, Klein, Mehlinger, Melton,
Cisneros, Din, Sell

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

SCOPE OF THE STUDY

What precipitated this Study?

Mobile applications (apps) have become ubiquitous for interactions between users and organizations. Mobile apps make it easier for residents to interact with the City. Currently there are three mobile apps on Google play and Apple Store related to services provided by the City: Sunnyvale Recycles Right, Sunnyvale Street Sweeping, and Sunnyvale Public Library Mobile. As more and more City services are mobile-enabled, there needs to be a single solution with a consistent user-interface for all these apps. This single mobile application (framework) would allow users to get information, interact, communicate, and transact with the City for common online services. This will provide a central mobile app to be downloaded on the users' phone or mobile device and provide an easier one-stop experience for the residents. This Study Issue was requested by Councilmember Srinivasan and supported by Mayor Klein, and Councilmembers Mehlinger, Melton, Cisneros, Din and Sell during the January 24, 2023 Council meeting.

What are the key elements of the Study?

The Study would evaluate the requirements, define the framework, and standards for the Sunnyvale App. The app would specify the user interface and user experience for the different elements and functions of the app.

This Study Issue will receive assistance from a consultant who can help the City address the following requirements:

- Define a potential framework to develop a single mobile application for all residents and businesses to communicate, track, interact, and transact with the City.

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- Evaluate options for developing a single mobile application to access common City online and mobile services.
- Evaluate the potential consolidation of the City's three separate applications.
- Provide alternatives that include implementation costs and any potential revenues or savings.

This Study Issue will not develop the Single Sunnyvale application but will provide Council with options on what can/should be developed with associated cost estimates.

Estimated years to complete Study: Four to six months, once contract is signed

FISCAL IMPACT

Cost to Conduct Study

Level of staff effort required (opportunity cost): Moderate

Funding Required for Non-Budgeted Costs: \$ 48,000

Funding Source: Will seek budget supplement

The cost of this Study would be the use of a consulting firm to gather requirements, identify potential frameworks to create a single mobile app, and potential options for development that will also include budgetary cost estimates. The consulting firm will work closely with the Information Technology Department, City Manager's Office, current app vendors, and department stakeholders in order to provide the most appropriate options.

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: No

Reviewed by Boards/Commissions: No

STAFF RECOMMENDATION

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

Prepared by: Kathleen Boutté Foster, Chief Information Officer

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

23-0012

Agenda Date: 2/16/2023

2023 COUNCIL STUDY ISSUE

NUMBER
LRS 20-03

TITLE Assessment of Needs for Additional Outdoor Sports Programs and Facilities

BACKGROUND

Lead Department: Library and Recreation Services Department
Support Departments: Office of the City Manager
Office of the City Attorney
Department of Public Works
Sponsor(s): Parks and Recreation Commission
History: 1 year ago: Ranked, Budget Supplement Not Approved
2 years ago: Ranked, Budget Supplement Not Approved

SCOPE OF THE STUDY

What precipitated this Study?

Shifts in Sunnyvale's resident demographics and diversity relative to youth, older adults and national origin have led to an increased demand for certain outdoor sports, especially pickleball, tennis and cricket. These activities provide residents the opportunity to take advantage of our favorable year-round weather while providing exercise through social and competitive play. Northern California continues to be a hotbed of activity for tennis. Pickleball is growing rapidly in many neighboring South Bay cities, and cricket is gaining in popularity.

Completion of this Study will assure that Sunnyvale is meeting current and future resident recreation needs while properly planning for future growth in these recreational areas. A competitive analysis, including other South Bay cities, will ensure that Sunnyvale is on the right track in serving the community.

What are the key elements of the Study?

The purpose of this Study is to consider current recreation trends and community needs relative to certain outdoor sports, especially pickleball, tennis and cricket. The Study would look at programs and facilities in neighboring cities and engage the Sunnyvale community through surveys and needs assessments, including community outreach meetings, relative to the activities. The Study shall also include current facility use and demand, long-range park capital projects and consider future opportunities and partnerships with the potential to impact land use and service delivery for these emerging recreation needs.

Estimated years to complete Study: 1 year

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Agenda Date: 2/16/2023

FISCAL IMPACT

Cost to Conduct Study

Level of staff effort required (opportunity cost):	Moderate
Funding Required for Non-Budgeted Costs:	\$65,000
Funding Source:	Will seek budget supplement

The cost associated with the Study is to hire a consultant to evaluate current and future opportunities and facilities available for tennis, pickleball and cricket relative to community interests/needs and compare to neighboring cities. The level of effort is considered moderate as staff and management will be facilitating public outreach and meeting with the consultant to advise on current practices, current infrastructure and capital plans, as well as various opportunities and challenges at current park resources within the City.

Cost to Implement Study Results

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

EXPECTED CITY COUNCIL, BOARD OR COMMISSION PARTICIPATION

Council-Approved Work Plan: No

Council Study Session: Yes

Reviewed by Boards/Commissions: Parks and Recreation Commission

STAFF RECOMMENDATION

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

There are currently no public facilities dedicated to pickleball or cricket within the City of Sunnyvale. While Ortega Park has a public cricket pitch, the fields are predominantly used by youth softball, baseball and soccer, leaving very little availability for cricket play. The recently renovated Fair Oaks Park (synthetic turf field) was striped with multi-functional field lines, including cricket; however, the overall design and shape of the field does not support regulation cricket play or provide a dedicated/permanent pitch. Lakewood Park is scheduled for renovation within the next few years and may provide an opportunity for a dedicated/permanent cricket pitch and/or pickleball courts based on this study and community outreach during the park designing process.

Prepared by: Damon Sparacino, Superintendent of Recreation Services

Reviewed by: Michelle Perera, Director, Library and Recreation Services

Reviewed by: Chip Taylor, Director, Public Works

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

23-0558

Agenda Date: 5/18/2023

BUDGET SUPPLEMENT NO. 2

SUBJECT

Potential Additional Services or Reductions to be Considered for the FY 2023/24 Recommended Budget

BUDGET SUPPLEMENT REQUEST SUMMARY

Budget Supplement No. 2 presents potential appropriations above or below what is included in the FY 2023/24 Recommended Budget. Staff is not recommending any changes to the Recommended Budget as submitted; however, this supplement provides additional options for Council to augment the budget prior to adoption. The additions included in this supplement were considered but not recommended for inclusion. The reductions are included but give Council some options to offset any additions it desired.

BACKGROUND

As part of the City's budget process, the City presents a Recommended Budget based on the City Charter and Council Policy, the level of revenue available, the costs of existing and new expenditures, and the level of revenues that are needed to ensure sustainable services. The items presented in Budget Supplement No. 2 are changes in service levels or capital projects that are not initially recommended by the City Manager, but are put forward for the sake of transparency and Council consideration. The Council may amend the recommended budget by directing staff to incorporate these items during the Budget Workshop on May 18, 2023.

EXISTING POLICY

Sunnyvale City Charter Section 1302 requires the City Manager to submit a proposed ten-year balanced budget to Council at least 35 days prior to the end of the fiscal year. to adopt the budget for the upcoming fiscal year on or before June 30.

Council Policy 7.1.1 (Fiscal -Long Range Goals and Financial Policies):

7.1A.1.3 A balanced Twenty-Year Resource Allocation Plan shall be presented to the City Council annually.

7.1A.1.9 The City Council shall adopt the City Manager's Recommended Budget, with any changes desired, by resolution before June 30th of each year.

7.1A.1.13 All competing requests for City resources should be weighed within the formal annual budget process.

7.1E.1.4 The Budget Stabilization Fund will be a minimum of 15% of projected revenues for the first two years of the 20-year planning period. Beyond year two, the Budget Stabilization Fund will always have a balance of at least zero.

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ENVIRONMENTAL REVIEW

This action is not a project that requires environmental review under the California Environmental Quality Act (CEQA) because it is a fiscal activity that will not result in physical changes to the environment (CEQA Guidelines, Section 15378(b)(4)).

DISCUSSION

The FY 2023/24 Recommended Budget maintains service levels and allocates funding to several key priority initiatives. The items included as options in Budget Supplement No. 2 are presented as Attachment 1 as follows:

Attachment 1 - Exhibit A

Potential cost-saving measures are included as Exhibit A. These items are reflected as a negative number as they are funded in the City Manager's Recommended Budget. Implementing these items would remove them from the Recommended Budget and create savings or additions to reserves.

Attachment 1 - Exhibit B

Potential additions are included as Exhibit B for items funded by the General Fund that represent service level enhancements. Additions are reflected as a positive number as they are not included in the City Manager's Recommended Budget. To implement these items, Council would need to add to the Recommended Budget, and then offset the cost by identifying savings or by drawing reserves.

SERVICE LEVEL IMPACT

Items on the list have varying levels of impact on service levels. Each item has a short description of the Service Level Impact.

FISCAL IMPACT

The fiscal impact of each item is listed in Attachment 1. If Council acts on Exhibit A, the General Fund will save up to \$18.9 million and the Wastewater Fund would save up to \$59 million over twenty years (estimated rate reduction of 1-2%). If Council acts on Exhibit B, the General Fund additions total up to \$536,791 over twenty years that would be drawn from reserves or offset by identifying savings.

ALTERNATIVES

1. Direct the City Manager to proceed with the FY 2023/24 Recommended Budget with no changes.
2. Direct the City Manager to amend the FY 2023/24 Recommended Budget by including some or all items included in Budget Supplement No. 2.

STAFF RECOMMENDATION

1. Direct the City Manager to proceed with the FY 2023/24 Recommended Budget with no changes.

In development of the FY 2023/24 Recommended Budget the City Manager has evaluated and identified all resources necessary to continue to support the City's current services and infrastructure. It is not recommended that Council amend the budget as recommended.

Prepared by: Felicia Silva, Budget Manager

Reviewed by: Tim Kirby, Director of Finance
Reviewed by: Teri Silva, Assistant City Manager
Reviewed by: Kent Steffens, City Manager

ATTACHMENTS

1. Potential Reductions and Additions to Service Levels to be Considered for the FY 2023/24
Recommended Budget

Item No.	Fund	Dept.	One-Time/ Ongoing	Item	23/24 Delta (-) if Council Action	20-Yr Impact	Description of Service Level Impact
2A.1	General Fund	OCM	One-Time	835820 - Temporary Housing for Unhoused Individuals; reduces funding in FY 23/24 for case management support and shelter bed	\$ (500,000)	\$ (500,000)	Eliminates the funding in the 23/24 Recommended Budget allocated to continuation of the City's contract (and second year of the pilot program) with HomeFirst to provide case management and shelter beds to unhoused individuals within the City. Case management support through HomeFirst that includes financial services, employment preparation, medical care, short and long-term housing opportunities, and shelter beds would no longer be directly supported by the City for unhoused individuals living in the community.
2A.2	General Fund	DPW	Ongoing	825290 - Pavement Rehabilitation; reduces General Fund contribution by 30%	\$ -	\$ (16,182,328)	Reduces the annual General Fund portion for pavement rehabilitation funding by 30% across the 20-yr plan starting in 27/28. Dedicated streets funding such as Gas Tax, RMRA, Measure B, and VRF funding would not be reduced. If these sources decline, the General Fund portion would need to be restored to maintain the City's PCI. The impact to the project would be a funding reduction of 8.4% from the 23/24 proposed 20-yr plan and \$14.7M more than the 22/23 Adopted.
2A.3	General Fund	Various	Ongoing	834260 - Cost of Service Study For City Fees; eliminates funding for periodic general fee studies	\$ (30,000)	\$ (150,000)	Reduces funding allocated for a consultant to help the City perform a cost of service delivery for general fees (DPS, LRS, etc.). It is best practice to periodically conduct comprehensive fee studies to ensure fees remain aligned with the cost to deliver service. If not funded, the City would need to conduct its own analysis which can be challenging due to the level of expertise and time commitment required and may impact cost and fee alignment over time. This item does not affect cost of service studies for Enterprise funds.

Exhibit A

2023/24 Budget Supplement 2A - Potential Cost Savings Measures

2A.4	General Fund	DPW	Ongoing	836200 - Bicycle Improvements Planning Study; eliminates funding for bicycle improvement feasibility studies	\$ (150,000)	\$ (1,600,000)	Eliminates dedicated funding in the 20-yr plan to perform feasibility studies for bicycle improvement projects that require street parking or roadway space to be reallocated, etc. to provide shelf-ready projects ready for implementation in support of the City's Active Transportation plan. Funding would then need to be allocated as specific projects are identified and may not be ready to implement if grant opportunities arise.
2A.5	General Fund	DPW	Ongoing	820130 - Routine Resurfacing of City Owned Parking Lots; reduces	\$ -	\$ (468,953)	Eliminates funding for paving associated with City-owned parking lots associated with civic center, library and community center. These locations all have major construction projects in the short term that would be disruptive to the planned work and paving will done within the scope of these projects. The paving schedule will be updated after completion of these projects. This item does not affect paving work associated with other city-owned lots such as parks, etc. that are funded with Park Dedication funds.

FY 2023/24 General Fund

Cost-Savings Total

\$ (680,000) \$ (18,901,281)

Item No.	Fund	Dept.	One-Time/ Ongoing	Item	23/24 Delta (-) if Council Action	20-Yr Impact	Description of Service Level Impact
2A.8	Wastewater	DPW	One-Time	835530 - Cleanwater Center - Stage 2/833240 - Cleanwater Center - Stage 1	\$ -	\$ (59,034,491)	Eliminates funding allocated for the construction of the Cleanwater Center (Cleanwater Stage 2). This would reduce the financing costs associated with the Cleanwater program and therefore overall fund requirements that would allow the City to reduce Wastewater rates from currently planned rates by 1-2% one time.

FY 2023/24

Non- General Fund Cost-
Savings Total

\$ - \$ (59,034,491)

Item No.	Fund	Dept	One-Time/ Ongoing	Item	23/24 Delta (+) if Council Action	20-Yr Impact	Description of Service Level Impact
2B.1	General Fund	CDD	Ongoing	Project 819720 - Outside Group Funding (General Fund Support); add 3% inflation adjustment every two years	\$ -	\$ 396,000	Annual funding for project is \$135,000. This item adds a 3% inflation adjustment every two years for each grant cycle. For grant years 25/26 and 26/27 base funding of \$135,000 will increase to \$139,000 and then by 3% every two years after. This will allow the City grants to outside groups to increase as both costs for non-profit partners rise and human service needs grow. If funding is not adjusted, City partners will not be able to provide the same level of service.
2B.2	General Fund	LRS	Ongoing	835490 - Community Events & Neighborhood Grants; add additional funding for Community and Neighborhood Grants	\$ -	\$ 140,791	The 22/23 budget included a 2% annual inflation factor. The 23/24 Recommended Budget adds 1% annually for a total of 3% starting in 24/25, which is closer to the long-term average. Approval of this item would allocate 10% every two years and allow the City to grant more applications and/or increase grant award amounts to keep up with rising costs as well as increasing demand.
FY 2023/24 General Fund Budget Enhancements Total					\$ -	\$ 536,791	



City of Sunnyvale

Agenda Item

23-0444

Agenda Date: 5/18/2023

BUDGET SUPPLEMENT NO. 3

SUBJECT

Increase the Tree Pruning Contract to Resolve the Two-Year Backlog Over the Next Two Fiscal Years

BUDGET SUPPLEMENT REQUEST SUMMARY

This budget supplement presents a funding option for Budget Proposal DPW 2023-01 to resolve the two-year backlog of tree pruning and approve Budget Supplement No. 3 for funding of \$1,190,000.

BACKGROUND

At the January 10, 2023 City Council meeting, Council proposed the City to consider a tree pruning contract over the next two fiscal years to resolve the current two-year backlog. The City's previous tree pruning contract ended in May 2020 and was not renewed due to budgetary constraints related to the COVID-19 pandemic. Specifically, the \$610,000 allocated for annual tree trimming was eliminated as a cost-saving measure pursuant to Budget Supplement No. 2 in the FY 2020/21 and FY 2021/22 Adopted Budgets for a total reduction of \$1,220,000 over these two fiscal years. The \$610,000 for annual tree trimming was fully restored with the FY 2022/23 Adopted Budget. Budget Supplement No. 3 was submitted to Council as a Budget Proposal on February 16, 2023 (RTC 23-0237, Attachment 1).

EXISTING POLICY

GOAL LT-2: ENVIRONMENTALLY SUSTAINABLE LAND USE AND TRANSPORTATION PLANNING AND DEVELOPMENT

Urban Forestry

- Policy LT-2.3. Accelerate the planting of large canopy trees to increase tree coverage in Sunnyvale in order to add to the scenic beauty and walkability of the community; provide environmental benefits such as air quality improvements, wildlife habitat, and reduction of heat islands; and enhance the health, safety, and welfare of residents.
- Policy LT-2.4. Maintain and regularly review and update regulations and practices for the planting, protection, removal, replacement, and long-term management of large trees on private property and City-owned golf courses and parks.
- Policy LT-2.5. Recognize the value of protected trees and heritage landmark trees (as defined in City ordinances) to the legacy, character, and livability of the community by expanding the designation and protection of large signature and native trees on private property and in City parks.

DISCUSSION

Roughly 10,000 trees need to be pruned to eliminate the backlog of two years. The pending tree trimming quote is \$119 per tree and the total cost would be \$1,190,000 in additional funds over two

fiscal years. Also, under a new tree contract which has been authorized by Council, approximately 5,000 trees will be pruned annually. In addition, City staff typically prunes approximately 2,500 trees annually which would slightly exceed City staff's goal of pruning each street tree every seven years on average (38,000 trees pruned every seven years equals 5,428 trees annually). If the project is funded, it would help the City Tree Program catch up on its target of a seven-year average pruning cycle.

SERVICE LEVEL IMPACT

The City Tree Program has a target of pruning each City right-of-way tree, typically along roadsides, on an average cycle of every seven years. The Tree Program is currently behind that target as a result of not renewing the previous contract because of cost saving measures due to the COVID-19 pandemic. Funding the Budget Proposal would allow the Tree Program to return to a seven year pruning cycle more quickly by utilizing the additional resources of an outside contractor in addition to the City Tree Program staff.

FISCAL IMPACT

<u>Subject/Title</u>	<u>Funding</u>	<u>FY 2017/18</u>	<u>20-year Total</u>
Increase the Tree Pruning Contract to Resolve the Two-Year Backlog Over the Next Two Fiscal Years	General Fund, Budget Stabilization Fund, the General Fund's primary discretionary reserve	\$1,190,000	\$1,190,000

Roughly 10,000 trees need to be pruned to eliminate the backlog of two years. The pending tree trimming quote is \$119 per tree and the total cost would be \$1,190,000 in additional funds over two fiscal years.

ALTERNATIVES

1. Approve the supplement as proposed.
2. Approve the supplement for a different dollar amount or timing.
3. Do not approve the supplement.
4. Other directions provided by Council.

STAFF RECOMMENDATION

Staff recommends Alternative 3, Do not approve the supplement.

The City's goal of a seven-year trimming cycle is not a hard and fast requirement. Funding the catch-up program would reduce General Fund Reserves at a time when reserves are already being drawn down to meet the City's rising pension obligations. The City's Long-Term Financial Plan shows the Budget Stabilization Fund dropping below the target of 15% of annual revenues by year ten of the plan and not recovering to above 15% until year 20 of the plan. Under current circumstances, maintaining healthy reserves is considered a higher priority than catching up on the tree trimming cycle.

Prepared by: Jim Stark, Superintendent of Parks and Golf

Reviewed by: Chip Taylor, Director, Public Works

Reviewed by: Tim Kirby, Director of Finance

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

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City of Sunnyvale

Agenda Item

23-0445

Agenda Date: 5/18/2023

BUDGET SUPPLEMENT NO. 4

SUBJECT

Bicycle and Pedestrian Collision Investigation Pilot Program

BUDGET SUPPLEMENT REQUEST SUMMARY

This budget supplement presents a funding option for Budget Proposal DPW 2023-02 to hire a consultant to implement a Bicycle and Pedestrian Collision Investigation Pilot Program and approve Budget Supplement No. 4 for funding of \$60,000.

BACKGROUND

At the January 24, 2023 City Council meeting, Council sponsored a budget proposal to hire a consultant to conduct collision analysis and to determine collision factors for specified incidents with a fatal or severe injury that involve a motor vehicle and a bicyclist or pedestrian. Up to a total of \$60,000 would be available for the consultant to conduct investigations for three severe injury or fatal collisions. Subsequently, at its Study Issues/Budget Proposals Workshop on February 16, 2023, the Budget Proposal is recommended for consideration in the Recommended Budget (Attachment 1).

