

# **Housing Element of the General Plan**

January 31, 2015 – January 31, 2023

City of Sunnyvale

**Adopted December \_\_ 2014**

**Community Development Department**

**City of Sunnyvale**

## **ACKNOWLEDGEMENTS**

The following individuals have participated in the development and review of the 2015 Housing Element Update:

### **City Council**

Mayor Jim Griffith, Vice Mayor Jim Davis, Council Members David Whittum, Pat Meyering, Tara Martin-Milius, Glenn Hendricks, Gustav Larsson

### **Planning Commission**

Russell Melton, Chair, Ken Olevson, Vice Chair, Ralph Durham, Sue Harrison, Ken Rheaume, David Simons, Larry Klein

### **Housing & Human Services Commission (HHSC)**

Dennis Chiu, Chair, Diana Gilbert, Vice Chair, Patti Evans, Younil Jeong, Chrichelle McCloud, Barbara Schmidt, Navpreet (Ruby) Sidhu

### **City Staff Contributing to the Element**

Deanna Santana, City Manager  
Robert Walker, Assistant City Manager  
Joan Borger, City Attorney  
Hanson Hom, Community Development Director  
Trudi Ryan, Planning Officer  
Suzanne Isé, Housing Officer  
Edith Alanis, Katrina Ardina, Jonathan Caldito, Ernie DeFrenchi, Lupita Gaeta, Richard Gutierrez, Dale Huber, Elise Lieberman, Denise Russell, Rosemarie Zulueta, Intern: Malahat Owrang

### **Consultants** (Original 2009 Housing Element Only)

Karen Warner Associates, Inc.  
Metropolitan Planning Group

# TABLE OF CONTENTS

<i>Acknowledgements</i> .....	<i>i</i>
<i>Introduction</i> .....	<i>1</i>
The Sunnyvale General Plan .....	1
The Housing Element.....	1
Public Participation .....	3
<i>Housing Needs Assessment</i> .....	<i>7</i>
Demographic Profile .....	7
Household Characteristics.....	17
Housing Stock Characteristics.....	30
Regional Housing Needs .....	43
<i>Constraints to the Development of Housing</i> .....	<i>47</i>
Governmental Constraints .....	47
Market Constraints.....	74
Environmental Constraints .....	76
<i>Housing Opportunities</i> .....	<i>79</i>
Availability of Sites for Housing.....	79
Financial Resources .....	90
Administrative Resources .....	95
Opportunities for Energy Conservation.....	96
<i>Housing Plan</i> .....	<i>101</i>
Evaluation of Accomplishments under the Adopted Housing Element.....	101
Goals and Policies .....	104
Housing Programs .....	109
<i>Appendices</i> .....	<i>A-1</i>
Appendix A: Public Participation .....	A-3
Appendix B: Residential Sites Inventory and Maps .....	B-1
Appendix C: Review of Accomplishments under 2007-2014 Housing Element .....	C-1
Appendix D: Executive Summary of the ABAG Jobs-Housing Connection Strategy.....	D-1
Appendix E: Glossary .....	E-1
<b>Abbreviations</b> .....	E-1
<b>Definitions</b> .....	E-1

