



City of Sunnyvale

Meeting Minutes City Council

Tuesday, October 28, 2014

6:00 PM

Special Meeting - Study Session 6 PM
(Audio only)

6 P.M. SPECIAL COUNCIL MEETING (Study Session)

1 Call to Order in the West Conference Room (Open to the Public)

Vice Mayor Jim Davis called the meeting to order at 6:25 p.m.

2 Roll Call

Present: 7 - Mayor Jim Griffith
Vice Mayor Jim Davis
Councilmember David Whittum
Councilmember Pat Meyering
Councilmember Tara Martin-Milius
Councilmember Glenn Hendricks
Councilmember Gustav Larsson

3 Study Session

[14-0548](#) Consideration of Housing Mitigation Fee Nexus Study
Findings and Alternatives

Study Session Summary:

Hanson Hom, Community Development Director, introduced the study session topic and provided a background summary of the Housing Mitigation Fee.

Darin Smith with Economic Planning Systems, Inc. gave a slide presentation about the nexus study his firm completed regarding the City's Housing Mitigation Fee, including the methodology used to calculate the maximum justifiable impact fees, an overview of the findings, a review of other cities' housing mitigation fees and various alternative fee structures and rates .

Housing Officer Suzanne Isé reviewed the next steps for this project, which include a Council hearing on December 9.

Council Comments:

Councilmembers asked questions and made comments about the nexus study and Housing Mitigation Fees. Observations, comments and questions included:

- What is the concern about charging the maximum supportable impact fee (\$114) on office projects? Would that stop/slow down development?
- Will we generate enough housing to meet the needs if we are charging only 1/10th of the maximum impact fee?
- Can staff elaborate on the potential increase to the linkage fees in Mountain View?
- What types of projects can be created with the fees?
- How many new housing units would we be created if the fee was set at \$10, \$20 or the maximum fee permitted? Will this increase mean a lower cost for housing?
- Rather than show the dollar amount of the fee or the increase in the fee, show the overall increase of the fee as a percentage.
- If Council increases the fee significantly, will enough matching funds be available for more affordable housing projects, since most of the projects funded by the City typically leverage the City's funds with other sources (state, federal)?

4 Public Comment

- Companies and the development community are concerned about the increase in overall development fees.
- Commercial property rents are already a bit lower in Sunnyvale compared to some neighboring cities, and increasing fees here could make the margins on these projects even lower.
- A NAIOP representative noted that NAIOP has commissioned a peer review of the nexus study. The review should be complete by the first week of December. They will share their findings with the City.
- A representative of Working Partnerships was very supportive of the recommended fees and of the efforts the City is taking to address local affordable housing needs.

5 Adjourn Special Meeting

Vice Mayor Jim Davis adjourned the meeting at 6:55 p.m.