EXISTING POLICY

7.1A.1 Development of the Budget and Resource Allocation Plan

- A.1.14 Final actions on study items with significant financial impacts should be withheld until they can be made in the full context of the annual budget process.

Vision Zero Plan:

- Reduce fatalities and serious injuries by 50 percent by 2029 and continue improving traffic safety towards zero fatal and serious injury collisions in the ten years that follow.
- Call to action to make Sunnyvale's streets safer, especially for people biking and walking.

DISCUSSION

To support the City's effort in achieving the goals and implementing policies as identified in the Vision Zero Plan, conducting collision analysis for incidents with a fatal or severe injury that involve a motor vehicle and a bicyclist or pedestrian is critical for the City to understand the factors contributing to the collisions, and therefore identify the possible engineering improvements that could be implemented to avoid future collisions.

SERVICE LEVEL IMPACT

Funding for the budget proposal will impact service levels because another service or project would need to be reduced in order to fund this proposal. Specific impacts would depend on the service or project proposed to be reduced.

FISCAL IMPACT

<u>Subject/Title</u>	<u>Funding</u>	<u>FY 2022/23</u>	<u>20-year Total</u>
Bicycle and Pedestrian Collision Investigation Pilot Program	General Fund - Budget Stabilization Fund	\$60,000	\$60,000

The budget proposal will require a one-time project cost of \$60,000, with no operating costs, from the General Fund - Budget Stabilization Fund, the General Fund's primary discretionary reserve.

ALTERNATIVES

1. Approve the supplement as proposed.
2. Approve the supplement for a different dollar amount or timing.
3. Do not approve the supplement.
4. Other directions provided by Council.

STAFF RECOMMENDATION

Staff recommends Alternative 1, approve the supplement as proposed to fund Budget Proposal DPW 2023-02 Bicycle and Pedestrian Collision Investigation Pilot Program.

This pilot program could prove valuable in identifying safety improvements that support the City Vision Zero Program goals.

Prepared by: Lillian Tsang, Principal Transportation Engineer

Reviewed by: Chip Taylor, Director of Public Works

Reviewed by: Tim Kirby, Director of Finance

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENT

1. Budget Proposal DPW 2023-02 Bicycle and Pedestrian Collision Investigation Pilot Program



City of Sunnyvale

Agenda Item

23-0508

Agenda Date: 5/18/2023

BUDGET SUPPLEMENT NO. 5

SUBJECT

Increase Service Levels For Neighborhood Preservation to Proactively Enforce Sunnyvale's Short-Term Rental Ordinance

BUDGET SUPPLEMENT REQUEST SUMMARY

Add one term limited Administrative Analyst to the Department of Public Safety for a two-year pilot period to conduct proactive enforcement of the City's Short-Term Rental Ordinance and Approve Budget Supplement No. 5 in the amount of \$298,480.

BACKGROUND

On April 26, 2022, City Council introduced an ordinance to amend the Municipal Code Chapter 19.76 (Short-Term Rental of Residential Property) and adopted a resolution to amend the City Fee Schedule related to fines for violations of the Short-Term Rental Ordinance (RTC No. 22-0478). The amended ordinance strengthened the City's short-term rental (STR) regulations by requiring STR advertisements to include a valid City registration number and placing requirements on STR platforms, including requiring platforms to de-list non-compliant ads.

Staff contacted STR platforms and registered hosts to inform them of the new regulations in July through August, 2022. Department of Public Safety ("DPS") Neighborhood Preservation/Code Enforcement staff began enforcement on October 1, 2022. With limited resources, staff have focused on delisting non-compliant ads on STR platforms and requesting voluntary compliance from registered hosts that appear to have ads for un-hosted stays.

These efforts have been largely successful with registered STR hosts increasing from 78 to 160 from September, 2021 to September, 2022. STR platforms Airbnb, Expedia (VRBO's parent company), MisterBnB, Homestay, and RentlikeaCamp removed noncompliant listings in October, 2022. All new listings on these sites must have a registration number. Staff have periodically checked listing sites to ensure the registration numbers are accurate. Staff also check for un-hosted stays.

When staff identifies a non-compliant listing, the City requests that the host platform remove the listing. The City also contacts the host if contact information is available. Staff are not currently resourced to proactively open code enforcement investigations for these potential violations; rather, the City relies on voluntary compliance. DPS Code Enforcement opens an investigation whenever the City receives a community complaint.

Council considered three options to enhance enforcement of the revised ordinance:

1. *Maximum enforcement.* A two-year pilot project to increase Neighborhood Preservation staff by adding one term-limited Administrative Analyst for two years.
2. *Ramp Up Support for One-Year.* A one-year increase in Neighborhood Preservation staff by

adding one term-limited Administrative Analyst for one year.

3. *Re-prioritization of STRs for Six Months.* Reprioritize existing resources to focus on a short awareness campaign and collaboration with STR platforms to de-list non-compliant ads.

The FY 2022/23 Proposed Budget included Option 3: Re-prioritize STRs for Six Months. Maximum Enforcement was included in Budget Supplement No. 2 but was not adopted by Council. The Maximum Enforcement Option was submitted to Council as a Budget Proposal on February 16, 2023 (RTC No. 23-0316).

EXISTING POLICY

This issue relates to Sunnyvale Municipal Code Chapter 19.76 Short-term Rental of Residential Property and the Sunnyvale General Plan as follows:

POLICY LT-4.1a. Support a robust code enforcement program to maintain and enhance the appearance of neighborhoods and commercial districts and encourage property and area cleanup and beautification projects.

GOAL SN-3. Safe and Secure City. Ensure a safe and secure environment for people and property in the community by providing effective public safety response and prevention and education services.

DISCUSSION

The DPS Neighborhood Preservation program currently has five (5) budgeted full time employees (FTEs). Staffing consists of (1) Neighborhood Preservation Manager, (1) Senior Neighborhood Preservation Specialist and (3) Neighborhood Preservation Specialists.

At current staffing levels, the City first works with the hosting platform to de-list ads for addresses identified as unregistered STRs. The property owner will also receive two letters notifying them of the Municipal Code requirements and requesting them to register their STR with the City. The City does not currently have resources to conduct further follow up with unresponsive hosts. If the City receives a community complaint involving an STR, Neighborhood Preservation conducts an investigation to determine if a violation has occurred and takes appropriate action to mitigate the violation.

The proposed budget supplement would fund a two-year pilot project, increasing Neighborhood Preservation staff with the addition of one (1) term-limited Administrative Analyst. The Administrative Analyst would support existing staff by working with hosting platforms, monitoring compliance of STR ads, fielding questions, and preparing background documentation for Neighborhood Preservation Specialists to investigate violations.

The proposal projects that addition of an Administrative Analyst would allow staff to engage in proactive enforcement, in addition to the current method of complaint-based or voluntary enforcement.

SERVICE LEVEL IMPACT

Enforcement of City health and safety codes is an ongoing activity assigned to the Department of Public Safety Community Safety Services program and implemented by Neighborhood Preservation staff. There are no performance measures or workload indicators currently associated with this activity.

Existing staff have capacity to focus on complaints and conduct voluntary compliance efforts, which have been effective. In addition, staff completed a successful educational campaign and are actively working with STR platforms to voluntarily maintain compliance.

This budget supplement would add one term limited Administrative Analyst to the Department of Public Safety for a two-year pilot period to proactively monitor compliance of STRs, field questions, and prepare background documentation for Neighborhood Preservation Specialists to investigate violations.

FISCAL IMPACT

This activity would be funded as an Operating Cost in the Department of Public Safety operating budget, Program 12305 - Neighborhood Preservation.

<u>Subject/Title</u>	<u>Funding</u>	<u>FY 2023/24</u>	<u>20-year Total</u>
Increase Service Levels For Neighborhood Preservation to Enforce Sunnyvale's Short-Term Rental Ordinance	General Fund	\$ 149,240	\$ 298,480

The annual cost is based on the current budgeted rate for an Administrative Analyst (\$142,240) plus an estimated \$7,000 per year for goods and services related to this activity, including office supplies, mailing costs, printing of outreach materials, and technology costs (phone, computer, etc.) for a new employee. The estimated cost per fiscal year is \$149,240: the total estimated fiscal impact of a two-year pilot program is \$298,480.

It should be noted that enhanced enforcement may negatively impact short term rental Transient Occupancy Tax (TOT) revenue. Based on estimates, staff anticipates losing 60% of ongoing TOT revenue from STRs or \$240,000 per year. A portion of the reduction in TOT revenue will be offset by the imposition of fines and penalties for non-compliance. Revenue and expenditures will be evaluated during the pilot period to better understand the long-term fiscal impact of increased enforcement.

ALTERNATIVES

1. Approve the supplement as proposed.
2. Approve the supplement for a different dollar amount or timing.
3. Do not approve the supplement.
4. Other directions provided by Council.

STAFF RECOMMENDATION

Staff recommends Alternative 3, Do not approve the supplement.

Current voluntary compliance efforts have been largely successful. STR platforms have been generally responsive to the City's requests to de-list STR ads that violate the City's ordinance. Virtually all STR platforms operating in Sunnyvale require each listing to have a registration number. This allows the City to also contact hosts whose ads appear to violate the STR ordinance.

DPS has received some community complaints since the City's STR ordinance was amended.

However, AirBnB (the largest STR platform) has been working in collaboration with the City to enforce the ordinance. This, combined with the success of current enforcement activities, leads staff to conclude there is not sufficient workload to justify an additional Administrative Analyst.

Prepared by: Elaine Ketell, Senior Management Analyst

Reviewed by: Chief Phan S. Ngo, Director, Department of Public Safety

Reviewed by: Tim Kirby, Director of Finance

Reviewed by: Jaqui Guzmán, Deputy City Manager

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

Community Development Department

Department Description

The Community Development Department promotes sustainable development while enhancing the economy, community character and quality of life for residents. The department is responsible for land use policy planning and development review to ensure compliance with the Sunnyvale Municipal Code and other government regulations related to the physical development of the City and welfare of community members.

Programs and Services

The Community Development Department is organized into four programs: Building Safety; Planning; Housing/Community Development Block Grant (CDBG); and Department Management.

Building Safety Program

The Building Safety Program reviews building permits and plans, conducts construction inspections, and provides technical support to homeowners, contractors, and design professionals. The program oversees the One-Stop Permit Center, which provides centralized customer service with staff from multiple City departments. Building permits and plans are reviewed and approved through the One-Stop Permit Center and the City's web-based e-permitting system for minor permits.

Planning Program

The Planning Program oversees policy planning and zoning approvals, with the aim of improving the quality of life in the City through comprehensive and effective policy planning. Program activities include preparing, updating, and administering the City's General Plan, specific plans, and other land use policy documents, reviewing and processing development applications for planning permits, conducting research on Council-adopted study issues, reviewing proposed legislation affecting the City's zoning authority, monitoring community conditions, and conducting community outreach. Program staff also provide support to the Planning Commission and the Heritage Preservation Commission.

Housing/CDBG Program

The Housing/CDBG (Community Development Block Grant) Program administers various housing programs, including the Home Improvement, Below Market Rate Housing, First-time Home Buyer, and Tenant-Based Rental Assistance programs. Program staff also manages four (4) special revenue funds and their associated loan portfolios: Housing Mitigation, Low Mod Housing Successor Fund, CDBG, and Home Investment Partnerships (HOME) Program.

The program manages several large capital projects funded by these special revenue funds, smaller public infrastructure and facility projects, and annual grants for human services. Program staff also provides support to the Housing and Human Services Commission, Mobile Home Compliance Committee, and coordinates with other divisions on housing policy development and long-range planning to meet regional housing needs.

Department Management

The Department Management Program provides overall leadership and management of the Community Development Department. Activities include budgeting, work programming, personnel administration, and general support to the City Manager's Office, City Clerk, and the City Executive Leadership Team.

Recent Accomplishments

- Coordinated with IT the implementation of Emergo, new permitting system, which went live on 10/31/2022.

Building

- Increase in building permits submitted for Accessory Dwelling Units (ADUs); issued 92 permits at end of FY 2021/22.
- Permitted 594,500 square feet of Office Tenant Improvements in Moffett Park and Perry Park.
- Issued permits in FY 2021/22:
 - Intuitive Surgical South Building: an 890,000 square foot R&D, manufacturing, and office building.
 - Intuitive Surgical parking garage with 532,118 square feet.
 - CityLine Block 3N office/retail buildings with a combined area of 622,965 square feet.
 - CityLine Block 3S multifamily/mixed-use building of 574,443 square feet (479 residential units).
 - Google: 6 story office building and event center of 331,785 square feet.
 - Google: parking garage with 443,951 square feet.
 - Google Caribbean: parking garage 470,346 square feet.
 - Minkoff – 100 Altair – 8 story office building with 4 story of underground parking 225,997 square feet.
- Expect to issue Minkoff/Joinery – 300 S. Mathilda – 256,000 square feet.
- Fine-tuned the digital platform for building permit plan reviews and have received positive feedback from pre-pandemic regular customers of the One-Stop Permit Center.
- Streamlined the One-Stop Permit Center for over-the-counter plan reviews for residential and small commercial projects providing coordinated services from various departments.
- Implemented Reach Codes, setting an all-electric construction standard for new construction within the region.
- Performed 17,451 inspections and approximately 11,450 stops for residential and nonresidential projects.
- Performed 2,750 first plan checks and 19,535 rechecks of residential and nonresidential projects..

Housing

- 24 Below Market Rate (BMR) homes were sold and 18 refinances were processed.
- 56 Virtual BMR applications were submitted and reviewed by Housing staff.
- Implementation of the 2020 Housing Strategy continued, beginning with the Inclusionary Ownership Housing Ordinance, increased from 12.5% to 15%, Tenant Protections Ordinance creation, and promoting new age-friendly housing options
- Construction continued on Block 15, a new 90-unit affordable housing development with 25% of the apartments reserved for developmentally disabled residents. The City awarded a \$17.5M loan for this development.
- 10 Home Improvement Program grants and loans were issued to low-income Sunnyvale homeowners. This program allows income qualified homeowners funding opportunities to make emergency repairs, energy efficient updates, and home access improvements to age in place.
- Continued support for non-profit developers on two additional affordable housing projects slated to receive entitlements in FY 22/23, totaling nearly 400 units of affordable housing.
- The City continued to oversee the Mobile Home Park Memorandum of Understanding (MOU) to preserve and protect mobile homes as an affordable housing source in the community, and established the Mobile Home Compliance Committee

- Awarded over \$3M in CDBG and HOME funds to nonprofit Partners to support lower income Sunnyvale residents, including a contract for an expanded Tenant Based Rental Assistance program.
- Continued to review significant numbers of new housing legislation bills.
- Continued work on the City's 2023 Housing Element Update, conducting various outreach events and sending a first draft to HCD in July 2022.
- Initiated the Nexus Study (Study Issue) to analyze commercial housing mitigation fee rates.

Planning

- Worked on the updates to four of Sunnyvale's area plans:
 - El Camino Real Specific Plan: City Council adopted June 28, 2022, with an effective date of September 12, 2022.
 - Moffett Park Specific Plan: Continued plan development, outreach and working study sessions with Planning Commission and City Council for policy direction on plan elements. Draft Plan and Draft Environment Impact Report released December 19, 2022, with comment period ending February 10, 2023. Public adoption hearings anticipated for Spring-Early Summer 2023.
 - Central Arques Specific Plan: The process has begun to update the Arques Specific Plan with the new Central Arques Specific Plan. The specific plan would accommodate Applied Materials' master plan for their future campus expansion, as well as other nearby industrial parcels. Applied Materials is also working on a parallel project to construct a new research and development building under the remaining square footage allowed in the specific plan. The consultant team has been selected and work is starting the preparation of the plan. Public outreach, California Environmental Quality Act review, and study sessions with the Planning Commission and City Council are expected in 2022/23.
 - Perry Park Specific Plan: General Plan initiation requests were approved to look at the residential, office square footage and activity areas in the area. The General Plan Amendment requests may not be processed until the Moffett Park Specific Plan is adopted.
- Continued to work on the Noise, Air Quality and Environmental Justice sections of the General Plan. Administrative drafts are under review. Public review and hearings anticipated to occur Spring through Summer 2023.
- Completed Study Issue to update Nonconforming Ordinance to allow existing legal nonconforming single-family and two-family dwellings to expand the existing use.
- Made Ordinance updates in accordance with recent State Legislation regarding parking and Accessory Dwelling Units.
- Continued work on Village Center Master Plans: The Village Center Master Plan process began in January 2022 with public outreach beginning in April 2022. A planning Commission Study Session was held in March 2023, and formal development of the Plan will begin within the next two months with adoption in Fall 2023.
- Single-Family/Duplex/DUO Design Guidelines: The update will provide objective design standards/guidelines for single-family dwellings, duplex dwellings, and DUO development. Staff is currently selecting a consultant to begin the work which is anticipated to take approximately 18 months to complete. Staff is currently reviewing the admin draft and anticipates releasing public draft PC SS in Spring 2023 with public hearings in Fall 2023.
- Citywide Design Guidelines: Updates to existing City Design Guidelines for residential and mixed development and Landscape Design Guidelines began in June 2021. Outreach was conducted in Fall 2021. Draft Public documents anticipated for release in Spring 2023 with adoption later Summer 2023.
- Approved planning entitlements for Downtown:
 - New four story 121,800 square foot office building with two levels of underground parking at 480 S Mathilda approved by the City Council on August 16, 2022.
 - Block 20 Amendments changing the total allocated units to 70 and commercial space to 30,348 square feet approved by City Council on February 14, 2023.

- Construction of the former Macy’s site and Redwood Square area is underway; staff coordinates with the applicant and other downtown stakeholders.
- Other Significant Planning Entitlements:
 - 172 units and 142,270 square feet of office space at 1154 Sonora Court (LSAP).
 - 105 units with 77,249 square feet of office space at 1170 Sonora Court (LSAP).
 - 225 units at 1150-1170 Kifer Road (LSAP).
 - New 44,101 square foot office building with underground parking at 111 E Evelyn Avenue (DSP).
 - 152 room - hotel at 1220 Oakmead Way.
 - 597,600 square feet research and development building and an eight-level above-ground parking structure for Applied Materials at 974 E Arques Avenue.
 - 50 townhouses (including 6 BMR units), 8,094 square feet of commercial space at 166 E Fremont Avenue (Village Center 2).
 - 35 townhouses (including 4 BMR units) and 3,384 square feet of commercial at 102 E. Fremont Avenue (Village Center 2).
 - 50 townhouses (including 6 BMR units) and approximately 35,400 square feet of medical office, and a 0.46-acre open space at 877 W. Fremont Avenue (Village Center 1).
 - General Plan Amendment to change commercial to multi-family with mixed-use component at 1313 S Wolfe Road.
 - 514,700 square feet of industrial buildings at 1230 E. Arques Avenue.
 - 88 units, 5 single-family homes and 30,345 square feet of commercial space at 1124 W El Camino Real (ECRSP).
- Permit Activity has steadily increased since last fiscal year. While the permit count may not reach the levels prior to the pandemic, the types and complexity of permits continues to increase due to additional recent State Laws.
- Upcoming Year Permit Activity: It is anticipated that the Planning Division will receive numerous infill projects along El Camino following the adoption of the plan and there are an anticipated 10-12 large projects waiting for the adoption of the updated Moffett Park Specific Plan. In addition, several sites in the Lawrence Station Area Plan are moving forward with entitlements.

Budget Highlights

FY2023/24 is the second year of a two-year operating cycle. As such, there are minimal changes to the department’s operating budget.

- Added a new program to provide homeless prevention services with 1.0 FTE new position of Homeless Services Manager added to manage the City’s program related to the unhoused and homelessness.
- Added a new program – Permit System Support with 1.0 FTE Business Systems Analyst position to support the new EnerGov Permitting System. This position is funded by the Development Enterprise Fund.