# LIST OF TABLES

Table 1:	Regional Population Growth Trends .....	7
Table 2:	Age Distribution .....	8
Table 3:	Race .....	9
Table 3A:	Ethnicity .....	9
Table 4:	Education Level.....	10
Table 5:	Employment Profile .....	11
Table 6:	Place of Employment of Sunnyvale Employed Residents Aged 16 or Older, 2006-2010 .....	12
Table 7:	Major Employers in Sunnyvale.....	14
Table 8:	Wages and Income Level by Occupation, Santa Clara County, May 2013 .....	14
Table 9:	Jobs to Employed Residents Ratio (2010).....	15
Table 10:	Household Characteristics .....	17
Table 11:	State Income Categories .....	18
Table 12:	Regional Household Incomes.....	18
Table 13:	Sunnyvale Household Income Levels.....	19
Table 14:	Sunnyvale Household Income Level by Housing Tenure.....	19
Table 15:	Estimated Income Levels of Elderly Households.....	20
Table 16:	Special Needs Groups.....	21
Table 17:	Shelter, Transitional and Permanent Housing Facilities in North County and San Jose.....	28
Table 18:	Regional Housing Growth Trends .....	30
Table 19:	Housing Types.....	31
Table 20:	Year Built .....	32
Table 21:	Median Home and Condominium Sales Prices, 2013 .....	34
Table 22:	Annual Apartment Rent Trends, 4 <sup>th</sup> Quarter 2011 - 4 <sup>th</sup> Quarter 2013 .....	34
Table 23:	2014 Maximum Affordable Home Price (Moderate Income), Sunnyvale .....	36
Table 24:	2013 Maximum Affordable Rents, Sunnyvale.....	36
Table 25:	Inventory of Active Below Market Rate (BMR) Rental Units .....	37
Table 26:	Inventory of Assisted Rental Housing.....	38
Table 27:	Rental Subsidies Required for At-Risk BMR Units .....	39
Table 28:	Rental Subsidies Required for Assisted At-Risk Rental Units .....	40
Table 29:	Overcrowded Households .....	43
Table 30:	Housing Overpayment.....	44
Table 31:	Sunnyvale Regional Housing Needs Allocation: 2015 - 2023.....	46
Table 32:	Land Use Categories Permitting Residential Use .....	47
Table 33:	Residential Development Standards.....	48
Table 34:	Residential Development Standards for Downtown Specific Plan .....	51
Table 35:	Residential Parking Requirements.....	52
Table 36:	Housing Types Permitted by Residential Zoning District.....	57
Table 37:	Housing Types Permitted by Commercial Zone District.....	58
Table 38:	Planning and Development Fees.....	68
Table 39:	City and Non-City Fees for Single and Multi-family Residences .....	70
Table 40:	Home Purchase and Improvement Loans - 2007.....	75
Table 41:	Vacant and Underutilized Residential Sites.....	82
Table 42:	Industrial to Residential (ITR) Areas.....	83
Table 43:	Downtown Specific Plan (DSP) and Lakeside Specific Plan (LSP) Areas .....	85
Table 44:	El Camino Precise Plan Area .....	87
Table 45:	Comparison of Regional Housing Need Allocation (RHNA) and Residential Sites ..	88
Table 46:	Financial Resources Available for Housing Activities.....	93

Table 47:	Summary of Quantified Objectives and Accomplishments 2007-2014 *	102
Table 48:	Housing Implementation Programs Summary	123
Table 49:	Summary of Quantified Objectives 2015-2023	128

## List of Figures

Figure 1:	Education Level of Sunnyvale and Santa Clara County Adults	10
Figure 2:	Number of Jobs in Sunnyvale, Estimated (2000-2010) and Projected (2020-2040)	13

## List of Tables in Appendices

Table B - 1:	Vacant and Underutilized Residentially Zoned Sites	B-2
Table B - 2:	Industrial to Residential (ITR) Sites	B-5
Table B - 3:	Downtown and Lakeside Specific Plan Area Sites	B-6
Table B - 4:	El Camino Real Precise Plan Sites	B-9
Table B - 5:	Recent Residential Infill Projects (2010-2014)	B-13
Table B - 6, Part One:	Sample of Recent Residential Projects Involving Redevelopment of Underutilized Sites and/or Demolition of Existing Dwelling Units	B-14
Table B - 6, Part Two:	Sample of Recent Residential Projects Involving Redevelopment of Underutilized Sites and Demolition of Existing Commercial Structures	B-15
Table C - 1:	Review of Accomplishments under 2007-2014 Housing Element	C-1

## List of Maps

Figure B - 1:	Vacant and Underutilized Residentially Zoned Sites	B-16
Figure B - 2:	Industrial to Residential (ITR) Sites	B-17
Figure B - 3:	Downtown and Lakeside Specific Plan Area Sites	B-18
Figure B - 4:	El Camino Real Precise Plan Sites	B-19

PAGE INTENTIONALLY LEFT BLANK



# **INTRODUCTION**

## **The Sunnyvale General Plan**

The General Plan responds to, and its authority derives from, California Government Code Section 65302. It is the principal policy document that guides future conservation and development of the city. Accordingly, the General Plan has a set of long-term goals and policies and shorter-term “action statements” that guide local government decisions.

State law requires the General Plan to contain seven specific elements, including a housing element. The 2015 Housing Element is consistent with the other six elements, also referred to as chapters, of the General Plan. For example, the Community Vision Element establishes the framework for many of the Housing Element’s goals and policies. The Land Use and Transportation Element provides the basis for the residential sites inventory contained in the Housing Element. The City will maintain consistency between the Housing Element and the other General Plan elements so that policies introduced in one element are consistent with other elements. Whenever any element of the General Plan is amended in the future, the Housing Element will be reviewed and modified, if necessary, to ensure continued consistency.

## **The Housing Element**

Under the requirements of California Housing Element law, local governments are required to adequately plan for the existing and projected housing needs of all economic segments of the community. The law recognizes that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. As a result, State housing policy rests largely upon the effective implementation of local general plans and in particular, local housing elements. Housing element statutes (Government Code §§ 65580-65589.8, 65751-65761) also require the State Department of Housing and Community Development (HCD) to review local housing elements for compliance with State law and to report its findings to the local government.

Housing element statutes require each city and county to develop local housing programs to meet its “fair share” of existing and future housing needs for all income groups. The Association of Bay Area Governments (ABAG) is responsible for developing and assigning these regional housing needs allocations, or “RHNA”, to Bay Area jurisdictions. Pursuant to the current RHNA planning period for the Bay Area, the Sunnyvale Housing Element is an eight-year plan for the years 2015 through 2023.

Sunnyvale has long been a regional leader in addressing housing issues, enacting its Below Market Rate (BMR) ordinance in 1980, followed by its Housing Mitigation Program in 1983. Housing is one of the most difficult challenges facing cities in Silicon Valley. The need for more affordable housing is critical: its symptoms surface in the shape of congested highways, the number of homeless people, an exodus of young people and retirees from the area, and the



challenges faced by local businesses in attracting new employees. Sunnyvale has also been active in addressing issues of neighborhood quality. The continued vitality of the community depends, in part, on the need to preserve and enhance its residential areas.

The City's past achievements in housing and community revitalization have been recognized in awards by the Bay Area Council, the Northern California Chapter of the American Planning Association, and the California Chapter of the American Planning Association.

The policy basis for Sunnyvale's current and future housing actions is this Housing Element of the General Plan. The Element is divided into the following sections:

- **Housing Needs Assessment** – An evaluation of Sunnyvale's demographic, household and housing stock characteristics, and existing and future regional housing needs (RHNA);
- **Housing Constraints** – An assessment of potential governmental and market constraints to the development and improvement of housing in Sunnyvale;
- **Housing Resources** – An evaluation of the availability of sites to address Sunnyvale's regional housing growth needs. Financial and administrative resources for housing are also presented, as are opportunities for energy conservation and green building;
- **Housing Plan** – An evaluation of accomplishments under Sunnyvale's adopted 2009 Housing Element, and the City's housing goals, policies, programs and quantified objectives for the 2015-2023 planning period.

Sunnyvale's Housing Plan sets forth strategies and programs that focus on: 1) preserving and improving housing and neighborhoods; 2) providing adequate housing sites; 3) assisting in the provision of affordable housing; 4) removing governmental and other constraints to housing investment; and 5) promoting fair and equal housing opportunities.





## Public Participation

Opportunities for community stakeholders to provide input on housing issues and recommend strategies are critical to the development of appropriate and effective programs to address Sunnyvale's housing needs. The City has solicited input from the public on housing issues during development of the draft element and during public review of the draft element; and will continue to do so during the adoption process.

The City solicited public input early in the stages of the development of the draft element in several ways. On the City's website, the City established a dedicated Housing Element Update webpage. The webpage provided a current calendar of public meetings, as well as presentation materials from each of the meetings, background information about the process, and a Housing Needs survey for the public to fill out and submit to the City electronically or on paper.

The City held three public outreach meetings in July, August and October 2013 and conducted a written public survey, both online and on paper in English and Spanish, to gather community input for the needs assessment portion of the updated Housing Element. More than five hundred survey responses were received, and the outreach meetings were well attended. The meetings were promoted with articles in the city's biweekly blog, posting on the City's website, email blasts to the Housing Division affordable housing subscribers, and direct outreach to a number of local non-profit organizations, community and faith-based groups and other stakeholders. Residents, housing developers, senior citizens, non-profit housing developers, community groups, and various social service providers were also contacted directly by the City's Housing staff to encourage their attendance and input. The meetings focused on providing information to the public about the housing element process and state requirements, the City's demographics, housing needs, current market data, and various housing programs currently offered by the city and other regional agencies, as well as on soliciting input about current needs from those in attendance. Questions raised by the attendees were answered to the extent possible, and comments were noted.