Community Development Department

Budget Summary

		FY 2021/22 Actuals	FY 2022/23 Adopted	FY 2023/24 Recommended	FY 2023/24 Change %
Dollars by Program / Service Delivery Plan					
Program 10300 – Building Safety					
10305	Residential and Non-Residential Building Construction Inspection	1,583,177	1,818,533	1,963,735	8.0%
10306	Land Use and Regular Building Plan Check	1,494,613	847,913	905,269	6.8%
10307	Building Division Administration, Management, and Training	764,561	1,075,717	1,138,721	5.9%
10308	One-Stop Permit Center General Building Information	316,506	378,812	408,856	7.9%
10309	One-Stop Permit Center Reception and Cashiering Services	285,779	263,520	281,225	6.7%
10310	Building and Fire Inspections Scheduling	135,005	141,008	154,213	9.4%
10311	Minor Project Scope Building Plan Check and Permit	93,078	271,230	295,257	8.9%
10312	Express and By-Appointment Building Plan Check and Permit	174,431	408,496	444,102	8.7%
Total Program 10300 – Building Safety		4,847,150	5,205,229	5,591,378	7.4%
Program 10400 – Planning					
10405	Planning Policy Administration	143,578	370,282	397,128	7.3%
10406	Planning Policy Studies	261,122	195,344	211,882	8.5%
10407	Planning Policy Analysis	19,378	116,461	126,366	8.5%
10408	Planning Policy Grant Fund	163,749	110,909	120,365	8.5%
10409	Zoning Administration	584,805	662,276	709,701	7.2%
10410	Zoning Major Applications	722,131	754,969	811,994	7.6%
10411	Zoning Minor Applications	189,545	345,711	375,081	8.5%
10412	Zoning Miscellaneous Applications	297,565	317,482	344,525	8.5%
10413	Zoning Design Review	288,692	241,306	261,727	8.5%
10414	Zoning Tree Removal Permits	24,622	24,330	26,399	8.5%
10415	Zoning Review for Building Permits	229,271	134,963	146,377	8.5%
10416	Zoning Information	523,944	272,400	295,528	8.5%
Total Program 10400 – Planning		3,448,402	3,546,433	3,827,073	7.9%

		FY 2021/22 Actuals	FY 2022/23 Adopted	FY 2023/24 Recommended	FY 2023/24 Change %
Program 10500 – Housing and CDBG Program					
10503	Local Housing / Projects and Programs	505,089	646,410	692,174	7.1%
10504	Housing Successor Agency Low-Mod Fund	39,409	41,650	45,220	8.6%
10506	Local Housing / Below Market Rate (BMR) Program Administration	374,568	410,158	445,019	8.5%
10507	Homeless Services ¹	N/A	N/A	239,501	N/A
Total Program 10500 – Housing and CDBG Program		919,066	1,098,218	1,421,914	29.5%
Program 10600 – Community Development Department Management					
10601	Management, Supervisory and Administrative Support Services – Community Development	737,892	775,620	835,784	7.8%
10603	Permit System Support ¹	N/A	N/A	169,213	N/A
Total Program 10600 – Community Development Department Management		737,892	775,620	1,004,997	29.6%
Program 16100 – CDBG Program					
16101	CDBG Program – Budget Only ²	N/A	233,531	251,919	7.9%
Total Program 16100 – CDBG Program		N/A	233,531	251,919	7.9%
Program 16200 – Housing Rehabilitation Program					
16201	CDBG RLF – General ²	N/A	132,302	141,848	7.2%
Total Program 16200 – Housing Rehabilitation Program		N/A	132,302	141,848	7.2%
Program 16400 – Lower Income Housing (HOME)					
16401	Lower Income Housing (HOME) – Budget Only ²	N/A	82,814	89,191	7.7%
Total Program 16400 – Lower Income Housing (HOME)		N/A	82,814	89,191	7.7%
Total Operating Budget		9,952,510	11,074,147	12,328,320	11.3%

	FY 2021/22 Actuals	FY 2022/23 Adopted	FY 2023/24 Recommended	FY 2023/24 Change %
Projects and Equipment				
833960 Moffett Park Specific Plan Staffing	216,228	441,784	239,501	N/A
832270 Permitting System Replacement	0	319,036	0	N/A
Total Projects and Equipment	216,228	760,820	239,501	N/A
Dollars by Fund				
General Fund	1,325,720	1,568,615	1,931,027	23.1%
Community Development Block Grant (CDBG) Fund ³	N/A	365,833	393,766	7.6%
Development Enterprise Fund	7,923,953	8,400,451	8,971,424	6.8%
General Services – Technology and Communication Services Fund	0	319,036	0	(100.0%)
Housing Fund	879,656	1,056,568	1,137,193	7.6%
HOME Grant Fund ³	N/A	82,814	89,191	7.7%
Redevelopment Housing Fund	39,409	41,650	45,220	8.6%
Total Dollars by Fund	10,168,738	11,834,967	12,567,821	6.2%
Dollars by Category				
Salaries and Benefits:				
Salaries	4,541,951	5,909,736	6,161,894	4.3%
Overtime and Casual Staffing	295,884	263,615	341,814	29.7%
Other Pay	1,075,556	1,166,644	1,213,066	4.0%
Leaves	1,026,566	1,558,524	1,662,661	6.7%
Workers' Compensation*	10,353	18,451	16,440	(10.9%)
Retirement	630,628	971,246	1,125,513	15.9%
Total Salaries and Benefits	7,580,938	9,888,216	10,521,388	6.4%
Non-Personnel:				
Goods and Services	1,581,736	1,014,264	1,012,168	(0.2%)
Internal Service Charges	1,006,064	932,487	1,034,265	10.9%
Total Non-Personnel	2,587,800	1,946,751	2,046,433	5.1%
Total Dollars by Category	10,168,738	11,834,967	12,567,821	6.2%

* FY 2023/24 reflects a reconciliation of the position risk codes related to workers' compensation insurance to represent costs more accurately across programs.

¹ New programs set up in FY 2023/24.

² New programs set up in FY 2022/23, to replace old programs 10501, 10502 and 10505.

³ The fund expenses moved to operating expenses starting from FY 2022/23, previously expenses were booked under projects.

Community Development Department

Position Summary

		FY 2021/22 Adopted	FY 2022/23 Adopted	*FY 2023/24 Change	FY 2023/24 Recommended
Positions by Program / Service Delivery Plan					
Program 10300 – Building Safety					
10305	Residential and Non-Residential Building Construction Inspection	8.30	8.85	0.00	8.85
10306	Land Use and Regular Building Plan Check	4.60	2.83	0.00	2.83
10307	Building Division Administration, Management, and Training	5.60	4.95	0.00	4.95
10308	One-Stop Permit Center General Building Information	1.00	1.97	0.00	1.97
10309	One-Stop Permit Center Reception and Cashiering Services	1.50	1.00	0.00	1.00
10310	Building and Fire Inspections Scheduling	1.50	1.00	0.00	1.00
10311	Minor Project Scope Building Plan Check and Permit	0.50	1.53	0.00	1.53
10312	Express and By-Appointment Building Plan Check and Permit	0.25	2.12	0.00	2.12
Total Program 10300 – Building Safety		23.25	24.25	0.00	24.25
Program 10400 – Planning					
10405	Planning Policy Administration	0.99	1.37	0.00	1.37
10406	Planning Policy Studies	1.88	1.05	0.00	1.05
10407	Planning Policy Analysis	0.20	0.52	0.00	0.52
10408	Planning Policy Grant Fund	0.13	0.54	0.00	0.54
10409	Zoning Administration	1.03	2.26	0.00	2.26
10410	Zoning Major Applications	4.40	3.65	0.00	3.65
10411	Zoning Minor Applications	1.92	1.95	0.00	1.95
10412	Zoning Miscellaneous Applications	1.85	1.93	0.00	1.93
10413	Zoning Design Review	1.32	1.37	0.00	1.37
10414	Zoning Tree Removal Permits	0.20	0.15	0.00	0.15
10415	Zoning Review for Building Permits	0.81	0.70	0.00	0.70
10416	Zoning Information	2.27	1.51	0.00	1.51
Total Program 10400 – Planning		17.00	17.00	0.00	17.00

		FY 2021/22 Adopted	FY 2022/23 Adopted	*FY 2023/24 Change	FY 2023/24 Recommended
Program 10500 – Housing and CDBG Program					
10501	Community Development Block Grant (CDBG)	0.95	N/A	N/A	N/A
10502	Lower-Income Housing (HOME)	0.45	N/A	N/A	N/A
10503	Local Housing / Projects and Programs	2.25	2.25	0.00	2.25
10504	Housing Successor Agency Low-Mod Fund	0.25	0.20	0.00	0.20
10505	Housing Rehabilitation Program	0.80	N/A	N/A	N/A
10506	Local Housing / Below Market Rate (BMR) Program Administration	2.05	2.10	0.00	2.10
10507	Homeless Services**	N/A	N/A	1.00	1.00
Total Program 10500 – Housing		6.75	4.55	1.00	5.55
Program 10600 – Community Development Department Management					
10601	Management, Supervisory and Administrative Support Services – Department	3.00	3.00	0.00	3.00
10603	Permit System Support**	N/A	N/A	1.00	1.00
Total Program 10600 – Community Development Department Management		3.00	3.00	1.00	4.00
Program 16100 – CDBG Program					
16101	CDBG Program – Budget Only***	N/A	1.00	0.00	1.00
Total Program 16100 – CDBG Program		0.00	1.00	0.00	1.00
Program 16200 – Housing Rehabilitation Program					
16201	CDBG RLF – General***	N/A	0.75	0.00	0.75
Total Program 16200 – Housing Rehabilitation Program		0.00	0.75	0.00	0.75
Program 16400 – Lower Income Housing (HOME)					
16401	Lower Income Housing (HOME) – Budget Only***	N/A	0.45	0.00	0.45
Total Program 16400 – Lower Income Housing (HOME)		0.00	0.45	0.00	0.45
Capital or Special Projects					
833960	Moffett Park Specific Plan Staffing	1.00	2.00	(1.00)	1.00
832270	Permitting System Replacement	3.00	2.00	(2.00)	0.00
Total Capital or Special Projects		4.00	4.00	(3.00)	1.00
Total Positions by Program / Service Delivery Plan		54.00	55.00	(1.00)	54.00

	FY 2021/22 Adopted	FY 2022/23 Adopted	*FY 2023/24 Change	FY 2023/24 Recommended
Positions by Fund				
General Fund	6.20	6.48	1.00	7.48
Housing Fund	4.30	4.35	0.00	4.35
HOME Grant Fund	0.45	0.45	0.00	0.45
Redevelopment Housing Fund	0.25	0.20	0.00	0.20
Community Development Block Grant (CDBG) Fund	1.75	1.75	0.00	1.75
Development Enterprise Fund	38.05	39.77	0.00	39.77
General Services – Technology and Communications Fund	3.00	2.00	(2.00)	0.00
Total Positions by Fund	54.00	55.00	(1.00)	54.00

Position Classification				
Administrative Aide	1.00	1.00	0.00	1.00
Administrative Aide – Term Limited	1.00	1.00	(1.00)	0.00
Administrative Aide – Confidential	1.00	1.00	0.00	1.00
Affordable Housing Manager	1.00	1.00	0.00	1.00
Assistant Director of Community Development	1.00	0.00	0.00	0.00
Assistant Planner – Term Limited	1.00	0.00	0.00	0.00
Associate Planner	5.00	5.00	0.00	5.00
Associate Planner – Term Limited	0.00	1.00	0.00	1.00
Building Inspector 1	1.00	1.00	0.00	1.00
Building Inspector 2	7.00	7.00	0.00	7.00
Business Systems Analyst**	N/A	N/A	1.00	1.00
Chief Building Official	1.00	1.00	0.00	1.00
Director of Community Development	1.00	1.00	0.00	1.00
Homeless Services Manager**	N/A	N/A	1.00	1.00
Housing Officer	1.00	1.00	0.00	1.00
Housing Programs Analyst	2.00	2.00	0.00	2.00
Housing Programs Technician	1.00	1.00	0.00	1.00
Housing Specialist	1.00	1.00	0.00	1.00
Management Analyst	1.00	1.00	0.00	1.00
Management Analyst – Term Limited	1.00	1.00	(1.00)	0.00
Permit Center Coordinator	1.00	1.00	0.00	1.00
Permit Center Manager	1.00	1.00	0.00	1.00
Permit Clerk 2	2.00	3.00	1.00	4.00
Permit Clerk 2 – Term Limited	2.00	1.00	(1.00)	0.00
Permit Technician	1.00	1.00	0.00	1.00
Plan Check Engineer	2.00	2.00	0.00	2.00
Plan Checker 1	1.00	1.00	0.00	1.00
Plan Checker 2	2.00	2.00	0.00	2.00
Planning Officer	0.00	1.00	0.00	1.00

	FY 2021/22 Adopted	FY 2022/23 Adopted	*FY 2023/24 Change	FY 2023/24 Recommended
Principal Planner	3.00	3.00	0.00	3.00
Principal Planner – Term Limited	1.00	2.00	(1.00)	1.00
Senior Building Inspector	2.00	2.00	0.00	2.00
Senior Housing Rehabilitation Specialist	1.00	1.00	0.00	1.00
Senior Office Assistant	1.00	1.00	0.00	1.00
Senior Plan Check Engineer	1.00	1.00	0.00	1.00
Senior Planner	4.00	4.00	0.00	4.00
Staff Office Assistant	1.00	1.00	0.00	1.00
Total Positions	54.00	55.00	(1.00)	54.00

* Position changes as of 3/4/2023.

** New programs set up in FY 2023/24.

*** New programs set up in FY 2022/23, to replace old programs 10501, 10502 and 10505.

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Community Development Department Performance Indicators

2011 Consolidated General Plan Goals:

Chapter 2, Community Vision (CV)

Goal CV-1: Achieve a Community in Which Citizens and Businesses Are Informed About Local Issues and City Programs and Services

Chapter 3, Land Use and Transportation (LT)

Goal LT-2: Environmentally Sustainable Land Use and Transportation Planning and Development

Goal LT-3: An Effective Multimodal Transportation System

Goal LT-4: An Attractive Community for Residents and Businesses

Goal LT-5: Creation, Preservation, and Enhancement of Village Centers and Neighborhood Facilities That Are Compatible with Residential Neighborhoods

Goal LT-6: Protected, Maintained, and Enhanced Residential Neighborhoods

Goal LT-7: Diverse Housing Opportunities

Goal LT-8: Options for Healthy Living

Goal LT-10: Regional Approach to Providing and Preserving Open Space

Goal LT-11: Supportive Economic Development Environment

Goal LT-12: A Balanced Economic Base

Goal LT-13: Protected, Maintained, and Enhanced Commercial Areas, Shopping Centers, and Business Districts

Chapter 4, Community Character (CC)

Goal CC-1: Distinguished City Image

Goal CC-3: Well-Designed Sites and Buildings

Goal CC-5: Protection of Sunnyvale's Heritage

Chapter 5, Housing (HE)

Goal HE-1: Adequate Housing

Goal HE-2: Enhanced Housing Conditions and Affordability

Goal HE-3: Minimize Government Constraints on Housing

Goal HE-4: Adequate Housing Sites

Goal HE-5: Equal Housing Opportunities

Goal HE-6: Sustainable Neighborhoods

Please refer to the General Plan Executive Summary for further details on goals

	General Plan Goal	FY 2019/20 Actual*	FY 2020/21 Actual*	FY 2021/22 Actual*	FY 2022/23 Target*	FY 2022/23 Estimate*	FY 2023/24 Target
BUILDING SAFETY							
WORKLOAD INDICATORS							
Number of customers served at the One-Stop Permit Center.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CV-1	12,121	7,249	8,854		5,800 ¹	
Number of construction permits issued (regular, express and minor).	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11	5,368	4,680	5,884		N/A ²	

	General Plan Goal	FY 2019/20 Actual*	FY 2020/21 Actual*	FY 2021/22 Actual*	FY 2022/23 Target*	FY 2022/23 Estimate*	FY 2023/24 Target
Total valuation of construction permits.	LT-1, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13	\$929,097,022	\$744,858,293	\$1,119,267,176		\$1,141,000,000	
Number of customer phone calls to One-Stop Permit Center.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CV-1	42,291	45,996	39,778		27,000 ¹	
PERFORMANCE INDICATORS							
ONE-STOP PERMIT CENTER							
Average time to answer (including queue time) customer phone calls, with a goal of 40 seconds. [Deleted in FY 2021/22]	LT-1, LT-4, CV-1	105 seconds	86 seconds	N/A	N/A	N/A	N/A
Average time to answer (including queue time) customer phone calls, with a goal of 70 seconds. [New in FY 2021/22]	LT-1, LT-4, CV-1	N/A	N/A	105 seconds	60 seconds	120 seconds	60 seconds
Number of customer survey respondents and percent rating the services provided at the One-Stop Permit Center as good or better.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CV-1	N/A	N/A	21 received 95%	100 received 90%	20 received 95%	100 received 90%
PLAN REVIEW							
Number of express and minor permit applications and percent reviewed on the same day.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13	4,175 90.0%	3,518 100.0%	4,402 100%	4,500 95.0%	3,510 95%	4,500 95.0%
Number of regular building plan checks received and percent completed within 21 days by:	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13						
Building Safety		465 56.8%	500 85.0%	1,506 94.5%	2,940 80.0%	1,320 85%	2,940 80.0%
Planning		431 75.1%	425 85.0%	725 90.5%	700 85.0%	590 95%	700 85.0%
Fire Prevention		303 84.2%	853 97.5%	726 90.5%	500 95.0%	650 92.0%	500 95.0%
Public Works		172 73.3%	180 95.0%	727 90.5%	300 80.0%	180 83%	300 80.0%

	General Plan Goal	FY 2019/20 Actual*	FY 2020/21 Actual*	FY 2021/22 Actual*	FY 2022/23 Target*	FY 2022/23 Estimate*	FY 2023/24 Target
Number of resubmittal regular building plan checks received and percent completed within 14 days by:	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13						
Building Safety		1,145 60.1%	3,358 70.3%	2,864 75.5%	2,000 75.0%	2,355 70%	2,000 75.0%
Planning		883 76.8%	2,362 84.5%	1,862 84.5%	1,800 80.0%	1,500 85%	1,800 80.0%
Fire Prevention		818 88.5%	1,720 95.3%	1,563 94.0%	1,000 95.0%	1,200 92.0%	1,000 95.0%
Public Works		512 86.7%	643 90.2%	702 89.9%	1,000 80.0%	290 92.9%	1,000 80.0%
Number of customer surveys mailed, number of customer survey respondents, and percent rating Plan Review services as good or better.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CV-1	240 mailed 23 returned 74.0%	240 mailed 20 returned 85.0%	240 mailed 18 returned 67%	240 mailed 20 returned 85.0%	240 mailed 20 returned 95%	240 mailed 20 returned 85.0%
BUILDING INSPECTIONS							
Number of inspections scheduled and percent completed as scheduled.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13	20,142 99.05%	20,381 99.00%	20,380 82.90%	22,000 99.00%	18,840 99%	22,000 99.00%
Number of inspections requested for the next business day and percent completed as requested.	LT-1, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13	1,866 53.20%	3,305 65.84%	2,342 67.16%	3,500 60.00%	N/A ²	3,500 60.00%
Number of customer surveys mailed, number of customer survey respondents, and percent rating Building Inspection services as good or better.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13	960 mailed 125 returned 80.8%	960 mailed 134 returned 82.0%	960 mailed 97 returned 82.0%	960 mailed 175 returned 90%	960 mailed 100 returned 90%	960 mailed 175 returned 90%

	General Plan Goal	FY 2019/20 Actual*	FY 2020/21 Actual*	FY 2021/22 Actual*	FY 2022/23 Target*	FY 2022/23 Estimate*	FY 2023/24 Target
PLANNING							
WORKLOAD INDICATORS							
Number of phone and counter planning/zoning inquiries.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CV-1, CC-3	8,356	4,894	5,958		5,900	
Number of administrative zoning reviews (including MPPs, tree removal permits, sign permits, building permits, home occupations, and other business license reviews).	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CC-3	10,273	10,311	13,960		10,100	
Number of staff reports to Planning Commission, Heritage Preservation Commission, other city advisory bodies and City Council.	LT-1, LT-2, LT-3, LT-4, LT-5, LT-7, LT-6, LT-11, LT-12, LT-13, CV-1, CC-1, CC-3, CC-5, HE-1, HE-2, HE-3, HE-4, HE-6	102	90	69		75	
Number of inter-agency projects and assignments.	LT-1, LT-2, LT-3, LT-10, LT-4, LT-7, LT-6, LT-11, HE-3	66	47	29		45	
Total land use permit application fees.		\$610,493	\$581,643	\$619,497		\$652,300	
PERFORMANCE INDICATORS							
Number of staff decision planning permit applications (excluding Design Review) submitted and percent receiving 1st set of staff comments in 14 or fewer calendar days.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CC-1, CC-3, HE-1, HE-3, HE-4	601 77%	594 64%	585 73%	700 85%	450 70%	700 85%