The following issues were raised by members of the public at the community meetings and/or in the public survey responses. A summary of public comments is contained in Appendix A. (*Note: These statements reflect the opinions of the individuals expressing them, not necessarily of everyone in attendance at the meeting, or of City staff, consultants and/or officials*):

- Rents have been increasing sharply and many long-time residents can no longer afford to rent here.
- Many people expressed a need for rent control.
- Concerns were raised about impacts of recent growth and development, such as increased traffic, noise, impacts on local schools.
- Lack of transportation infrastructure improvements accompanying new housing developments was a concern.
- Concerns noted about a shortage of affordable housing for people with developmental disabilities/autism. The number of young people with autism spectrum diagnoses has been increasing dramatically in recent years.



## Introduction

- Need to address increasing homeless population in the county, in particular the encampments along creeks and open space areas, particularly in San Jose and South County.
- Concerns were raised about the lack of adequate transitional shelters and supportive housing for homeless populations, including both families and those with mental health or substance abuse issues.
- Need to address affordability for people in the extremely low income group, earning annual incomes below \$15,000, in particular developmentally disabled people, seniors on social security only, and homeless people.
- Evaluate opportunities for expanded infill, such as secondary dwelling units and/or redevelopment of older single-family homes with row housing
- Increased density throughout the City raises concerns about overcrowded schools, traffic, lack of open spaces and crime.

Following the community meetings, City staff revised the Needs Assessment portion of the Housing Element and updated relevant data. A draft of the 2015 Housing Element was published for public review and comment on May 23, 2014. The update process was discussed at a joint study session with the Planning Commission and Housing and Human Services Commission on May 12, 2014, and public hearings on the Draft 2015 Housing Element were held by the Housing Commission on May 28, 2014; by the Planning Commission on June 9, 2014; and by Council on August 12, 2014. The purpose of these meetings was to inform the City's decision-makers of the major changes proposed to be made to the 2009 Housing Element, using the streamlined update process, and to get input from the commissions, and Council approval of the updates, before submitting the Draft 2015 Housing Element to the State for initial review. A summary of public input received during the public outreach phase and minutes of the public hearings on the Draft are provided in Appendix A. Some of the topics discussed at the joint study session on May 12<sup>th</sup> included:

- The challenge of creating new affordable rental units now that cities cannot impose inclusionary requirements on new rental projects, due to the Palmer court decision of 2009;
- The difficulty affordable housing developers face in trying to acquire new sites for affordable housing in the current very competitive real estate market;
- The possibility of charging impact fees on new rental housing to generate funds for affordable housing, and the required nexus study for any new fees;
- Potential options and strategies to address housing needs, such as secondary dwelling units or expanding inclusionary housing requirements;
- How Sunnyvale's housing programs and accomplishments compare with those of neighboring communities;
- Possible anti-displacement policies to protect tenants of units to be demolished or renovated;
- Possible impacts of new development on schools, traffic, and other local resources.

Once the Draft 2015 Housing Element was published, it was also made available at public locations throughout the community, including City Hall, the Sunnyvale Library, and on the City's website. It will also be sent to the State Department of Housing and Community Development (HCD) for review and comment following the public hearing at the August 12, 2014 Council meeting. After the State indicates the draft is in compliance with the law, public



## **ATTACHMENT 2**

### Introduction

hearings will be held before the Housing and Human Services and Planning Commissions and Council before the new Housing Element is amended into the General Plan. A notice of public hearing will be published in the local newspaper before each hearing, and interested groups and individuals will be notified directly via mail or email, depending on request.



## **ATTACHMENT 2**

### Introduction

PAGE INTENTIONALLY LEFT BLANK



# HOUSING NEEDS ASSESSMENT

This chapter describes the characteristics of the City's population and housing stock as a means of better understanding the nature and extent of unmet housing needs. The Housing Needs Assessment is comprised of the following components: Demographic Profile; Employment Characteristics; Household Characteristics; Housing Stock Characteristics; and Regional Housing Needs.