	General Plan Goal	FY 2019/20 Actual*	FY 2020/21 Actual*	FY 2021/22 Actual*	FY 2022/23 Target*	FY 2022/23 Estimate*	FY 2023/24 Target
Number of staff decision planning permit applications (excluding Design Review) resubmitted and percent receiving staff comments in 14 or fewer calendar days.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CC-1, CC-3, HE-1, HE-3, HE-4	229 95%	277 91%	265 87%	275 95%	250 85%	275 95%
Number of staff decision Design Review applications submitted and percent receiving 1st set of staff comments in 14 or fewer calendar days.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CC-1, CC-3, HE-1, HE-3, HE-4	186 68%	212 43%	211 52%	200 85%	185 65%	200 85%
Number of staff decision Design Review applications resubmitted and percent receiving staff comments in 14 or fewer calendar days.	LT-1, LT-2, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CC-1, CC-3, HE-1, HE-3, HE-4	202 96%	310 82%	291 87%	250 95%	221 82%	250 95%
Number of public hearing planning applications reviewed; and percent sent a letter within 21 calendar days stating completeness status. ³	LT-1, LT-2, LT-3, LT-4, LT-5, LT-7, LT-6, LT-11, LT-12, LT-13, CC-1, CC-3, HE-1, HE-3, HE-4	65 31%	41 15%	40 20%	60 85%	50 30%	60 85%
Total number of Zoning Administrator decision planning applications; and percent decided within 60 calendar days of a complete application.	LT-1, LT-2, LT-3, LT-4, LT-7, LT-6, LT-11, LT-12, LT-13, CV-1, CC-1, CC-3, HE-1, HE-3, HE-4	16 81%	13 92%	11 82%	15 90%	22 95%	15 90%

	General Plan Goal	FY 2019/20 Actual*	FY 2020/21 Actual*	FY 2021/22 Actual*	FY 2022/23 Target*	FY 2022/23 Estimate*	FY 2023/24 Target
Total number of Planning Commission and Heritage Preservation Commission decision planning applications; and percent decided within 90 calendar days of a complete application.	LT-1, LT-2, LT-3, LT-4, LT-5, LT-7, LT-6, LT-11, LT-12, LT-13, CV-1, CC-1, CC-3, HE-1, HE-3, HE-4	26 85%	22 100%	28 64%	30 85%	15 85%	30 85%
Number of surveys sent to applicants of completed planning permit applications, number of respondents and percent rating the services provided by Planning as good or better.	LT-1, LT-2, LT-3, LT-4, LT-5, LT-7, LT-6, LT-11, LT- 12, LT-13, CV-1, CC-1, CC-3, HE-1, HE-3, HE-4	728 surveys 101 responded 79% rating good or better	781 surveys 76 responded 62% rating good or better	807 surveys 63 responded 73% rating good or better	800 surveys 250 responded 85% rating good or better	670 surveys 50 responded 85% rating good or better	800 surveys 250 responded 85% rating good or better
HOUSING & CDBG							
WORKLOAD INDICATORS							
Number of inquiries for housing and human services information.	CV-1, HE-1	2,216	2,461	3,557		3,850	
Number of CDBG, HOME and HMF projects completed (including capital projects, sub-recipient agreements, and housing program activities).	LT-2, HE-1, HE-2, HE-5, HE-6,	15	21	9		10	
Number of first-time homebuyer loans and rehabilitation grants/loans closed.	LT-2, HE-1, HE-2, HE-5	15	7	15		19	
Number of BMR/HOME/CDBG rental and owner-occupied units audited annually.	LT-2, HE-1, HE-2, HE-5	749	866	837		857	
Number of staff reports to Housing and Human Services Commission, other city advisory bodies and City Council.	CV-1, HE-1, HE-2, HE-5, HE-6	25	28	17		41	
Number of annual HUD reports (CAPER, Action Plan, Consolidated Plan) completed.	HE-1, HE-2, HE-3, HE-5	8	8	8		10	

	General Plan Goal	FY 2019/20 Actual*	FY 2020/21 Actual*	FY 2021/22 Actual*	FY 2022/23 Target*	FY 2022/23 Estimate*	FY 2023/24 Target
PERFORMANCE INDICATORS							
Number of housing program applications (including BMR, first-time homebuyer and rehabilitation) and percent processed within 21 days.	LT-7, HE-1, HE-2, HE-4, HE-5	36 100%	66 100%	70 100%	50 100%	66 100%	50 100%
Number of developer agreements and percent reviewed within 21 days.	LT-7, HE-1, HE-2, HE-4	5 100%	2 100%	3 100%	5 100%	3 100%	5 100%
CDBG credit line does not exceed 1.5 times the City's annual CDBG grant amount on April 30 (HUD requirement) (RLF = Revolving Loan Fund) Achieved Or Not Achieved	HE-1, HE-2, HE-5	Achieved	Achieved	Achieved	Achieve	Achieve	Achieve
Amount of CDBG funds expended and percent benefiting lower income households (HUD requirement >70%).	HE-1, HE-2, HE-5, HE-6	\$2,112,616 100%	\$1,103,225 100%	\$1,139,528 100%	Achieve	\$1,128,312 100%	Achieve
Number of HOME assisted units, and:	LT-2, LT-7, HE-1, HE-2, HE-4, HE-5	0	0	0	10	0	10
a. Percent of assisted units restricted to households earning at or below 60% of area median income (HUD requirement >90%); and		>90%	>90%	>90%	>90%	>90%	>90%
b. For projects with five or more units, percent of assisted units restricted to households earning less than 50% of area median income (HUD requirement >20%).		>20%	>20%	>20%	>20%	>20%	>20%
Number of customer survey respondents (including program beneficiaries, non-profit grantees and development partners) and percent rating the services provided by Housing as good or better.	LT-3, HE-1, HE-2, HE-4, HE-5	400 81.0%	170 86.5%	25 80.0%	200 90.0%	50 85%	200 90.0%
DEPARTMENT MANAGEMENT							
PERFORMANCE INDICATORS							
Percent of total Department operating budget expended.		94.1%	104.0%	101.60%	100.0%	100.0%	100.0%

* Various performance measures have been impacted by the COVID-19 global pandemic.

¹ Number of customers that access to the new permitting system to make requests are not included.

² N/A: Implementing a new permitting system, still working on new reports to generate data.

³ Legal requirement is 30 days.

Projects Budget Guide

Strategic Vision

The City of Sunnyvale has developed a strategic vision to develop and maintain its capital assets so residents will continue to realize optimal service delivery in an aesthetically pleasing environment. Careful management of these assets keeps the City poised for flexible and responsive growth, while methodical planning allows the City to proactively respond to evolving community needs and expectations. Furthermore, this plan incorporates a broad vision that allows the City to concentrate on the “here and now” delivery of service, while keeping its eye on the horizon. Applying a long-term approach allows the City to seek the most financially feasible opportunities to “grow” towards a vision of tomorrow.

The City’s [General Plan](#) serves as the City’s long-term blueprint for the community’s vision of future growth and proposed capital improvements must be supportive of the General Plan. By definition, a capital improvement requires a major initial investment, a significant and continuing financial commitment for maintenance, and eventual replacement. Capital improvements require careful long-term planning and budgeting so economic downturns or financial emergencies do not result in deferred maintenance and deteriorating assets.

The City carefully considers each project’s short-term and long-term effects against the General Plan, current policy directives, citywide needs, ongoing operational needs, and budgetary constraints. These considerations are applied across the entire twenty-year planning horizon to all projects, no matter the cost or scope. The result of the City’s disciplined planning is a long-term, comprehensive project plan that provides a “big picture” perspective of how projects are synchronized with a balanced operating budget. This approach provides a complete financial analysis of the impact of all projects proposed for funding in the immediate year, as well as in future years.

Fiscal Policies Related to Capital and Infrastructure Expenditures

City Council Fiscal Policy identifies capital improvements and related policies designed to maximize value and cost-effectiveness of the City’s infrastructure. Several key policies include those relating to planning, design, and funding.

Capital Improvement Plan. High priority should be given to replacing capital improvements prior to the time they have deteriorated to the point where they are hazardous, incur high maintenance costs, negatively affect property values, or no longer serve their intended purposes. Priority will be given to the repair and replacement of existing infrastructure as compared to the provision of new or expanded facilities.

Capital Improvement Design. The planning and design of all capital improvements are based on standards that minimize construction costs, while assuring acceptable useful life and reducing maintenance requirements. Value engineering processes will be used when necessary and appropriate.

Capital Improvement Funding. In most cases, governmental capital improvements should be funded on a pay-as-you-go basis. Alternate financing strategies may be considered under certain circumstances; depending on an overall funding approach that balances the capital needs of today, while planning for those anticipated in the future.

Land Acquisition. Acquiring undeveloped land is a high priority to meet the City’s goals. Land should be acquired at a reasonable time prior to when the property is required for City purposes.

Reserves. The City strives to maintain a prudent level of reserves for future unexpected expenses and decreases in revenue; to accumulate funds to support future planned capital improvements; and to reduce the variability between high and low expenditure years in the Twenty-Year Resource Allocation Plan. Each utility fund has a Capital and Infrastructure Reserve to provide resources for the infrastructure replacement needs of the respective utility system.

Project Planning and Budgeting

Every other year, the City performs an in-depth review of the twenty-year Projects Budget and every project is updated. All project costs are updated to reflect current expenditure requirements as well as anticipated revenue and ongoing operating savings or costs. The primary focus of these baseline adjustments is to ensure that the City can meet its existing commitments and has a realistic project delivery plan.

The Service Level Adjustment phase is an opportunity to consider enhancing service levels or proposing new initiatives. Projects with significant changes in scope or new project submissions may be proposed. These submissions are reviewed in terms of potential to further the City's General Plan goals or Council's priorities, fiscal impact, and stated performance goals before including or excluding in the budget. It should be noted that service level adjustments can reduce service levels as well, especially during times of economic uncertainty.

The City applies a broad prioritization framework for evaluating project funding requests in a targeted way given the City's limited resources. Some initiatives meet more than one priority level or the priority level may shift over time. For example, a project could be necessary to meet regulatory requirements that are legally mandated and have other objectives. Project funding requests are assessed accordingly with appropriations scaled where appropriate and practicable.

A high-level synopsis of the City's project funding prioritization levels is outlined below:

- Highest – protection of public health and safety and adherence to legal requirements
- High – rehabilitation/replacement of assets that have deteriorated or have high maintenance costs; Council priority or result of a Study Issue; project specifically identified in the General Plan or other Council-adopted plan
- Mid-range – required to meet existing service levels or for future cost avoidance

Each project is then reviewed in several different contexts before being selected for funding. Staff perform complete cost/benefit analyses to answer questions, such as:

What precipitated the project proposal? What accomplishments or milestones will be achieved? What is the risk or impact to service levels if the project is not funded?

What alternatives were considered? Were environmental and equity impacts considered? What other relevant community, market, or industry information supports implementation of the project?

What is the overall fiscal impact of implementing the project – how will the project be funded? Is there offsetting revenue or external grant funding available? Are there ongoing operating expenditures or savings? What is the return on investment? Is an initial capital outlay or debt issuance required? Will there be infrastructure replacement costs?

How will the project be administered – has staff capacity been confirmed within existing workloads? Have interdependencies across departments (e.g., ITD, DPW) or other organizations been coordinated? Are there other City initiatives or regional activities that should be considered to align the timing of project implementation?

With these questions answered, decision makers can evaluate the complete merits of a proposal and understand the true impact of policy decisions. Additionally, this methodology incorporates both short and long-term perspectives for planning revenues, operating requirements, and capital spending.

Projects Budget Organization

The Projects Budget is divided into fifteen sections by major service area or initiative: Traffic and Transportation, Downtown, Housing, Water, Solid Waste, Wastewater, Cleanwater, Stormwater, Public Safety, Community Development Block Grant (CDBG), Outside Group Funding, Parks and Recreation, Library, Governance & Community Engagement, and Administrative Facilities.

Individual projects are categorized as capital, infrastructure, special, or outside group funding.

- Capital projects – relate to new construction, improvements that significantly enhance an asset, or acquisition of a new asset.
- Infrastructure projects – relate to the long-term renovation and replacement of the City’s existing physical assets like streets, water and wastewater systems, roof replacements, etc.
- Special projects – are typically one-time projects designed to address a specific community need or problem such as grant projects or study issues.
- Outside group funding – These also are special projects, but identify City contributions to local community-based organizations.

Every project has a Project Information Sheet that includes the project number/name, project description, evaluation, and fiscal impact. Each project is also tied to the relevant General Plan goals. Project costs, revenues, as well as operating savings/costs are planned across the twenty-year planning period. Additional information includes the department responsible for project administration and the planned completion year.

Unfunded Projects

The City makes a concerted effort to identify all the critical unfunded capital needs that pose a significant liability over the long-term. Unfunded projects fall into several categories, with many having partial funding identified or potential funding sources that can be pursued. Including these unfunded projects in the budget document keeps these items on the radar for review in the context of budget development each year as a priority for potential funding. This provides for a focused approach to the City’s investment in capital. A broad list of known areas that are unfunded or underfunded can be found in the Budget Summary Highlights in Vol I.

In addition, there are many unfunded projects identified in the long-range plans for traffic and transportation that guide the City’s investment in this area. These long-range plans are discussed in more detail under the Traffic and Transportation projects category. The full listing of projects for this plan is also provided. For projects on the list that are not included in the projects budget, those projects will be evaluated and moved into the projects budget when funding becomes available and the project can be delivered.

Project Information Sheets for unfunded projects can be found in numerical order in each project category following the Project Information Sheets for funded projects.

Significant Changes

The tables below represent new projects proposed in FY 2023/24 or projects that have significant changes in scope. Significant changes to scope include projects with added or deleted scope (e.g., asset determined to need replacement vs. repair or vice versa). This table does not include bringing project budgets current to meet existing service levels, standard inflation adjustments, or schedule adjustments across the twenty-year planning period.

The FY 2023/24 column shows the impact to the FY 2023/24 budget year compared to FY 2023/24 as planned in the 2022/23 Adopted Budget. The twenty-year impact shows the change between the FY 2022/23 twenty-year planning period and the proposed FY 2023/24 twenty-year plan.

FY 2023/24 Projects with Scope Change (No Cleanwater)

Project Name	Fund	Department	Description of Change	FY 23/24 Change	20-Yr Impact Change
827550 - Outside Group Funding Support [CDBG]	CDBG	Community Development	Reduces annual allocation for CDBG Outside Group Funding based on 15% of anticipated CDBG allocation of \$1.1M.	\$ (21,297)	\$ (325,297)
831390 - CFD No.3 - Ten Year Infrastructure Improvements Plan	CFD	Environmental Services	Updates 20-yr plan to reflect cost of renovation of twenty stormwater biotreatment basins in CFD No. 3 based on latest bid results.	\$ 37,856	\$ 82,426
820200 - Traffic Signal Light Emitting Diode (LED) Array Replacements	Gas Tax	Public Works	Aligns funding with replacement schedule for placement of red, yellow, and green vehicular and pedestrian traffic signal light emitting diode arrays (LEDs). Change results in reduction of planned spending across 20-yr plan.	\$ (248,562)	\$ (3,961,459)
825740 - Battery Backup System for Traffic Signals Maintenance	Gas Tax	Public Works	Align replacement costs and timing of the battery backup systems that have been installed on all the traffic signals in the City to ensure no system failures.	\$ 258,321	\$ 709,505
826351 - Recruitment and Training 20-Year Resource Allocation Project	General	Public Safety	Adds funding for the DPS placeholder recruitment project to more closely align twenty-year plan with anticipated annual expenditures.	\$ -	\$ 39,715,521
829140 - Fire Station Electrical System and Generator Replacement	General	Public Works	Updates project to incorporate emergency generator replacement for project efficiency. Removes scope from Project 830580 - Emergency Generator Installation and includes with the fire station electrical system updates. Costs updated to reflect changes in building codes since the generators were originally installed - they must be relocated on site rather than a straightforward like-kind replacement.	\$ -	\$ 700,000
829620 - Downtown Association	General	Office of the City Manager	Increases City support for the Downtown Association from \$40k to \$45K due to rising costs associated with events and marketing. Extends the City's contribution to FY 28/29.	\$ 5,000	\$ 230,000
830580 - Emergency Generator Installation	General	Public Works	Removes scope for emergency generator replacement at fire stations to include with Project 829140 - Fire Station Electrical System and Generator Replacement for efficiency in project delivery.	\$ -	\$ (300,000)
830630 - Dispute Resolution Services	General	Community Development	Continues funding of \$50K to provide landlord/tenant dispute resolution services for five years.	\$ 50,000	\$ 250,000
831980 - Annual State of the City	General	Library and Recreation Services	Adds funding to include grand opening of city hall for the community as part of the Annual State of the City event.	\$ 11,867	\$ 11,867

FY 2023/24 Projects with Scope Change (No Cleanwater)

Project Name	Fund	Department	Description of Change	FY 23/24 Change	20-Yr Impact Change
832260 - Office of Emergency Services	General	Public Safety	Adds funding for a consultant to develop a draft Flood Plan Annex to be included in the City's Emergency Preparedness plan.	\$ 12,500	\$ 12,500
832380 - Iizuka Sister City Engagement Funding	General	Library and Recreation Services	Extends the City's contribution for Iizuka Sister City engagement through FY 25/26.	\$ 12,500	\$ 37,500
832750 - City Maintained Tree Inventory	General	Public Works	Adds funding for the City to undertake a citywide tree inventory. The last study was in 1986.	\$ -	\$ 325,000
835490 - Community Events & Neighborhood Grants	General	Library and Recreation Services	Adds 1% inflation above the 2% initially programmed to align more closely with the historical average across the twenty-year planning period.	\$ -	\$ 91,296
835510 - Maintenance of 725 Kifer Rd. (SCS Property)	General	Public Works	Adds funding for roof repair to preserve the integrity of the building, and to minimize any potential damage or property loss that can be caused by a deteriorating roof.	\$ 132,000	\$ 132,000
835820 - Temporary Housing for Unhoused Individuals	General	Office of the City Manager	Add \$500,000 to extend one-year pilot program outreach and case management services to the unhoused community through HomeFirst.	\$ 500,000	\$ 500,000
835010 - Green Stormwater Infrastructure Plan Implementation	General	Environmental Services	Adds funding to address the requirement for five acres treated as green stormwater infrastructure (GSI) retrofit projects, beyond what is already required for new and redevelopment projects. Funding allows ESD and DPW to be responsive to opportunities for GSI integration into CIP or ATP projects as they move through the project development process.	\$ 200,000	\$ 1,750,000
835620 - Cultural Inclusion	General	Library and Recreation Services	Removes scope for equity, access, and inclusion internal activities such as memberships and training that is administered by OCM. LRS will continue to host external programming with this project. Funding moved to Project 836280 - Equity, Access, and Inclusion (EAI) Training. Net neutral change.	\$ (65,000)	\$ (1,300,000)
835910 - Stormwater Permit Implementation	General	Environmental Services	Adds 25% Funding for TL Environmental Compliance Inspector and shifts funding out for two additional years. Position is needed are requirements of the City's Stormwater Permit.	\$ (34,749)	\$ 46,852

FY 2023/24 Projects with Scope Change (No Cleanwater)

Project Name	Fund	Department	Description of Change	FY 23/24 Change	20-Yr Impact Change
834260 - Cost of Service Study For City Fees	General/ Development Enterprise	Finance	Provides funding for a consultant to help the City perform a cost of service delivery for general fees (DPS, LRS, etc.). It is best practice to periodically conduct comprehensive fee studies to ensure fees remain aligned with the cost to deliver service. If not funded, the City would need to conduct its own analysis which can be challenging due to the level of expertise and time commitment required and may impact cost and fee alignment over time. This item does not affect cost of service studies for Enterprise funds.	\$ 30,000	\$ 350,000
825730 - Pedestrian Lighted Crosswalk Maintenance and Replacement	General/Measure B	Public Works	Consolidates infrastructure replacement for the cost of costs of the controller, lights, batteries, solar panels, controller/batteries enclosure, push buttons, flashing beacons, signs, and poles of in pavement-lighted crosswalk warning (IRWL) and Rectangular Rapid Flashing Beacon (RRFB) systems. Also, aligns funding with replacement based on date of system install and reallocates funding from the General Fund to Measure B. Overall, net reduction to project.	\$ (54,552)	\$ (5,248,100)
835450 - Stormwater-Wastewater Bacteria Control Program	General/Wastewater	Environmental Services	Additional funding will support source identification studies, public outreach, pet waste program enhancement, and the sanitation services program, each of which is required by the Municipal Regional Permit for Stormwater Pollution Prevention.	\$ -	\$ 175,000
834710 - Civic Center Phase 2 Planning - Main Library	Infrastructure	Public Works	Adds \$15 million as an initial investment for implementation of Civic Center Phase 2 (Main Library) to demonstrate to the community the City's commitment to moving this project forward.	\$ -	\$ 15,000,000
836300 - Fire Station 1 Remodel	Infrastructure	Public Works	Adds funding for Fire Station 3 renovation as recommended by the Fire Station Master Plan. Moves project from unfunded to funded.		\$ 4,499,000
836310 - Fire Station 3 Remodel	Infrastructure	Public Works	Adds funding for Fire Station 3 renovation as recommended by the Fire Station Master Plan. Moves project from unfunded to funded.	\$ -	\$ 3,250,000
836320 - Fire Station 4 Remodel	Infrastructure	Public Works	Adds funding for Fire Station 4 renovation as recommended by the Fire Station Master Plan. Moves project from unfunded to funded.	\$ -	\$ 4,369,000

FY 2023/24 Projects with Scope Change (No Cleanwater)

Project Name	Fund	Department	Description of Change	FY 23/24 Change	20-Yr Impact Change
836330 - Fire Station 6 Remodel	Infrastructure	Public Works	Adds funding for Fire Station 6 renovation as recommended by the Fire Station Master Plan. Moves project from unfunded to funded.	\$ -	\$ 3,250,000
829400 - Sidewalk, Curb and Gutter Replacement	Measure B	Public Works	Aligns annual allocation to reflect updated Measure B revenue projections.	\$ 828,175	\$ 11,543,509
834700 - Green Bike Lane Replacement	Measure B	Public Works	Updates funding for anticipated green bike lane replacement costs for Projects 832930 (Fair Oaks Bike Lanes), 832950 (Java Road Bike lanes), 832960 (Lawrence Station Area Bike Lanes), and 833000 (Sunnyvale SNAIL Improvements ATP). Also changes funding source from General Fund to Measure B.	\$ -	\$ 795,000
823911 - Bernardo Avenue Caltrain Under-crossing	Measure B/TIF	Public Works	Moves this project from Unfunded to Funded with partial funding identified (Measure B and Federal appropriation). Allocates \$3M in Measure B grant funds for design and \$7 million for the City's anticipated local match pending Mountain View's commitment. Additional grant funding will be brought forward when agreements are in place.	\$ 10,000,000	\$ 10,000,000
818600 - Senior Center Buildings - Rehabilitation	Park Dedication	Public Works	Funding to install a new fire alarm system at the Senior Center Building due to recent malfunctions and inability to repair. A functioning fire alarm is a requirement to keep the building operational.	\$ 120,200	\$ 120,200
825850 - Swim Pools Infrastructure	Park Dedication	Public Works	Added funding for design and construction of crack repair and relining at Columbia Pool starting in FY 26/27. Pending Sunnyvale School District including in its capital budget to ensure 50% cost sharing.	\$ -	\$ 440,000
832800 - Performing Arts Center Infrastructure	Park Dedication	Public Works	Adds funding due to increased costs associated with restroom facility expansion and to meet ADA and building code requirements. Also includes funding to rebuild theater staging and surfacing and to update	\$ -	\$ 1,143,000
820270 - Playground Equipment Replacement	Park Dedication	Public Works	Scope for resilient surfacing replacement removed from Playground Equipment Replacement Project. A new project (836180 - Parks Resilient Surfacing Replacement) has been created to track resilient surfacing replacement as the City as more parks are adding resilient resurfacing during renovation and enhancements.	\$ -	\$ (2,734,475)

FY 2023/24 Projects with Scope Change (No Cleanwater)

Project Name	Fund	Department	Description of Change	FY 23/24 Change	20-Yr Impact Change
828260 - SMaRT Station Post-2021 Rebuild	SMaRT	Environmental Services	Updates project estimate to account for inflation and final design changes that have driven the estimated costs up to approximately \$34M. The City's financing plan incorporates this updated figure.	\$ 3,297,219	\$ 4,184,219
831691 - Storm System Trash Reduction Programs	Solid Waste	Environmental Services	Adds 75% Funding for TL Environmental Compliance Inspector for two additional years. Position is needed as described in project to address trash requirements on private properties per requirements of the City's Stormwater Permit	\$ 43,958	\$ 288,762
830521 - ERP System Acquisition, Implementation, and Support	Technology Services	Information Technology	Updates 20-yr project funding in anticipation of required upgrades and replacement in future years.	\$ -	\$ 9,756,960
834560 - GIS Onetime Support	Technology Services	Information Technology	Adds one additional year of consultant support to increase support of GIS through: a) Timely ongoing maintenance of Geo-coded data layers, b) Adding maintenance processes for layers not currently maintained and c) Increased GIS analytical work and corresponding GIS related project support in preparation for National Emergency Number Association (NENA) requirements to be enforced beginning in 2025.	\$ 172,760	\$ 172,760
835630 - Stevens Creek Trail Extension (W. Remington Ave to W. Fremont Ave)	TIF/Grant	Public Works	Adds \$3M in federal funds earmarked for this project. Also adds \$4M in TIF funds as the City's anticipated local match.	\$ -	\$ 7,000,000
825290 - Pavement Rehabilitation	Various	Public Works	Updates funding for pavement rehabilitation with revenue projections from streets funding - RMRA, Gas Tax, VRF, Measure B, etc.	\$ (3,565,619)	\$ 24,970,347
831600 - Solar Installations on City Facilities	Various	Environmental Services	The City proceeded with the PPA approach. The only costs that the City will cover are for the solar consultant Optony that has been advising the City during the RFP, design and construction. Capital funds returned to General Fund and Utility funds.	\$ (245,153)	\$ (6,437,494)

FY 2023/24 Projects with Scope Change (No Cleanwater)

Project Name	Fund	Department	Description of Change	FY 23/24 Change	20-Yr Impact Change
805253 - Sewer Emergency Repair and Replacement	Wastewater	Environmental Services	Provides additional funding for emergency repairs of high-risk defects, particularly those that are highly severe or located close to critical waterways and facilities. Repairs must be addressed promptly due to the potential consequences of inaction, such as pipe collapses, service disruptions, sewage spills, regulatory violations, and legal liabilities, which could result in costly clean-up and repair efforts. Net neutral change with corresponding offset in 825331 - Replacement/Repair/Rehabilitation of Sanitary Sewer System.	\$ 418,560	\$ 1,655,914
806351 - Land Development and Capital Construction	Wastewater	Environmental Services	Additional funding for FY 23/24-25/26 due to rising cost of vaults, meters, and parts. Additionally, the City continues to experience a high level of development activity. Costs are covered by Water Connections Fees.	\$ 282,944	\$ 562,377
825331 - Replacement/Repair/Rehabilitation of Sanitary Sewer System	Wastewater	Public Works	Reduces budget as funding offset for Project 805253 - Sewer Emergency Repair and Replacement increase. Currently planned scope of work not affected.	\$ (1,252,597)	\$ (1,252,597)
830210 - Repairs to the Power Generation Facility	Wastewater	Environmental Services	Additional funding for increased maintenance of the two power generation engines in order to meet emissions requirements. Funding is needed until FY 27/28 which is the expected time frame for the new cogen engines to be online.	\$ 150,000	\$ 1,395,000
831730 - WPCP Oxidation Pond Levee Rehabilitation	Wastewater	Environmental Services	Additional funding needed to complete repairs to South, West and completion of the East pond levees before they fail. Locations identified based on condition assessment. Due to scope of project the DPW PAS Unit will provide oversight.	\$ -	\$ 9,450,000
833060 - WPCP Annual Digester Cleaning	Wastewater	Environmental Services	Adds funding for cleaning digesters to allow for inspections and repairs so that digesters have sufficient treatment capacity and to protect digester equipment from damage.	\$ 100,000	\$ 210,000
833090 - Sanitary System Hydraulic Model Update	Wastewater	Environmental Services	Adds funding for collection of wet weather flow data as previous updates to the model were after relatively dry winters and were not able to record increases in sewer flows that happen during rain storms. After successful data collection, funding allows for the engineering effort of updating the model and providing a summary report.	\$ 50,000	\$ 100,000

FY 2023/24 Projects with Scope Change (No Cleanwater)

Project Name	Fund	Department	Description of Change	FY 23/24 Change	20-Yr Impact Change
834460 - Sewer Capacity Enhancement Projects	Wastewater	Public Works	Includes funding for projects identified in the 2022 Wastewater sewer capacity study in order to reliably convey the wastewater to the Water Pollution Control Plant, prevent sewer overflows, and accommodate future growth.	\$ -	\$ 8,790,000
834720 - Laboratory Certification Update	Wastewater	Environmental Services	Exchanges casual funding for laboratory temporary services for a TL position. Position is critical for implementing new standards for drinking water and wastewater quality testing. Cost for TL position partially offset by reduction in the program's casual funding.	\$ 64,862	\$ 200,482
825451 - Replacements and New Installations of Potable and Recycled Water Mains	Water	Public Works	Updates scope to reflect both replacement of water mains that are no longer reliable due to leaks, breaks, and corrosion as well as installation of new potable and recycled water mains as needed to improve system capacity and operational flexibility. Aligns funding for project delivery with a net savings of \$910K associated with the change.	\$ (4,308,631)	\$ (910,811)
834380 - Fire Hydrant Replacement	Water	Environmental Services	Continues funding for a proactive fire hydrant replacement program as many are past their useful life. The project will ensure the City attends to fire hydrant replacements before possible complete failure of hydrants (inability to use the hydrant) during firefighting activities.	\$ -	\$ 1,140,000
819771 - Utility Maintenance Management System	Water/Wastewater	Environmental Services	Additional funding to replace the water, recycled water, sewer, and storm utility maintenance management system due to old age of system and lack of functionality.	\$ 450,000	\$ 398,876
Total for Change in Scope				\$ 7,432,561	\$ 147,334,638

City of Sunnyvale
Departmental Project Index
Funded and Unfunded Projects by Department

Project No.	Project Name	Project Category	Project Type	Page #
Department: Community Development				
Funded Projects				
803501	CDBG Housing Rehabilitation Revolving Loan Fund	Special	CDBG	419
812701	Home Access, Paint, Emergency Repair, and Energy-Efficiency	Special	CDBG	420
819720	Outside Group Funding Support [GF]	Outside Group Funding	Outside Group Funding	434
823750	BMR Compliance Enforcement	Special	Housing	209
825700	General Plan Updates	Special	Governance and Community Engagement	541
826520	Pre-Development Costs on Affordable Housing Sites	Special	Housing	210
826530	County-Wide Homeless Count	Special	Housing	211
827550	Outside Group Funding Support [CDBG]	Outside Group Funding	CDBG	421
828100	First-Time Homebuyer Loans	Special	Housing	212
828750	Tenant Based Rental Assistance (HOME)	Special	Housing	213
829560	Sunnyvale Workforce Development Program-DST	Special	CDBG	422
830630	Dispute Resolution Services	Outside Group Funding	Outside Group Funding	436
830980	Comprehensive Update of the Precise Plan for El Camino Real	Special	Governance and Community Engagement	544
831761	Homeless Prevention and Rapid Re-Housing (HPRR)	Special	Housing	214
832030	Orchard Gardens Apartments Redevelopment	Special	Housing	215
832640	Climate Action Plan and Green Building Updates	Special	Governance and Community Engagement	554
833960	Moffett Park Specific Plan Staffing	Special	Governance and Community Engagement	557
834780	Evaluation of Right to Lease Ordinance	Special	Housing	216
834790	Addition to the Heritage Resource Inventory of Sites Associated with Tech Innovation	Special	Governance and Community Engagement	567
835190	Updates to the Single-Family Home Design Techniques Document	Special	Housing	217
835550	Mobile Showers and Laundry	Outside Group Funding	CDBG	424
835560	Emergency Assistance for Households w/Disabilities	Outside Group Funding	CDBG	425
835570	COVID-19 Testing and Vaccinations	Outside Group Funding	CDBG	426
835640	Housing Mitigation Fee Study	Special	Housing	218
835690	Creation of Objective Citywide and Specific Area Plan/Citywide Landscape Design Guidelines	Special	Governance and Community Engagement	578
835720	2023 Housing Element Update	Special	Housing	219
835850	REAP Housing Strategy Implementation	Special	Housing	222
835950	Universal Basic Income Study	Special	Governance and Community Engagement	579
836130	Second Harvest Loan Repayment Grant	Special	Housing	223
836420	El Camino Real Sense of Place Plan	Special	Governance and Community Engagement	585
836430	SB379 SolarApp+	Special	Governance and Community Engagement	586
836470	Sunnyvale Community Services Facility Financing Support	Outside Group Funding	Outside Group Funding	437
836480	Carroll Street Inn Rehabilitation	Special	Housing	224
836490	1171 Sonora Court Predevelopment of Affordable Housing	Special	Housing	225
836500	1178 Sonora Court Affordable Housing Development	Special	Housing	226

Total Number of Community Development Funded Projects: 35

**City of Sunnyvale
Departmental Project Index
Funded and Unfunded Projects by Department**

Project No.	Project Name	Project Category	Project Type	Page #
Unfunded Projects				
832650	Peery Park Housing Study	Special	Governance and Community Engagement	587
900469	El Camino Real Gateway Program	Capital	Traffic and Transportation	187
Total Number of Community Development Unfunded Projects: 2				

Housing

The City's housing projects are designed to address the affordable housing goals of the 2023-2031 Housing Element of the City's General Plan, and other City plans and policy documents related to affordable housing. Housing projects in this section are funded by the Combined Housing Fund, the HOME Fund, the repository for the City's federal HOME Investment Partnership Program grants and HOME program income (loan payment) revenues, and the Housing Successor Agency Low-Moderate Income Housing (LMH) Fund.

The Combined Housing Fund includes several types of special housing revenues, each deposited into a separate sub-fund: the Housing Mitigation sub-fund, consisting of Housing impact fees on non-residential and rental housing projects, as well as prior loan payment revenues; and the Below Market Rate (BMR) Housing sub-fund, consisting of BMR in-lieu and administrative fees. The LMH Fund also includes special revenues available only for affordable housing projects. State statutes govern the use of the LMH, so all LMH expenditures and projects are designed to comply with those State laws.

Major Housing Projects

Housing Strategy Implementation. A 2017 Study Issue, the Sunnyvale Housing Strategy identified thirteen new strategies to improve upon or create new programs and policies for addressing the affordable housing needs of the community. The four key components of the Housing Strategy included mobile home parks, age-friendly housing, and the supply and demand of housing. The process included extensive outreach and was adopted by the City Council on October 13, 2020. Staff has completed implementation of three key Strategies: the mobile home park Memorandum of Understanding (MOU), Tenant Protections/Right to Lease, and updating the City's ownership inclusionary ordinance. Remaining Strategies will be implemented over the next three fiscal years.

Housing Element Update. In accordance with state law, Sunnyvale must update our Housing Element of the General Plan every eight years. The Housing Element update began in Summer 2021 and will be adopted by the City Council in 2023. The City must accommodate a Regional Housing Needs Allocation of approximately 12,000 residential units in the new Housing Element which will cover from 2023 to 2031.

Homeless Prevention and Rapid Re-Housing (HPRR). This project is funded with Redevelopment Housing Fund in accordance with State law, which allows housing successor agencies to allocate up to \$250,000 annually through FY 2031/32 for HPRR programs to assist residents at imminent risk of, or currently experiencing, homelessness. The HPRR program replicates a federal program implemented as part of the recession-era Recovery Act (ARRA), which was also implemented in Sunnyvale. The program is designed to prevent households from becoming homeless, or if they do lose their housing, to assist them into new housing within two months or less through use of security deposit and shorter-term rental assistance. In addition, credit repair and legal services may be included in the program. The City grants the funds to a qualified non-profit service provider to implement this program.

Sonora Court – Affordable Housing Site. This recently entitled new affordable housing development will consist of the construction of approximately 175 new affordable rental units for lower-income households on City owned land at 1178 Sonora Court. The parcel was purchased with Housing Mitigation Funds in June 2020, and the City will engage in a long-term ground lease with the affordable housing developer, MidPen Housing. Construction is anticipated to begin in 2024.

Sonora Court 2– Affordable Housing Site. This project, currently in planning review, will be a new affordable housing development consisting of over 190 new affordable rental units for lower-income households at 1171 Sonora Court. Construction is anticipated to begin in the next three to five years.

Temporary Housing for Unhoused Individuals. In 2023, the Council prioritized supporting the unhoused community in Sunnyvale. An extended pilot program will provide case management support and shelter beds for the homeless. Services include financial aid, job training, medical care, housing, and shelters. The program is funded with \$500,000 initially from General Fund and another \$500,000 for a one-year extension, totaling \$1,000,000.

Orchard Gardens Apartments Redevelopment. The project was approved by the Council in 2020 and aligns with the City's General Plan Housing Element. In FY 2022, the Council approved an additional \$2.5 million in Housing Mitigation Funds to assist with the redevelopment and expansion of 120 units at the Orchard Gardens affordable rental housing complex, totaling \$10 million in Housing Mitigation Funds. The City proceeds in conjunction with County Measure A funding and tax credits will provided the necessary funding required for the rehabilitation of the property. Construction is anticipated in 2024.

Tenant Based Rental Assistance (HOME). This project allocates HOME funds to Sunnyvale Community Services (SCS) to administer a tenant-based rental assistance and security deposit assistance program for City residents experiencing or at imminent risk of homelessness. The City executed its initial agreement with SCS in July 2022 as outlined in the HUD Annual Action Plan. With HOME funds remaining very flat and rental expenses increasing, it is likely this program will enroll fewer clients as time goes on. The City will continue to seek other funds to help backfill this program if needed.

**CITY OF SUNNYVALE
FUNDED / UNFUNDED PROJECTS
BUDGETED PROJECT COSTS SUMMARY**

Housing Funded Projects

Project	Prior Actual	Current 2022-23	Plan 2023-24	Plan 2024-25	Plan 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29	Plan 2029-30	Plan 2030-31	Plan 2031-32	Plan 2032-33	Y11-Y20 Total	Project Life Total
823750 - BMR Compliance Enforcement	320,091	116,694	-	-	-	-	-	-	-	-	-	-	-	436,784
826520 - Pre-Development Costs on Affordable Housing Sites	80,553	49,591	-	-	-	-	-	-	-	-	-	-	-	130,143
826530 - County-Wide Homeless Count	57,923	22,114	-	12,000	-	12,077	-	12,812	-	13,592	-	14,420	86,761	231,698
828100 - First-Time Homebuyer Loans	1,896,390	315,000	250,000	250,000	-	-	-	-	-	-	-	-	-	2,711,390
828750 - Tenant Based Rental Assistance (HOME)	3,504,790	2,000,000	-	-	-	-	-	-	-	-	-	-	-	5,504,790
831761 - Homeless Prevention and Rapid Re-Housing (HPRR)	1,309,869	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	-	-	3,809,869
832030 - Orchard Gardens Apartments Redevelopment	-	7,500,000	2,500,000	-	-	-	-	-	-	-	-	-	-	10,000,000
834780 - Evaluation of Right to Lease Ordinance	1,153	58,847	-	-	-	-	-	-	-	-	-	-	-	60,000
835190 - Updates to the Single-Family Home Design Techniques Document	-	100,000	-	-	-	-	-	-	-	-	-	-	-	100,000
835640 - Housing Mitigation Fee Study	-	88,435	-	-	-	-	-	-	-	-	-	-	-	88,435
835720 - 2023 Housing Element Update	248,873	281,186	-	-	-	-	-	-	-	-	-	-	-	530,059
835810 - Code Enforcement Activities to Address Substandard Residential Properties	49,842	60,020	-	-	-	-	-	-	-	-	-	-	-	109,862
835820 - Temporary Housing for Unhoused Individuals	-	500,000	500,000	-	-	-	-	-	-	-	-	-	-	1,000,000
835850 - REAP Housing Strategy Implementation	10,024	64,976	-	-	-	-	-	-	-	-	-	-	-	75,000
836130 - Second Harvest Loan Repayment Grant	-	47,570	-	-	-	-	-	-	-	-	-	-	-	47,570
836480 - Carroll Street Inn Rehabilitation	-	-	500,000	-	-	-	-	-	-	-	-	-	-	500,000
836490 - 1171 Sonora Court Predevelopment of Affordable Housing	-	-	500,000	-	-	-	-	-	-	-	-	-	-	500,000
836500 - 1178 Sonora Court Affordable Housing Development	-	-	12,500,000	-	-	-	-	-	-	-	-	-	-	12,500,000
Total Housing Funded Projects	7,479,507	11,454,432	17,000,000	512,000	250,000	262,077	250,000	262,812	250,000	263,592	250,000	14,420	86,761	38,335,601

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823750 - BMR Compliance Enforcement

Originating Year:	2002	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

The Below Market Rate (BMR) Compliance Enforcement project funds the services of an independent investigative firm, independent counsel on bankruptcy and foreclosure matters, and litigation to force the sale of a BMR property. These activities are required to enforce compliance of the BMR Purchase Program. Occasionally, a BMR unit will have a compliance issue that cannot be solved by City Housing or City staff, or may be an issue requiring further investigation. These funds allow the City to fund either an outside investigator or legal consultant to assist in resolving any compliance issues.