## Demographic Profile

### Population Trends

Table 1 presents population growth trends in Sunnyvale, and compares this growth to that of neighboring cities and the County of Santa Clara as a whole. With a 2010 population of 140,081, Sunnyvale's population grew by six percent between 2000 and 2010, comparable to the county-wide growth rate during that decade. Between 2010 and 2013, the population grew by four percent, to 145,973 in 2013, according to the California Department of Finance. Sunnyvale continues to be the second most populous city in Santa Clara County, behind only San José, which comprises over half the County's population.

Table 1: Regional Population Growth Trends

Jurisdiction	2000	2010	2013	Percent Change	
				2000-2010	2010-2013
Cupertino	50,546	58,302	59,620	15%	2%
Mountain View	70,708	74,066	76,260	5%	3%
San José	894,943	945,942	984,299	6%	4%
Santa Clara	102,361	116,468	120,284	14%	3%
<b>Sunnyvale</b>	<b>131,760</b>	<b>140,081</b>	<b>145,973</b>	<b>6%</b>	<b>4%</b>
Santa Clara County Total	1,682,585	1,781,642	1,842,254	6%	3%

Sources: 2000, 2010 Census; California Department of Finance 2013 Population Estimates.

The Association of Bay Area Governments (ABAG) produces population estimates as part of its program of projecting future growth in the Bay Area. ABAG's latest projections series, *Projections 2013*, documents Sunnyvale's 2010 population at 140,081, and projects a constant eleven percent increase in population in each of the decades post-2010 (to 2020 and 2030), resulting in an estimated 2030 City population of 174,700. ABAG projects the total county population to grow at a similar rate to Sunnyvale, with an 11 percent increase projected between 2010 and 2020, and a 10.6 percent increase from 2020 to 2030. Two-thirds of the County's population growth in these decades is expected to occur within the City of Milpitas, just north of San Jose.



## Age Distribution

Table 2 summarizes the age distribution of the Sunnyvale population in 2000 and 2010, and compares this with that of the County as a whole. While the City's age distribution remained relatively stable over the decade, like many communities nationwide, Sunnyvale's population is growing older. The median age, 34.3 in 2000, increased slightly to 35.6 years by 2010. However, the proportion of the population aged 65 and older remained the same, at roughly eleven percent of the total in 2000 and 2010. The population of seniors is projected to grow during the planning period, as many of the "baby boomers" (the large group of people born between 1946 and 1964) will have reached age 65 by 2023. This national demographic trend is expected to affect Sunnyvale as well, although perhaps to a lesser extent, if the current trend of recent retirees seeking more affordable and/or more desirable post-retirement housing opportunities elsewhere continues.

Comparison of Sunnyvale's age distribution with that of the County illustrates two distinct differences. Young adults (25 to 44) comprise 36 percent of Sunnyvale's population, compared to only 31 percent Countywide. This predominance of young adults can largely be attributed to the concentration of high tech and emerging technology industries in Sunnyvale, and the variety of rental and ownership opportunities attractive to this age group. In contrast, school age children (5 to 19) encompass only 16 percent of the population in Sunnyvale, versus 20 percent Countywide. Sunnyvale's lower proportion of family households, combined with the higher incidence of single person households due to young local workforce, both contribute to the slightly smaller proportion of children in the City's population.

Table 2: Age Distribution

Age Groups	2000		2010		Santa Clara County % (2010)
	Persons	Percent			
Preschool Age (Ages 0-4)	9,270	7%	11,253	8%	7%
School Age (5-19)	19,861	16%	22,519	16%	20%
College Age (20-24)	7,961	6%	7,013	5%	6%
Young Adults (25-44)	54,438	41%	50,919	36%	31%
Middle Age (45-64)	26,273	20%	32,721	23%	25%
Senior Adults (65+)	13,957	11%	15,656	11%	11%
<b>Total</b>	<b>131,760</b>	<b>100%</b>	<b>140,081</b>	<b>100%</b>	<b>100%</b>
Median	34.3		35.6		36.2

Sources: 2000, 2010 Census.