Project Evaluation and Analysis

This project ensures the primary program requirement of the BMR program, continued occupancy of a BMR unit as the principal residence of the owner, is met. BMR Compliance issues arise from time to time, and may range from 0-2 per year. Enforcement matters may range from funding that is needed to send notices, to the hiring of private investigators, legal support, or even real estate brokers to support the City on particular enforcement matters.

Fiscal Impact

This project is funded by the BMR sub-fund. Future revenues are unlikely to be associated with this project, however, if the City does have to retain ownership of a unit, any sales proceeds will return to the City's BMR fund. The current project budget holds a sum of funding for future needs, no annual funding is allocated. Therefore, carryover of this fund is requested on an annual basis as long as funding remains. Due to the nature of BMR enforcement, the City can not necessarily plan on the time at which these funds will be needed, but this project allows quick access to funds in an urgent enforcement scenario.

Funding Sources

Below Market Rate Housing Subfund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	320,091	436,784	-
2022-23	116,694	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	436,784	436,784	-

826520 - Pre-Development Costs on Affordable Housing Sites

Originating Year:	2007	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

Project funds can be used when the City is seeking to purchase land (appraisals, studies, staff support in other departments, etc.) or can be available for emergency situations or tight deadlines with our affordable housing partners.

Project Evaluation and Analysis

Project will provide funding for a variety of needs when it comes to pre-development of affordable housing on City-owned or nonprofit developer owned land. Types of items that may need this funding include, but are not limited to: studies needed to determine if a housing project is feasible or requires alternatives or modifications, appraisals, urgent maintenance or security needs, urgent funds needed to close or meet deadlines that are minor in nature, inspections, etc. The funds will be issued by request from a developer or at the request of the City to pay for these items as needed.

Fiscal Impact

This project is funded by the Housing Mitigation Sub-Fund. These funds remain in this project to be used as projects arise. Because the timeframe to purchase property or provide studies is so limited, this funding source allows the City or partner developers to quickly fund required studies or complete urgent tasks. This project does not receive revenue. Funds are requested to be carried from year to year as needed to ensure a balance is available. Examples of costs that may come from this project include: appraisals, emergency repairs, security needs, maintenance needs, etc.

Funding Sources

Housing Mitigation Sub-Fund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	80,553	-	-
2022-23	49,591	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	130,143	-	-

826530 - County-Wide Homeless Count

Originating Year:	2017	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project funds the costs to pay for the City's share of conducting a biennial county-wide homeless count and survey. This homeless count and survey is a federally mandated initiative for Santa Clara County. As agreed, each jurisdiction within the County shall contribute a pro-rata share of the cost to conduct the survey based on their population size. The count is conducted in January of every odd year and the County hires a consultant to prepare the final report and compile all data. Once the report is published, it provides background information for each City to assist with homeless programs but mainly serves as a funding tool for the County's federally funded programs.

Project Evaluation and Analysis

The support of the City's fair share by population of the cost of the homeless survey provides substantial benefit to the homeless residents in Sunnyvale and throughout the county. It provides a key tool that allows public service agencies access to federal grant dollars to support services to the homeless and established metrics to progress homeless programs and populations. The County oversees the entire process.

Fiscal Impact

The project is funded by the Housing Mitigation Sub-Fund and is critical for continuation of our annual Housing and Urban Development (HUD) Grant appropriations. In addition, in order for the County to continue to receive McKinney-Vento funds, the County is mandated to conduct a County-wide homeless count every two years.

Funding Sources

Housing Mitigation Sub-Fund

Plans and Goals

HE - Housing Element - HE-5: Equal Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	57,923	-	-
2022-23	22,114	-	-
2023-24	-	-	-
2024-25	12,000	-	-
2025-26	-	-	-
2026-27	12,077	-	-
2027-28	-	-	-
2028-29	12,812	-	-
2029-30	-	-	-
2030-31	13,592	-	-
2031-32	-	-	-
2032-33	14,420	-	-
2033-34	-	-	-
2034-35	15,298	-	-
2035-36	-	-	-
2036-37	16,229	-	-
2037-38	-	-	-
2038-39	17,350	-	-
2039-40	-	-	-
2040-41	18,391	-	-
2041-42	-	-	-
2042-43	19,494	-	-
20 Year Total	151,661	-	-
Grand Total	231,698	-	-

828100 - First-Time Homebuyer Loans

Originating Year:	2017	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	Ernie DeFrenchi

Project Description/Scope/Purpose

This project allocates Below Market Rate (BMR) In-Lieu funds from the Below Market Rate Housing Sub-Fund for the First Time Homebuyer Program, to be used for down-payment assistance loans to eligible households (at or below 120% Area Median Income) for purchase of eligible homes in Sunnyvale. These loans commonly assist households purchasing BMR units developed through the City's Inclusionary Housing Program. The City underwrites each loan and awards between 4-5 loans annually. For specific details on the loans offered or income qualifications, please refer to the current First Time Homebuyer Program Guidelines.

Project Evaluation and Analysis

This project is an ongoing program offered by the Housing Division to assist income qualified households in purchasing their first home. Typically, between 4-5 loans are awarded annually, with a maximum loan amount of \$50,000. Payments on these loans are captured in the City's BMR Housing Sub-Fund.

Fiscal Impact

This project has \$250,000 programmed annually through FY 2024/25 from the BMR Housing Sub-Fund. The funds will be expended by making deferred loans that will be paid back to the Housing Mitigation fund upon the occurrence of certain events that trigger the maturity date, such as sale or transfer of the home securing the loan. This use of BMR In-Lieu funds is consistent with City policy for use of Housing Funds.

Funding Sources

Below Market Rate Housing Sub-Fund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	1,896,390	242,000	-
2022-23	315,000	58,000	-
2023-24	250,000	-	-
2024-25	250,000	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	500,000	-	-
Grand Total	2,711,390	300,000	-

828750 - Tenant Based Rental Assistance (HOME)

Originating Year:	2010	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

Tenant Based Rental Assistance (TBRA) programs are very similar to the federal "Section 8" housing voucher program, but are funded with HOME Investment Partnerships Program (HOME) rather than with federal Section 8 housing funds, which are provided to housing authorities, not to cities. Funds are limited for 2 years program. This project allocates HOME funds to Sunnyvale Community Services (SCS) to administer a tenant-based rental assistance and security deposit assistance program for City residents experiencing or at imminent risk of homelessness. The City executed its initial agreement with SCS in July 2022 as outlined in the HUD Annual Action Plan.

Project Evaluation and Analysis

This project addresses the priorities and goals described in the Consolidated Plan, specifically "Alleviation of Homelessness." Sunnyvale Community Services (SCS) enrolls homeless individuals in the TBRA program as funding allows. The funds are only available to each household for 2 years with the goal of the household slowly working towards paying market rate or waiting on an affordable housing waitlist while enrolled in the TBRA program. Staff continuously monitors SCS to ensure households are successfully transitioning from the program into being more financially dependent and ensures that SCS is forming strong partnerships with local landlords.

Fiscal Impact

This project is contingent on Housing and Urban Development (HUD) grant appropriations. This project is funded by the HOME Grant Fund and this use of HOME funds is consistent with federal regulations. Funds go towards a program which provides direct rental subsidies, deposit support, case management, administrative support, and more as outlined clearly in a funding contract with the program administrator. With HOME funds remaining very flat and rental expenses increasing, it is likely this program will enroll fewer clients as time goes on. The City will continue to seek other funds to help backfill this program if needed.

Funding Sources

HOME Grant Fund

Plans and Goals

HE - Housing Element - HE-5: Equal Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	3,504,790	-	-
2022-23	2,000,000	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	5,504,790	-	-

831761 - Homeless Prevention and Rapid Re-Housing (HPRR)

Originating Year:	2017	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project is funded by Redevelopment Agency (RDA) Low-Moderate Income Housing (LMH) funds which had been deferred in prior years. Recently enacted state law allows post-RDA Housing Successor Agencies (HSA) to spend up to \$250,000 in LMH annually for Homelessness Prevention and Rapid Re-Housing (HPRR) programs. HPRR programs are based on a Federal program launched as part of the 2009 Recovery Act (ARRA) that was also successfully implemented in Sunnyvale. HPRR programs assist homeless clients and those at imminent risk of losing their housing by providing direct financial assistance for costs to maintain or obtain housing, such as short-term rental assistance (3-18 months), security and/or utility deposits, utility payments, last month's rent, or moving costs; as well as services such as housing search, mediation, credit repair, case management, and other appropriate services. Sunnyvale Community Services is implementing this program. Continuing this project beyond the terms in the proposed budget is contingent on future revenue in the Redevelopment Housing Fund. The funds and the project are currently being managed by the City's TBRA administrator.

Project Evaluation and Analysis

This project complies with current state law that regulates agencies' use of LMH funds. The project addresses the goals in the City's Housing Element and Housing and Urban Development (HUD) Consolidated Plan to alleviate homelessness. Homelessness has become an increasing urgent concern in the City as the rental market has become extremely competitive and many residents have found themselves suddenly without housing due to steep rent increases, an inability to locate another affordable rental unit, or for various other reasons.

Fiscal Impact

This project is funded by the Redevelopment Housing Fund in the amount of \$250,000 annually through FY 2031/32. As Redevelopment LMH funding is finite, additional funding will need to be identified when Redevelopment funding is no longer available if this service is to continue.

Funding Sources

Redevelopment Housing Fund

Plans and Goals

HE - Housing Element - HE-5: Equal Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	1,309,869	-	-
2022-23	250,000	-	-
2023-24	250,000	-	-
2024-25	250,000	-	-
2025-26	250,000	-	-
2026-27	250,000	-	-
2027-28	250,000	-	-
2028-29	250,000	-	-
2029-30	250,000	-	-
2030-31	250,000	-	-
2031-32	250,000	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	2,250,000	-	-
Grand Total	3,809,869	-	-

832030 - Orchard Gardens Apartments Redevelopment

Originating Year:	2020	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2023/24	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

First Community Housing (FCH), non-profit housing developer and owner of Orchard Gardens, located at 245 W. Weddell Drive. The redevelopment project includes demolition of existing units and new construction for over 120 units on site. The \$10 million in City HMF funding will be provided as a 55-year loan. The completed project will be restricted by the City as affordable housing for a 55-year term.

Project Evaluation and Analysis

This project is consistent with the goals and objectives in the City's General Plan Housing Element. The requested funding commitment for the project was recommended by the HHSC and approved by Council in early 2020. FCH has experience developing housing for developmentally disabled tenants in partnership with several local service providers, including Housing Choices Coalition. Upon completion, the majority of units will be restricted and affordable to households with extremely low to low incomes, with one manager's unit. The funding commitment will not be finalized until the project receives the required development permits (entitlements) from Planning. Funding commitment is good through 2024.

Fiscal Impact

The project is funded by the Housing Mitigation Sub-Fund, which exists for the purpose of funding affordable housing projects such as the redevelopment of Orchard Gardens. The final funding commitment of \$10M is contingent upon completing the standard funding conditions as provided to the developer. Future uses of this funding will go towards demolition, renovation and construction of these 123 affordable units on site. Council approved the \$7.5 million conditional commitment of Housing Mitigation funds for this project on February 25, 2020 and \$2.5M on October 25, 2022, for a total City commitment of \$10M.

Funding Sources

Housing Mitigation Sub-Fund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2022-23	7,500,000	-	-
2023-24	2,500,000	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	2,500,000	-	-
Grand Total	10,000,000	-	-

834780 - Evaluation of Right to Lease Ordinance

Originating Year:	2020	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2022/23	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

Project consists of completing Study Issue CDD 19-01 (Evaluation of Right to Lease Ordinance). Council approved Budget for \$60,000 in General Funds to cover anticipated costs of completing this study issue. Initial outreach and evaluation were completed during the Housing Strategy study issue process. It was determined by the Council that the Right to Lease Ordinance shall proceed and begin in the 2020-21 fiscal year.

As of late 2022, the project has been merged with a tenant protections ordinance and all outreach has been completed. A draft ordinance has been prepared as is anticipated to be reviewed by the Council in early 2023. The draft ordinance covers expanded tenant protections from evictions and required new lease term offerings for those renting qualified properties in Sunnyvale.

Project Evaluation and Analysis

As part of the Housing Strategy, the Council recommended this policy be reviewed and created. Intended outcome is an ordinance as a tool to preserve housing opportunities and potentially preserve rental housing rates for an unidentified length of time. This project will allow Sunnyvale tenants support against illegal evictions, relocation assistance, housing stability support, and fair housing regulations.

Fiscal Impact

Project is funded at \$60,000 with a one-time General Fund allocation for completion of the Study Issue. Additional funds will likely be required for implementation of any recommendations and/or creation of an ordinance that would be a separate future work item. Costs will consist of staff time, outreach expenses, education for tenants and landlords, legal support as needed.

Funding Sources

General Fund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

HE - Housing Element - HE-5: Equal Housing Opportunities

HE - Housing Element - HE-2: Enhanced Housing Conditions and Affordability

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	1,153	-	-
2022-23	58,847	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	60,000	-	-

835190 - Updates to the Single-Family Home Design Techniques Document

Originating Year:	2020	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2022/23	Category:	Special	Project Manager:	Amber Blizinski

Project Description/Scope/Purpose

Study Issue CDD 20-01 will update the single-family design techniques. The design techniques have been a useful tool in reviewing the design of single-family homes; however, the Planning Commission has requested more specificity and potentially additional guidelines, which establish clearer quality standards for the City. Additionally, the Planning Commission has requested more objective standards when related to architectural consistency and to address modifications to single-family homes based on innovative architecture. This Study to update the single-family design techniques will be a large planning effort, and will include:

- Evaluation of the existing Design Techniques and style expectations;
- Discussion with staff who commonly work on design review applications to learn what standards work well, and which need updating;
- Working with a consultant to develop new guidelines or criteria, to expand existing guidelines, and to ensure the guidelines are objective (when feasible);
- Consider how to include sustainable concepts and aspects into design review;
- Multiple outreach meetings with the community and single-family home architects and designers; and
- Surveying other cities to compare design techniques/guidelines.

Project Evaluation and Analysis

As a result of recent changes in State law (Senate Bill 330), the City must rely on objective development and design standards for single-family homes, similar to our efforts for multi-family (Citywide). As many of the Single-Family Design Techniques are currently subjective, the City will utilize grant funding to update design techniques and develop new objective design standards.

Fiscal Impact

This project was funded through the Development Enterprise Fund. Funds will be utilized to hire a consultant who specializes in Design Guidelines and Standards to help evaluate and update the existing design techniques and finalize the format to integrate it into the City's Consolidated Design Guidelines document.

Funding Sources

Funding Source: Development Enterprise Fund

Plans and Goals

CC - Community Character - CC-1: Distinguished City Image

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2022-23	100,000	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	100,000	-	-

835640 - Housing Mitigation Fee Study

Originating Year:	2021	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2022/23	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

Project will provide consulting services for the creation of a study to determine whether higher non-residential housing impact fees for the Housing Mitigation Fee (HMF) program are justified and desirable. A consultant was hired to prepare a new nexus study to review current fees to determine the impact on development feasibility, which would ensure any change in fee structure would not hinder new development. Consultant also included a review of impact fees in other jurisdictions for comparison. Various outreach was held in 2022 and will be presented to City Council to review acceptable fee ranges for their consideration on increasing, decreasing, or maintaining the current fee structure in January 2023.

Project Evaluation and Analysis

This study will help protect the City from legal challenges that may result due to increasing the fees. Project will be evaluated based on the successful completion of the study in a form that can be presented to City Council for their consideration. The study must include a nexus study that meets current state statutory standards relevant to the topic, using current best practices and industry standards. The study must also include a review of similar requirements in neighboring jurisdictions and incorporate a menu of options for structuring the HMF.

Fiscal Impact

The study issue will identify the need for a potential change in fee structure. Revenue may increase or decrease depending on action taken by the City Council on the final nexus study. Funding is a general fund study issue.

Funding Sources

General Fund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

HE - Housing Element - HE-3: Minimized Governmental Constraints on Housing

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2022-23	88,435	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	88,435	-	-

835720 - 2023 Housing Element Update

Originating Year:	2021	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2022/23	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

The Local Early Action Planning (LEAP) Grant awarded to the City of Sunnyvale in the amount of \$500,000 will cover three projects led by Community Development Department (CDD).

2023-31 Housing Element of the General Plan

Provides funding to have a consultant assist City Staff with the preparation of the upcoming Sixth Cycle of the Housing Element. The City must update its Housing Element every eight years. The Housing Element must be updated and adopted by Housing and Community Development (HCD) no later than January 31, 2023. Preparation of the 2023-2031 Housing Element requires extensive research and community engagement as well as accommodation of the Sixth Cycle of the Regional Housing Needs Allocation (RHNA). The first draft is complete, and the second draft will be presented to the Council in early 2023. Pending final review by HCD, adoption will occur no later than Summer 2023.

Village Centers Master Precise Plan

Village Center Master Plan is developed for helping all individual Village Centers. This project provides funding to be used for consultant services as well as staff required for the creation of the new development standard and design guidelines.

Santa Clara County Planning Collaborative

Cover the City's fair share of its ongoing participation in the Santa Clara County Planning Collaborative.

Project Evaluation and Analysis

2023-31 Housing Element update project funds technical assistance, preparation and adoption of planning documents, and process improvements to accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing needs assessment.

The Village Centers Master Precise Plan project provides funding for consultant services and staff time required for the creation of the new development standards and design guidelines required by SB 330, will aid in streamlining the approval process for the development of individual Village Centers, and accelerate housing production in areas at major intersections currently zoned Neighborhood Commercial and Office.

The Santa Clara County Planning Collaborative project funds consultant support to facilitate and lead the effort to encourage Countywide collaboration on housing production and legislation efforts, including preparation for the 2023-2031 Housing Element.

Fiscal Impact

This project is funded through Local Early Action Planning Grant, Regional Early Action Planning Grant (REAP). The first project funded by this grant covers \$175,000 towards the update to the City's Housing Element of the General Plan. The second project is the update to the Village Centers Master Precise Plan using \$310,500. Lastly, \$14,500 of the grant will cover the City's fair share of its ongoing participation in the Santa Clara County Planning Collaborative.

Funding Sources

State of California LEAP Grant

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

LT - Land Use and Transportation - LT-14: Special and Unique Land Uses to Create a Diverse and Complete Community

HE - Housing Element - HE-5: Equal Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	248,873	-	-
2022-23	281,186	530,059	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	530,059	530,059	-

835810 - Code Enforcement Activities to Address Substandard Residential Properties

Originating Year:	2021	Project Type:	Housing	Department:	110 - Office of the City Attorney
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	John Nagel

Project Description/Scope/Purpose

In November 2021, Council adopted an ordinance to recover attorney's fees and costs associated with bringing legal action to court to file for receiverships to address substandard residential properties. Project funding will be used to fund outside counsel fees related to other enforcement actions.

Project Evaluation and Analysis

If the program is successful, additional reimbursements will continue funding these activities.

Fiscal Impact

Initial project funding through reimbursement related to this activity from a completed receivership and will be funded by future completed enforcement actions.

Funding Sources

Reimbursement funding to the General Fund

Plans and Goals

SN - Safety and Noise - SN-3: Safe and Secure City

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	49,842	-	-
2022-23	60,020	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	109,862	-	-

835820 - Temporary Housing for Unhoused Individuals

Originating Year:	2021	Project Type:	Housing	Department:	130 - Office of City Manager
Planned Completion Year:	2024/25	Category:	Special	Project Manager:	Teri Silva

Project Description/Scope/Purpose

Council identified a new Council Priority in 2023: Support the Unhoused Community. The City will provide services for Sunnyvale's homeless population through an extended pilot program offering case management support and shelter beds. Case management support includes but is not limited to financial services, employment preparation, medical care, short and long-term housing opportunities, and shelter beds.

Projected costs include Home First, site clean-up, storage of belongings, transportation, and collaboration with the County of Santa Clara and other non-profit agencies (Helping Hands and Sunnyvale Community Services).

Project Evaluation and Analysis

The City has identified the number of unhoused individuals and is tracking whether they have been contacted for case management support and services. We are also tracking the number of unhoused individuals participating in the types of services offered, which will assist us in identifying program success. For example, contacted individuals who accept shelter beds or other housing opportunities are another measure of program success.

Fiscal Impact

Initial funding of \$500,000 from the General Fund for this pilot program with a one year extension at \$500,000 for continued case management support and shelter beds. Total funding is \$1,000,000 for the project.

Funding Sources

General Fund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2022-23	500,000	-	-
2023-24	500,000	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	500,000	-	-
Grand Total	1,000,000	-	-

835850 - REAP Housing Strategy Implementation

Originating Year:	2021	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2023/24	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

The City was awarded Regional Early Action Planning (REAP) grant in the amount of \$105,059 by Association of Bay Area Government/Metropolitan Transportation Commission (ABAG/MTC) to support new housing policies and programs. The City will use the grant to support 3 projects that are currently underway and be used for staff costs to implement the Housing Strategy and additional outreach/translation costs for the Housing Element Update. The grant is a reimbursement based grant and will be managed by the Community Development Department (CDD).

Project Evaluation and Analysis

The Regional Early Action Planning (REAP) Grant will provide reimbursable funding for the following projects:

2023-31 Housing Element of the General Plan

As required by state law, the City must update its Housing Element every eight years. The upcoming sixth cycle of the Housing Element must be updated and adopted by the California Department of Housing and Community Development no later than January 31, 2023. Preparation of the 2023-2031 Housing Element requires extensive research and community engagement as well as preparation of a sites inventory and accommodation of the Sixth Cycle Regional Housing Needs Allocation (RHNA). Given the scope of work and recent drastic changes to land use and Housing Element law, the City procured a consultant, Ascent Environmental, to assist City staff with the preparation of the updated document and community engagement activities. REAP Grant funding in the amount of approximately \$30,059 will be used for consultant services and staff time. This is in addition to other work already covered by separate grant funding. The scope of work includes: Interpretation services at community workshops, translation of written materials for community engagement events and surveys, and staff support for outreach meetings.

2020 Housing Strategy Implementation

The Housing Strategy was the result of two years of study and resulted in thirteen new policy recommendations. REAP Funds are also supporting two projects from that Strategy, including Tenant Protections/Relocation Assistance and Safe RV Parking. REAP funding in the amount of approximately \$75,000 will be used for staff time for these projects. To date, the Tenant Protection outreach has been completed and final ordinance is being prepared, anticipated Council adoption is February 2023. Safe parking work will begin in February 2023.

The Housing Division of the Community Development Department will be responsible for the management of the grant.

Fiscal Impact

The City was awarded \$105,059 in total to support staffing and outreach costs of three separate projects underway currently. \$75,000 in outreach for tenant protections and safe RV parking, and 30,059 for the Housing Element update. This will offset Housing Mitigation Funds which can then go towards future housing development projects rather than staff costs.

Funding Sources

REAP Grant, funded by ABAG/MTC.

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

HE - Housing Element - HE-5: Equal Housing Opportunities

HE - Housing Element - HE-2: Enhanced Housing Conditions and Affordability

HE - Housing Element - HE-4: Adequate Housing Sites

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	10,024	-	-
2022-23	64,976	75,000	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	75,000	75,000	-

836130 - Second Harvest Loan Repayment Grant

Originating Year:	2022	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2022/23	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

On January 24, Council authorized the CM to Execute a Grant Agreement with Second Harvest of Silicon Valley from Council Set Aside Funds and Approve Budget Modification No.11 in the Amount of \$47,569.86. This grant is being used to repay a 1992 Community Development Block Grant (CDBG) in the amount of \$25,000 made to Second Harvest of Silicon Valley to construct a food distribution center at 750 Curtner Avenue in San Jose. Since construction thirty years ago, the food distribution center has continued to operate, serving residents in Santa Clara County (Sunnyvale Community Services is a major partner), and the larger Bay Area. The loan terms outlined in the Deed of Trust, executed in 1992, include a thirty-year term, 3% simple interest, and provide that no payments are due until the loan maturity. Upon loan maturity on July 20, 2022, principal and interest on the loan would be immediately due and payable for a total of \$47,569.86.

Project Evaluation and Analysis

As of March 1, 2023, the Grant Agreement has been prepared, completed and grant funding awarded. Second Harvest has until April 15, 2023 to repay the CDBG loan to the City Housing Division. Once the City receives the full repayment of the loan, it will be recorded as Program Income to be used in the City's Revolving Loan Program.

Fiscal Impact

Budget Modification No. 11 awarded \$47,569.86 in Council Set Aside Funds to Second Harvest of Silicon Valley to repay the CDBG loan that was issued in 1992. Each year, the Adopted Budget includes the Council Set Aside project in the amount of \$100,000, which is intended to provide funding to the City Council for unplanned projects, services, or other initiatives that come up over the course of the fiscal year. To date, the Council has deployed \$5,040 of this funding to enhance the City's airplane noise monitoring system. Approval of this budget modification will reduce the remaining Council Set Aside budget by \$47,570 and leave a remaining balance of \$47,390. With execution of the grant agreement, Second Harvest will make loan repayment to Fund 2043, CDBG Housing Revolving Loan Fund, which will facilitate continuing operation of the City's in-house Home Improvement Program for residents with low incomes.

Funding Sources

General Fund

Plans and Goals

HE - Housing Element - HE-6: Sustainable Neighborhoods

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2022-23	47,570	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	47,570	-	-

836480 - Carroll Street Inn Rehabilitation

Originating Year:	2023	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2024/25	Category:	Special	Project Manager:	Leif Christiansen

Project Description/Scope/Purpose

This project has been allocated \$500,000 for the purpose of rehabilitating an existing multi-family community, the Carroll Street Inn, which was built in 1994. The community consists of 122 Single Room Occupancy ("SRO") units, including a manager's unit, and primarily serves very-low-income households. The rehabilitation efforts will focus on several areas, including the replacement of common area floors, upgrading common area kitchens to be ADA accessible, and improving certain kitchenettes in individual rooms. Additionally, includes the installation of solar panels to improve energy efficiency and enhancing the current security system.

Project Evaluation and Analysis

MidPen, the organization responsible for managing the property, has full site control and is ready to move forward with the rehabilitation project. the project has a sound operating budget and has complied with affordability requirements and regulatory audits throughout the life of the project. The funds allocated for this project will be used to cover the costs associated with the rehabilitation efforts. The goal of this project is to improve the living conditions for the residents of Carroll Street Inn and ensure that the community remains a safe, affordable, and sustainable place to call home.

Fiscal Impact

\$500,000 in Housing Mitigation Fund has been allocated and will be funded in 23/24.

Funding Sources

Housing Mitigation Fund.

Plans and Goals

HE - Housing Element - HE-2: Enhanced Housing Conditions and Affordability

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2022-23	-	-	-
2023-24	500,000	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	500,000	-	-
Grand Total	500,000	-	-

836490 - 1171 Sonora Court Predevelopment of Affordable Housing

Originating Year:	2023	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2024/25	Category:	Special	Project Manager:	Ryan Dyson

Project Description/Scope/Purpose

This project received \$500,000 in funding from the Housing Mitigation Fund for predevelopment activities, the project is located in close proximity to 1178 Sonora Court and will be an 8-story, 192-unit multi-family apartment building. The unit sizes proposed range from studio to 3-bedroom, and about 75% of the units will be designated for extremely-low-income (76- units) and very-low-income (66-units) households, with the unit balance being designated for low-income households (48-units). Additionally, about 38-units, out of the total unit count, will be designated for Permanent Supportive Housing households. The total project cost is approximately \$166 million.

Project Evaluation and Analysis

The project is in the very early stages, and any funding awarded will go toward predevelopment, soft costs like engineering and design/architecture, which will ultimately assist the project in applying for additional funding sources to make the project a reality. MidPen anticipates submitting a formal planning application for this project in late 2022.

Fiscal Impact

Council has approved \$500,000 in predevelopment funding through Housing Mitigation Fund in RTC 22-0973.

Funding Sources

Housing Mitigation Fund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

LT - Land Use and Transportation - LT-7: Diverse Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2022-23	-	-	-
2023-24	500,000	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	500,000	-	-
Grand Total	500,000	-	-

836500 - 1178 Sonora Court Affordable Housing Development

Originating Year:	2023	Project Type:	Housing	Department:	150 - Community Development
Planned Completion Year:	2024/25	Category:	Special	Project Manager:	Ryan Dyson

Project Description/Scope/Purpose

The 1178 Sonora Court project received \$12.5 million from Housing Mitigation Fund (HMF). The funds will be utilized for development costs of a 1.2-acre parcel at 1178 Sonora Court (City-owned land within the Lawrence Station Area Plan District) to construct a 7-story (5-story residential over 2-story podium), 176-unit affordable apartment project. The target population, specific to occupancy, is from extremely-low-income to low-income families, and the proposed unit types range from studios to 3-bedrooms.

Project Evaluation and Analysis

The entitled project would feature 87 extremely-low income units, with 44 very-low-income units, and 43 low income units. Forty of the units will be designated for Permanent Supportive Housing households. The anticipated project cost is approximately \$150.2 million. City funds are being requested to fill the financing gap anticipated for this development. MidPen will have full site control of the property, as they lease the land from the City. \$12.5 million in Housing Mitigation Fund were awarded for construction. To be funded at close of escrow.

Fiscal Impact

Council has approved \$12.5 million funding from Housing Mitigation Fund in RTC 22-0973.

Funding Sources

Housing Mitigation Fund.

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

LT - Land Use and Transportation - LT-7: Diverse Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2022-23	-	-	-
2023-24	12,500,000	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	12,500,000	-	-
Grand Total	12,500,000	-	-

Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) is one of two federal entitlement grants the City receives annually from the U.S. Department of Housing and Urban Development (HUD). The other is the HOME Investment Partnerships Program (HOME) grant, described in the Housing section. In order to remain eligible for these grants, the City must prepare an annual Action Plan describing the City's plans to spend the projected available CDBG funds in the coming fiscal year with a brief description of each planned project or program. CDBG funds may be used only for CDBG-eligible activities as listed in the CDBG statutes and regulations. Most of the funds must be used for "brick and mortar" projects such as housing rehabilitation, neighborhood improvements, or public facilities — including disabled access improvements — as well as economic development projects and job training programs. Certain types of capital projects may only be funded in CDBG-eligible areas as determined by HUD, as shown in the map in the Action Plan.

No more than 15% of the annual CDBG revenues may be used for public services for lower-income households (i.e., human services programs such as food and shelter, health care, counseling, etc.). In addition, up to 20% may be used for CDBG program administration, which includes CDBG-related Housing Division operations such as planning, compliance, fiscal activities, reviewing requests for funding, preparing loan and grant documents, and loan servicing, as well as fair housing services, which may be provided through contract.

CDBG-CV Funding (CARES Act). As a result of the COVID-19 pandemic, the Federal Government signed the Coronavirus Aid, Relief and Economic Security Act (CARES Act) on March 27, 2020. The City of Sunnyvale received approximately \$1.7 million in funding through this act, which has been allocated towards rent relief, COVID-19 testing and administration, financial assistance for persons with disabilities as well as portable showers, laundry, restrooms, and case management for the unhoused. CDBG-CV funds have been utilized to provide an additional administrative to manage the \$1.7 million in supplemental funding. The City has spent nearly all remaining CDBG-CV funds, with final funds to be drawn and reimbursed in FY 2024/25.

Proposed CDBG projects for FY 2023/24 are outlined below. Projects approved by Council will be included in the FY 2023/24 Adopted Budget.

WorkFirst Sunnyvale Program, Community-Based Development Organization (CBDO) Activity. This program provides job-readiness and job search skills training, job placement assistance, and related employment supportive services, such as assistance in obtaining affordable housing, transportation to work, vocational education, required work gear, and career counseling. The program serves Sunnyvale clients who are currently homeless, transitioning out of homelessness, or at imminent risk of homelessness. The funding is provided as a grant to Sunnyvale Community Services, a certified CBDO selected through a competitive process, and the program is implemented in coordination with Downtown Streets Team (subcontractor) and the broader community.

Rehabilitation of Carroll Street Inn. The \$490,000 Community Development Block Grant (CDBG) funding will be utilized to facilitate essential energy efficiency enhancements and safety improvements to this existing affordable housing development, ensuring better living conditions for residents.

Outside Group Funding Support (CDBG). This project provides public services grants to local non-profit agencies that provide human services for Sunnyvale clients. The grantees are selected through a competitive RFP process held every other year. Grants are awarded for a two-year period, with the second year's grant contingent on funding availability and the grantee's successful completion of the first year's grant requirements. Grant proposals are screened by staff, recommended for funding by the Housing and Human Service Commission, and approved by Council as part of the annual Action Plan approval and City budget adoption. The amount allocated to this project is adjusted annually and is limited by CDBG regulations to no more than 15% of the fiscal year's CDBG grant plus 15% of the CDBG program income received in the current fiscal year, if applicable. The CDBG allocation is approximately \$159,000 for FY 2023/24. City General Funds are also used to further support public service grantees, and an additional \$135,000 has been allocated for the next twenty fiscal years for this purpose. The City supports over 15 non-profits through these two public service funding sources.

ADA Curb Retrofits (CDBG). This project provides Community Development Block Grant (CDBG) funds to accelerate sidewalk accessibility construction to meet Americans with Disabilities Act (ADA) standards. Pedestrian access improvements are needed at many intersections within the City to comply with the ADA standards for accessibility. \$480,000 was appropriated in FY 2022/23 and expenditures of \$300,000 in CDBG funds are programmed every three years starting in FY 2026/27. This project will continue as long as CDBG funds are available to the City. If this funding source is lost, then the City will pursue other outside grant options or reevaluate the level of service provided. However, should the City's CDBG allocation be reduced, the funding for this project may be proportionately reduced. Use of these funds are consistent with federal regulations governing use of CDBG funds.

CDBG Housing Rehabilitation Revolving Loan Fund (RLF). This project includes funding for the Housing Rehabilitation Loan program, which provides low-interest loans for rehabilitation of housing owned or occupied by lower income households. Owner-occupied housing rehabilitation loans are provided on a first-come, first-served basis for single-family and/or mobile home rehabilitation projects. Loans may also be provided for rehabilitation of rental

housing occupied by and affordable to lower-income households. This project is funded by the CDBG Revolving Loan Fund. When these CDBG loans are repaid in full or part, some, or all, of the payments are deposited into the RLF to be re-used for new housing rehabilitation loans. If these annual loan payments exceed the projected level of demand for rehabilitation loans and related program delivery costs for the coming year, the excess revenues can be maintained as general CDBG "Program Income" and used for other CDBG- eligible purposes in the coming year. Staff projects the level of demand for the loan program, and program income receipts, as part of the annual Action Plan process completed in spring of each year.

Home Access, Paint, Emergency Repair, and Energy Efficiency. This project funds the Home Improvement Program, which provides small grants for minor improvements to homes owned and occupied by lower-income households. Grants may fund disabled access retrofits and improvements, wheelchair lifts or ramps, exterior painting, emergency repairs, and/or energy efficiency retrofits to income-eligible homeowners of mobile homes and/or single-family homes. Disabled tenants may also apply for the Home Access grant, with landlord approval of the proposed improvements.

**CITY OF SUNNYVALE
FUNDED / UNFUNDED PROJECTS
BUDGETED PROJECT COSTS SUMMARY**

CDBG Funded Projects

Project	Prior Actual	Current 2022-23	Plan 2023-24	Plan 2024-25	Plan 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29	Plan 2029-30	Plan 2030-31	Plan 2031-32	Plan 2032-33	Y11-Y20 Total	Project Life Total
803501 - CDBG Housing Rehabilitation Revolving Loan Fund	3,811,900	78,783	-	-	-	-	-	-	-	-	-	-	-	3,890,683
812701 - Home Access, Paint, Emergency Repair, and Energy-Efficiency	854,988	100,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000	1,954,988
827550 - Outside Group Funding Support [CDBG]	1,787,178	194,184	159,703	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	1,650,000	5,276,065
829560 - Sunnyvale Workforce Development Program-DST	3,531,469	517,993	-	-	-	-	-	-	-	-	-	-	-	4,049,462
832020 - ADA Curb Retrofits (CDBG)	875,436	448,000	-	-	-	300,000	-	-	300,000	-	-	300,000	900,000	3,123,436
835550 - Mobile Showers and Laundry	32,810	17,190	-	-	-	-	-	-	-	-	-	-	-	50,000
835560 - Emergency Assistance for Households w/Disabilities	16,878	74,793	-	-	-	-	-	-	-	-	-	-	-	91,671
835570 - COVID-19 Testing and Vaccinations	93,044	110,886	-	-	-	-	-	-	-	-	-	-	-	203,930
Total CDBG Funded Projects	11,003,702	1,541,829	209,703	215,000	215,000	515,000	215,000	215,000	515,000	215,000	215,000	515,000	3,050,000	18,640,234

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803501 - CDBG Housing Rehabilitation Revolving Loan Fund

Originating Year:	2017	Project Type:	CDBG	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

The Community Development Strategy directed the City to concentrate resources on stimulating substantial rehabilitation and modernization of single family homes and multi-family units. This project provides rehabilitation loans to existing rental properties that serve households at 30% to 80% of Area Median Income, with rents limited to 30% of gross household income. Substantial rehabilitation of rental properties includes repairs to the exterior of the structure, the major component systems and the interior functional components. The Community Development Block Grant Housing Rehabilitation Revolving Loan Fund (RLF) allows Community Development Block Grant (CDBG) rehabilitation loans to "revolve". Program income earned from repayments of existing loans are disbursed as new loans.

Project Evaluation and Analysis

This project includes rehabilitation of single family homes owned by low-income residents and multi-family properties occupied by low-income tenants. This program provides low interest loans to allow residents to upkeep their homes and remain affordable in the community. All loans are funded through CDBG and managed by the Sr. Housing Rehab Specialist. Loan Fund changes annually due to the revolving nature - loan payments/payback, City adding new CDBG funds, etc.

Fiscal Impact

The U.S. Department of Housing and Urban Development's (HUD) lead based paint requirements may increase the cost of each rehabilitation project. This may result in fewer projects being completed, given the limited funding available. Project expenditures are funded by program income received during the program year and prior years.

Funding Sources

Community Development Block Grant Fund

Plans and Goals

HE - Housing Element - HE-2: Enhanced Housing Conditions and Affordability

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	3,811,900	208,735	-
2022-23	78,783	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	3,890,683	208,735	-

812701 - Home Access, Paint, Emergency Repair, and Energy-Efficiency

Originating Year:	2017	Project Type:	CDBG	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project allocates Community Development Block Grant (CDBG) funds as grants and loans that will provide assistance to approximately 10 low-income households annually. Each applicant is approved based on their financial qualification and managed by the Sr. Housing Rehab Specialist in the Housing Division. These funds are set aside annually out of the City's CDBG allocation and are outlined the Annual Action Plan.

Project Evaluation and Analysis

This project addresses the priorities and goals described in the Consolidated Plan, specifically, Affordable Housing: Improve housing accessibility, housing conditions, lead-based paint hazard reduction, energy efficiency, and affordability for lower-income households. Each applicant is thoroughly reviewed for income and other qualifications before grants and loans are awarded. All funds are allocated and issued in accordance with U.S. Department of Housing and Urban Development (HUD) requirements.

Fiscal Impact

This project is contingent on annual U.S. Department of Housing and Urban Development (HUD) Grant Appropriations. This use of CDBG funds is consistent with federal regulations governing use of that fund. Funds will be used for the following activities:

- 1) Home Access - provides grants of up to \$6,500 to retrofit and maintain units occupied by disabled persons;
- 2) Paint Program - provides assistance to homeowners to paint the exterior of their homes;
- 3) Emergency Repair - provides grants of up to \$2,500 for life-threatening building hazards, such as electrical system failures, unsound structures, plumbing system failures, and/or other conditions which could result in an explosion or unsafe situation in the immediate future;
- 4) Energy Efficiency Program - provides dollar for dollar matching grants up to \$5,000 for energy efficiency retrofits.