## Ethnic Composition

Table 3 displays the racial composition of Sunnyvale's population in 2000 and 2010, and compares this with the distribution county-wide. Sunnyvale no longer has a single racial majority, reflecting the increasing diversity of Santa Clara County and the greater Bay Area. The Asian population increased to 41 percent of the City's population by 2010. Table 3A shows the percentage of the population of Hispanic ethnicity. Hispanic residents have grown to comprise almost 20 percent of the City's population, which is still less than the 27 percent Hispanic population of the County.

Table 3: Race

Race	2000		2010		Santa Clara County % (2010)
	Persons	Percent	Persons	Percent	
White	70,193	53.3%	60,193	43%	47%
Black or African American	2,927	2.2%	2,735	2%	2.6%
American Indian and Alaska Native	608	0.5%	662	0.5%	0.7%
Asian	42,524	32.3%	57,958	41%	32%
Native Hawaiian and Other Pacific Islander	428	0.3%	638	0.5%	0.4%
Some Other Race	9,474	7.2%	12,177	9%	12.4
Two or More Races	5,606	4.3%	6,356	4%	4.9%
<b>Total</b>	<b>131,760</b>	<b>100%</b>	<b>140,081</b>	<b>100%</b>	<b>100%</b>

Table 3A: Ethnicity

Ethnicity	2000		2010		Santa Clara County % (2010)
	Persons	Percent	Persons	Percent	
Hispanic	20,390	15.5%	26,517	19%	27%
Not Hispanic	111,370	84.5%	113,564	81%	73%
<b>Total</b>	<b>131,760</b>	<b>100%</b>	<b>140,081</b>	<b>100%</b>	<b>100%</b>

Sources: 2000, 2010 Census.

Over half of Sunnyvale's households speak a language other than English as the primary language at home according to the 2012 American Community Survey. Of the 28 percent of households (15,276 households) that primarily speak an Asian or Pacific Island language at home, 38 percent of the adult members report that they speak English less than "very well", and are thus considered linguistically isolated. Of the 12 percent of households (6,478 households) that speak primarily Spanish, 49 percent are linguistically isolated. Overcoming language and cultural barriers to ensure that all residents have equal access to, and understanding of, available housing opportunities is an important part of Sunnyvale's comprehensive housing program.



## Education

The overall educational level of Sunnyvale residents is very high and has been steadily increasing (Table 4). Sixty percent of the City's population aged 25 and older have a bachelor's degree or higher, compared to 47 percent in the County as a whole. In the past decade, the number of Sunnyvale residents with post-graduate degrees increased from 21 to 27 percent, due in part to the large number of highly educated immigrants and other skilled workers recruited to fill high-tech or other knowledge-based jobs. While the number of non-English speaking households increased during this period, the proportion of the adult population with no more than a high school degree declined from 26 percent to 21 percent.

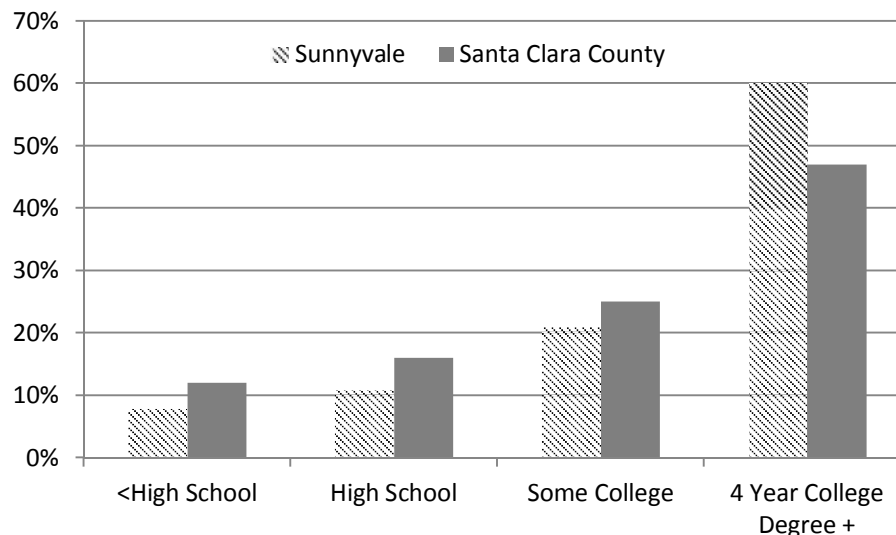
Table 4: Education Level

Highest Educational Level of Population Aged 25 or older	Sunnyvale		Santa Clara County (2010)
	2000	2010	
<High School	12%	8%	12%
High School	14%	11%	16%
Some College	26%	21%	25%
4 Year College Degree +	48%	60%	47%