Funding Sources

Community Development Block Grant Fund

Plans and Goals

HE - Housing Element - HE-2: Enhanced Housing Conditions and Affordability

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	854,988	-	-
2022-23	100,000	-	-
2023-24	50,000	-	-
2024-25	50,000	-	-
2025-26	50,000	-	-
2026-27	50,000	-	-
2027-28	50,000	-	-
2028-29	50,000	-	-
2029-30	50,000	-	-
2030-31	50,000	-	-
2031-32	50,000	-	-
2032-33	50,000	-	-
2033-34	50,000	-	-
2034-35	50,000	-	-
2035-36	50,000	-	-
2036-37	50,000	-	-
2037-38	50,000	-	-
2038-39	50,000	-	-
2039-40	50,000	-	-
2040-41	50,000	-	-
2041-42	50,000	-	-
2042-43	50,000	-	-
20 Year Total	1,000,000	-	-
Grand Total	1,954,988	-	-

827550 - Outside Group Funding Support [CDBG]

Originating Year:	2017	Project Type:	CDBG	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Outside Group Funding	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project provides the Community Development Block Grant (CDBG) fund allocation to support outside agencies that provide community human service needs. The agencies and the annual funding amount awarded to each agency are allocated by Council each year. All biennial awards are offered in the form of a grant.

Project Evaluation and Analysis

As a general policy, and based on CDBG funding availability, Council may allocate up to 15% of the grant funds to outside agencies plus a small percentage of any program income. This project addresses the priorities and goals described in the City's Consolidated Plan. Grantees are awarded on a two year cycle and the grants are identified in the Annual Action Plan.

Fiscal Impact

This project is contingent on annual Department of Housing and Urban Development (HUD) Grant Appropriations and is updated annually based on the funding allocation received by the City. Use of these funds is consistent with federal regulations governing use of CDBG funds. In addition, the City supplements these CDBG funds for Outside Group Funding Support with a General Fund allocation.

Funding Sources

Community Development Block Grant Fund

Plans and Goals

HE - Housing Element - HE-5: Equal Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	1,787,178	-	-
2022-23	194,184	-	-
2023-24	159,703	-	-
2024-25	165,000	-	-
2025-26	165,000	-	-
2026-27	165,000	-	-
2027-28	165,000	-	-
2028-29	165,000	-	-
2029-30	165,000	-	-
2030-31	165,000	-	-
2031-32	165,000	-	-
2032-33	165,000	-	-
2033-34	165,000	-	-
2034-35	165,000	-	-
2035-36	165,000	-	-
2036-37	165,000	-	-
2037-38	165,000	-	-
2038-39	165,000	-	-
2039-40	165,000	-	-
2040-41	165,000	-	-
2041-42	165,000	-	-
2042-43	165,000	-	-
20 Year Total	3,294,703	-	-
Grand Total	5,276,065	-	-

829560 - Sunnyvale Workforce Development Program-DST

Originating Year:	2012	Project Type:	CDBG	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Special	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project allocates Community Development Block Grant (CDBG) funds to Sunnyvale Community Services, a non-profit corporation. Funds will be used to implement a Sunnyvale Workforce Development Program in partnership with Downtown Streets Team (DST), a non-profit based in Palo Alto. This program will provide job readiness training, job skills training, and job placement for at least fifty low-income individuals who are homeless, recently homeless, or at risk of homelessness in Sunnyvale.

Sunnyvale Community Services has been certified as a Community-Based Development Organization (CBDO) which allows it to apply for CDBG funds for programs that are not subject to the CDBG 15% public services cap. These activities include programs that are designed to increase economic opportunities through job training and placement and other employment support services, including, but not limited to, temporary housing assistance, child care, transportation, and supportive services. This Workforce Development Program qualifies for CDBG funding under this category of activities.

Project Evaluation and Analysis

This program addresses the Consolidated Plan objective to help people who are currently homeless or at imminent risk of homelessness to obtain employment or other sources of income and adequate support services/networks to obtain housing and achieve stability. Both agencies have a very strong track record and strong organizational capacity, and the program addresses a priority community need.

Fiscal Impact

This project is contingent on U.S. Department of Housing and Urban Development (HUD) annual grant appropriations. Use of these funds is consistent with federal regulations governing use of CDBG funds. Funds for this program are used to support homeless Sunnyvale residents obtain job training, employment placement services, and case management through two local nonprofit agencies. Funds go towards program operation and administration, in accordance with HUD regulations and the City's funding contract, awarded on an annual basis.

Funding Sources

Community Development Block Grant Fund

Plans and Goals

HE - Housing Element - HE-5: Equal Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	3,531,469	-	-
2022-23	517,993	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	4,049,462	-	-

832020 - ADA Curb Retrofits (CDBG)

Originating Year:	2017	Project Type:	CDBG	Department:	250 - Public Works
Planned Completion Year:	Ongoing	Category:	Capital	Project Manager:	Arely Trujillo

Project Description/Scope/Purpose

This project provides Community Development Block Grant (CDBG) funds to accelerate sidewalk accessibility construction to meet Americans with Disabilities Act (ADA) standards. Pedestrian access improvements are needed at many intersections within the City to comply with the ADA standards for accessibility.

Project Evaluation and Analysis

This project provides funds to accelerate curb ramp construction to meet ADA standards. This project also addresses the priorities and goals described in the City's 2015-2020 Consolidated Plan, specifically "Maintain/Expand Community Facilities and Infrastructure". One of the main objectives is for the City to continue the curb retrofit program to improve accessibility of city sidewalks.

Fiscal Impact

In FY 2022/23, there is \$448,000 appropriated. Starting in FY 2026/27 the City will receive \$300,000 in CDBG funding every three years. This project will continue as long as CDBG funds are available to the City. If this funding source is lost, then the City will pursue other outside grant options or re-evaluate the level of service provided. However, should the City's CDBG allocation be reduced, the funding for this project may be proportionately reduced. Use of these funds is consistent with federal regulations governing use of CDBG funds.

Funding Sources

Community Development Block Grant Fund

Plans and Goals

CC - Community Character - CC-2: Attractive Street Environment

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	875,436	-	-
2022-23	448,000	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	300,000	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	300,000	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	300,000	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	300,000	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	300,000	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	300,000	-	-
2042-43	-	-	-
20 Year Total	1,800,000	-	-
Grand Total	3,123,436	-	-

835550 - Mobile Showers and Laundry

Originating Year:	2020	Project Type:	CDBG	Department:	150 - Community Development
Planned Completion Year:	2022/23	Category:	Outside Group Funding	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project is a Community Development Block Grant Cares Act (CDBG-CV) funded project as a result of the COVID-19 Pandemic. Sunnyvale received various allocations of CDBG-CV funds which may be directed towards human service projects or programs that support those impacted financially or otherwise from the pandemic. This program is part of the 2019 Annual Action Plan. Funding in the amount of \$50,000 was awarded by Council in March 2021, RTC 21-0381.

Project Evaluation and Analysis

The Mobile Showers and Laundry program will provide up to 20 extremely low-income, unhoused clients the opportunity to focus on their hygiene on a weekly basis by providing opportunities to take a shower, launder clothes and meet with a Case Manager. Project WeHope will provide quarterly reports to the City with reimbursement requests to show the span of service each quarter.

Fiscal Impact

These CDBG-CV funds are in addition to the City's annual CDBG entitlement allocation. The City was awarded \$1,711,165 in CDBG-CV funding to combat COVID related issues in Sunnyvale. \$50,000 has been allocated to this project.

Funding Sources

CDBG-CV grant award in the Community Development Block Grant Fund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	32,810	-	-
2022-23	17,190	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	50,000	-	-

835560 - Emergency Assistance for Households w/Disabilities

Originating Year:	2020	Project Type:	CDBG	Department:	150 - Community Development
Planned Completion Year:	2022/23	Category:	Outside Group Funding	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project is a Community Development Block Grant Cares Act (CDBG-CV) funded project as a result of the COVID-19 Pandemic. Sunnyvale received various allocations of CDBG-CV funds which may be directed towards human service projects or programs that support those impacted financially or otherwise from the pandemic. This program is part of the 2019 Annual Action Plan.

Project Evaluation and Analysis

The Emergency Assistance for Households with disabilities program will provide assistance to up to 22 extremely and very low-income families through administrations of rent payments and other forms of financial assistance, in conjunction with case management and basic needs, to households impacted by COVID-19. Silicon Valley Independent Living Center will provide quarterly reports to the City with reimbursement requests to show span of service each quarter.

Fiscal Impact

These CDBG-CV funds are in addition to the City's annual CDBG entitlement allocation. The City was awarded \$1,711,165 in CDBG-CV funding to combat COVID related issues in Sunnyvale. \$91,671 has been allocated to this project.

Funding Sources

CDBG-CV grant award in the Community Development Block Grant Fund.

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	16,878	-	-
2022-23	74,793	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	91,671	-	-

835570 - COVID-19 Testing and Vaccinations

Originating Year:	2020	Project Type:	CDBG	Department:	150 - Community Development
Planned Completion Year:	2022/23	Category:	Outside Group Funding	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project is a Community Development Block Grant Cares Act (CDBG-CV) funded project as a result of the COVID-19 Pandemic. Sunnyvale received various allocations of CDBG-CV funds which may be directed towards human service projects or programs that support those impacted financially or otherwise from the pandemic. This program is part of the 2019 Annual Action Plan. Funding in the amount of This project is a Community Development Block Grant Cares Act (CDBG-CV) funded project as a result of the COVID-19 Pandemic.

Project Evaluation and Analysis

The COVID-19 Testing and Vaccinations program will provide up to 400 unduplicated patients with COVID-19 testing – and 2,634 COVID vaccinations to 1,317 unduplicated patients. Ravenswood Healthcare will provide quarterly reports to the City with reimbursement requests to show the span of service each quarter.

Fiscal Impact

These CDBG-CV funds are in addition to the City's annual CDBG entitlement allocation. The City was awarded \$1,711,165 in CDBG-CV funding to combat COVID related issues in Sunnyvale. \$203,930 has been allocated to this project. The Contract was extended administratively in mid-2022 to extend through December 31, 2022.

Funding Sources

CDBG-CV grant award in the Community Development Block Grant Fund

Plans and Goals

HE - Housing Element - HE-1: Adequate Housing

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	93,044	-	-
2022-23	110,886	-	-
2023-24	-	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	-	-	-
Grand Total	203,930	-	-

**Outside Group
Funding**

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Outside Group Funding

The City of Sunnyvale has funded programs for lower-income and special needs residents for many years through the Human Services Grant program, within the Outside Group Funding project category in addition to other community needs. The main funding source for Human Services Grants is the Community Development Block Grant (CDBG), administered by the Housing Division and discussed in the CDBG project category separately in details. For many years, the City has supplemented the CDBG funding for human services program with varying levels of resources from the General Fund.

Outside groups seeking funding for purposes other than human services may request Outside Group Funding by submitting a written request directly to the City department in which their services would reside. Staff considers these requests in context of their operating budgets and currently funded service levels. Staff then makes one of three recommendations to Council: 1) fund the request within the existing budget by reducing or eliminating another service; 2) fund the request using General Fund monies; or 3) do not recommend funding the request.

Major Outside Group Funding Projects

Outside Group Funding Support (GF). The project is funded by the General Fund. The City Council has approved set aside \$135,000 annually for Human Services grants across the twenty-year financial plan, but the amount maybe adjusted for any fiscal year during the budget appropriations process. The Housing Division solicits Human Services grant proposals through a competitive Request for Proposals process every other year, and the grants are awarded on a two-year basis, contingent on successful performance during the first year. This project will supplement the \$159,000 in CDBG funding in FY23/24.

Sunnyvale Community Services Facility Financing Support. Sunnyvale Community Services (SCS) is an essential organization that provides critical services to the community. This project aims to pay off the private bank loan that SCS obtained to purchase their new headquarters located at 1160 Kern Avenue. This will help stabilize their finances and eliminate the risk associated with private banking. The City's contribution will be secured by a lien on the SCS property and returned upon sale of the property or earlier.

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**CITY OF SUNNYVALE
FUNDED / UNFUNDED PROJECTS
BUDGETED PROJECT COSTS SUMMARY**

**Outside Group Funding Funded
Projects**

Project	Prior Actual	Current 2022-23	Plan 2023-24	Plan 2024-25	Plan 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29	Plan 2029-30	Plan 2030-31	Plan 2031-32	Plan 2032-33	Y11-Y20 Total	Project Life Total
803700 - Leadership Sunnyvale [GF]	121,441	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	60,000	247,440
819720 - Outside Group Funding Support [GF]	1,195,240	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	1,350,000	4,030,240
829620 - Downtown Association	268,616	40,006	45,000	45,000	45,000	45,000	45,000	45,000	-	-	-	-	-	578,622
830630 - Dispute Resolution Services	364,920	45,000	50,000	50,000	50,000	50,000	50,000	-	-	-	-	-	-	659,919
836470 - Sunnyvale Community Services Facility Financing Support	-	-	4,000,000	-	-	-	-	-	-	-	-	-	-	4,000,000
Total Outside Group Funding Funded Projects	1,950,216	226,006	4,236,000	236,000	236,000	236,000	236,000	186,000	141,000	141,000	141,000	141,000	1,410,000	9,516,222

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819720 - Outside Group Funding Support [GF]

Originating Year:	2017	Project Type:	Outside Group Funding	Department:	150 - Community Development
Planned Completion Year:	Ongoing	Category:	Outside Group Funding	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project provides for the total long-term General Fund allocation to support outside agencies that provide services to address community needs. This funding is specifically designated for human services agencies and is intended to supplement Community Development Block Grant (CDBG) funds allocated to support human services agencies. The agencies, and the annual funding amount awarded to each agency, are allocated by Council every two years, with annual adjustments based on the Priority Needs Setting Hearing every other November. A formal Request for Proposal (RFP) is released for these funds along with the City's CDBG RFP and funds are awarded on a two year contract due to the smaller size of these grants. These funds fill a critical gap for smaller nonprofits without experience in federal funds, or allows them to gain experience with smaller size grants that may not be eligible for federal funding. In addition, this GF supplement helps backfill federal funds which are not increasing over time.

Project Evaluation and Analysis

This project provides up to \$135,000 annually in support of outside agencies that provide community support. Every two years, the Housing and Human Services Commission (HHSC) holds a "Biennial Review of Priority Needs for Human Services" and Recommendation to City Council would continue to provide an opportunity to adjust the prioritization of these funds and allow for public input regarding the allocation of available CDBG funds. During this review, the HHSC may request additional funding from the Council; should additional funding be awarded, the project budget will be updated. Grants are capped at \$25,000 and are overseen by the Housing Division.

Fiscal Impact

General Fund support for outside group funding will be allocated every two years to specific projects as identified in the City's HUD Annual Action Plan. These funds supplement Outside Group Funding (OGF) CDBG funds for human services, which are part of the City's annual allocation of CDBG funding. The demand for these grants is always significantly more than the funding availability. In 2022, during Priority Needs Setting on Nov. 1 (22-0093), due to ongoing inflationary costs and increases in agencies' needs, the Council recommended considering an inflationary increase for these grants, this is proposed in the 23/24 budget.

Funding Sources

General Fund

Plans and Goals

HE - Housing Element - HE-5: Equal Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	1,195,240	-	-
2022-23	135,000	-	-
2023-24	135,000	-	-
2024-25	135,000	-	-
2025-26	135,000	-	-
2026-27	135,000	-	-
2027-28	135,000	-	-
2028-29	135,000	-	-
2029-30	135,000	-	-
2030-31	135,000	-	-
2031-32	135,000	-	-
2032-33	135,000	-	-
2033-34	135,000	-	-
2034-35	135,000	-	-
2035-36	135,000	-	-
2036-37	135,000	-	-
2037-38	135,000	-	-
2038-39	135,000	-	-
2039-40	135,000	-	-
2040-41	135,000	-	-
2041-42	135,000	-	-
2042-43	135,000	-	-
20 Year Total	2,700,000	-	-
Grand Total	4,030,240	-	-

830630 - Dispute Resolution Services

Originating Year:	2014	Project Type:	Outside Group Funding	Department:	150 - Community Development
Planned Completion Year:	2027/28	Category:	Outside Group Funding	Project Manager:	Jennifer Carloni

Project Description/Scope/Purpose

This project provides one-time funding for dispute resolution and mediation services by an entity qualified to provide such services. The focus of this service is on tenant/landlord disputes, but other types of community disputes would also be accommodated to the extent possible. Sunnyvale has a long tradition of supporting tenant/landlord mediation and dispute resolution services to help local renters and landlords, as well as other community members, resolve disputes in an amicable manner. Due to continued need, increased demand, and request to expand this out another five years, we are asking the budget be increased to \$50,000 annually and \$250,000 across five years.

Project Evaluation and Analysis

This project provides an increased level of service to the community by providing dispute resolution services that are frequently requested by residents, property owners and other related agencies. For the past 5 years, the City has funded an outside agency with funding to provide these services to residents. As the contract is expiring, we are requesting an additional 5 years of funding at a rate of \$50,000 per year to continue and expand the service due to increase in need and additional housing support the agency provides the City.

Fiscal Impact

The request to extend this contract for five additional years starting in 23/24 for \$50,000 in GF will allow Sunnyvale residents to access dispute resolution services for landlord/tenant mediation issues and mobile home park mediation issues.

Funding Sources

General Fund

Plans and Goals

HE - Housing Element - HE-5: Equal Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	364,920	-	-
2022-23	45,000	-	-
2023-24	50,000	-	-
2024-25	50,000	-	-
2025-26	50,000	-	-
2026-27	50,000	-	-
2027-28	50,000	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	250,000	-	-
Grand Total	659,919	-	-

836470 - Sunnyvale Community Services Facility Financing Support

Originating Year:	2023	Project Type:	Outside Group Funding	Department:	130 - Office of City Manager
Planned Completion Year:	2023/24	Category:	Outside Group Funding	Project Manager:	Tim Kirby

Project Description/Scope/Purpose

Sunnyvale Community Services (“SCS”) is an independent, nonprofit emergency assistance agency, founded in 1970. Their mission is to prevent homelessness and hunger in the local community. The City and SCS have a long history of collaboration and partnership to provide services.

In 2003, the City provided a loan of \$400,000 in CDBG funds to Sunnyvale Community Services (SCS) to acquire a property located at 725 Kifer Road to serve as the agency’s base of operations. This loan was provided at three percent simple annual interest for a thirty-five-year term with all payments of principal and interest deferred for the first fifteen years. The loan was forgiven by the Council in 2019 (RTC No. 19-0836) as Sunnyvale Community Services began a fundraising campaign to purchase a new and larger building to keep up with rising demand.

In 2020, the City purchased 725 Kifer Road from Sunnyvale Community Services. Using proceeds from the sale, fundraising, and a \$900,000 City awarded CDBG loan (RTC No. 19-0991), and a private bank loan, SCS purchased 1160 Kern Avenue for their new headquarters. This project will retire the bank loan in exchange for a lien on SCS’s property.

Project Evaluation and Analysis

SCS provides critical services to the community’s most needy. Their activities are funded through a variety of funding sources including private donations and as a subrecipient of Federal funds. Retiring the SCS loan for their facility will help stabilize their finances and remove the risk associated with private banking. The City’s contribution will be secured by a lien on the SCS property and returned upon sale of the property or earlier.

Fiscal Impact

Funding for this contribution will be provided by one-time excess Educational Revenue Augmentation Funds (ERAF).

Funding Sources

General Fund

Plans and Goals

HE - Housing Element - HE-5: Equal Housing Opportunities

Project Financial Summary

	Project Costs	Revenues	Operating Costs
Prior Actual	-	-	-
2022-23	-	-	-
2023-24	4,000,000	-	-
2024-25	-	-	-
2025-26	-	-	-
2026-27	-	-	-
2027-28	-	-	-
2028-29	-	-	-
2029-30	-	-	-
2030-31	-	-	-
2031-32	-	-	-
2032-33	-	-	-
2033-34	-	-	-
2034-35	-	-	-
2035-36	-	-	-
2036-37	-	-	-
2037-38	-	-	-
2038-39	-	-	-
2039-40	-	-	-
2040-41	-	-	-
2041-42	-	-	-
2042-43	-	-	-
20 Year Total	4,000,000	-	-
Grand Total	4,000,000	-	-