Source: 2000 and 2010 Census

Figure 1: Education Level of Sunnyvale and Santa Clara County Adults

Source: 2000 and 2010 Census







## Employment Characteristics

### Resident Labor Force

Evaluation of the types of jobs held by Sunnyvale residents provides insight into their potential earning power and the type of housing they can likely afford. Information on the local workforce and how it is changing over time can help estimate potential housing and employment needs in the future.

According to estimates by the California Employment Development Department (EDD), Sunnyvale had a labor force of 79,300 in 2013, with an average 5.8 percent unemployment rate that year. In comparison, the unemployment rate averaged 6.8 percent in Santa Clara County and 8.9 percent statewide in 2013. California's average annual unemployment rate in 2013 dropped by 1.5 percent from the prior year (2012), reflecting the state's continuing recovery from the 2008-09 recession.

Table 5 presents the major occupational categories of employed Sunnyvale residents, according to the 2010 Census. Residents employed in management, business, science and arts (57%) accounted for the largest share of employed residents, followed by those employed in sales and office occupations (21%). Together, these two categories accounted for nearly 80 percent of resident employment.

Table 5: Employment Profile

Occupational Categories of Residents	Persons	Percent
Management, business, science, and arts	40,426	57%
Sales and office occupations	14,961	21%
Service occupations	7,492	11%
Production, transportation, and material moving	5,110	7%
Natural resources, construction, and maintenance	2,759	4%
<b>Total</b>	<b>70,748</b>	<b>100%</b>

Source: 2010 Census

Although the number of employed residents in the City nearly matches the number of jobs in the City, as described in the following section, most employed local residents work outside of Sunnyvale. According to recent Census estimates, nearly three out of four employed Sunnyvale residents aged 16 years or older (74.4%) worked at a primary place of employment located outside of Sunnyvale during the five-year period between 2006 and 2010. Slightly over 25% of Sunnyvale employed adults worked within the city limits during this period, according to those estimates. **Table 6** shows the place of employment of all Sunnyvale residents in the workforce during that time, according to the Census.



Table 6: Place of Employment of Sunnyvale Employed Residents Aged 16 or Older, 2006-2010

Place of Employment	Sunnyvale Residents Aged 16+	
	Number	Percent
In Sunnyvale	17,190	25.6%
Elsewhere in Santa Clara County	39,064	58.2%
Elsewhere in Bay Area (8 counties)	10,439	15.6%
Balance of State	395	0.6%
<b>Total</b>	<b>67,088</b>	<b>100%</b>

*U.S. Census, ACS 2006-2010 (5-year estimates), Transportation Planning, Table A302100: Total Workers (Workers 16 years and over). Sunnyvale data extracted and summarized by City staff.*

The same Census data summarized in Table 6 also estimates that more than one thousand Sunnyvale residents were employed within each of the following cities between 2006 and 2010, listed in descending order of Sunnyvale residents employed within each city: Sunnyvale (17,190), San José (11,900), Santa Clara (7,470), Mountain View (6,840), Palo Alto (4,980), Cupertino (3,460), Redwood City (1,695), Milpitas (1,475), Menlo Park (1,450), Fremont (1,100), and San Francisco (1,035). The remaining nearly 8,500 Sunnyvale adults in the workforce were employed in other cities throughout the State, primarily within the Bay Area. Given the very fast pace of change of office locations and jobs in the Silicon Valley, and the number of job losses and then new hiring that occurred during and after the recent recession, the city-specific numbers may already be outdated. However, the general proportion of Sunnyvale residents working within versus outside of the City or the County from year to year is likely to be more stable over time than the precise city of employment, and reflects a regional pattern of commuting across jurisdictional boundaries which is highly typical of the Bay Area, as evidenced by local and regional traffic flows.

### Local Employment Base

During the last two decades of the twentieth century, Sunnyvale's local employment base shifted from one of primarily blue-collar industrial jobs to one of primarily white-collar jobs. Between 1980 and 2000, the City lost 23,000 manufacturing and wholesale jobs, while the number of service-sector jobs grew by 140 percent. Much of the service-sector growth occurred during the high-tech boom of the 1990's, when Sunnyvale became known as the Heart of the Silicon Valley. The number of jobs located in the City peaked in 1999-2000, at 99,290 jobs according to ABAG estimates, as shown on Figure 2 below.

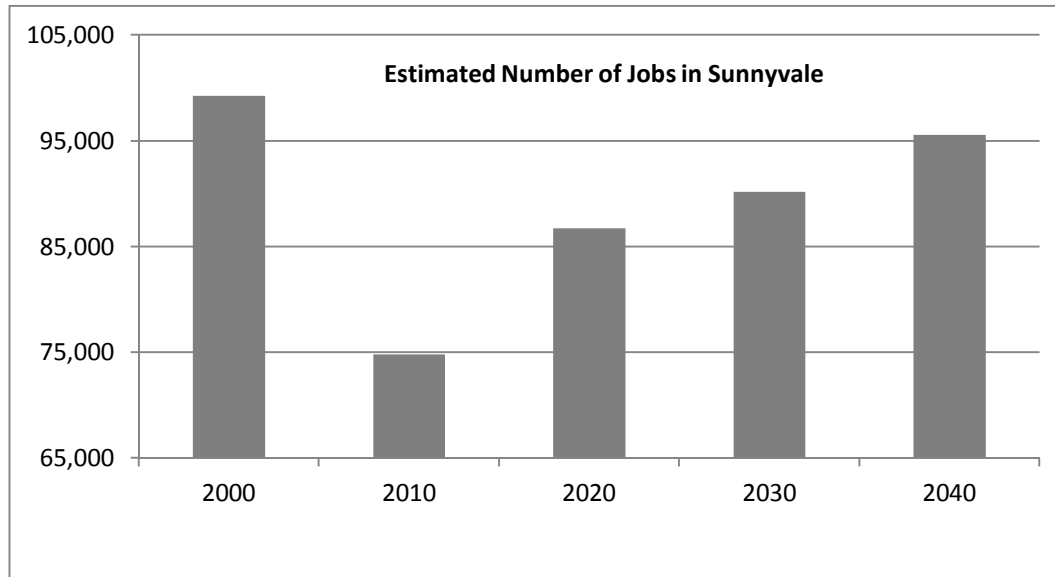
The rapid increase in jobs in the Silicon Valley abruptly reversed direction in late 2000 with the "dot-com bust." The job market recovered somewhat between 2004 and 2006, and then declined sharply again in late 2008 and 2009 during the major national recession. Substantial job losses were widespread throughout the Silicon Valley during both of these downturns. In 2005, an estimated 73,630 jobs were located in Sunnyvale (ABAG Projections 2009).

By 2010, the number of jobs in Sunnyvale increased slightly to 74,610, according to ABAG estimates. Recent Census data indicates that there were 82,030 jobs in the City in 2011, of which



78,309 were primary jobs (U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program, 2013). ABAG recently projected that the number of jobs in Sunnyvale will grow slightly to 86,740 by 2020, an increase of 16 percent over ten years, and then increase by 4 percent over the next decade, to 90,160 by 2030 (ABAG Projections 2013).

Figure 2: Number of Jobs in Sunnyvale, Estimated (2000-2010) and Projected (2020-2040)



Source: ABAG Projections 2002, 2009, and 2013.

Translating ABAG's long-range projection to an average annual growth rate of approximately 690 jobs per year, Sunnyvale's local employment base could reasonably be expected to grow by about 5,500 jobs during the eight-year housing element planning period of 2015-2023. This is a very rough estimate, however, given that employment generally rises and falls sharply with periodic economic boom and bust cycles, as was clearly the case between 2000 and 2010, rather than increasing at a steady annual rate.

### **Major Employers in Sunnyvale**

As is typical in larger cities in the Silicon Valley, most of the largest employers in Sunnyvale are technology firms, although the single largest company remains a defense/space industry company, Lockheed Martin Space Systems, reflecting the region's historic defense industry cluster, attracted by proximity to military and NASA facilities such as Moffett Field and the now-decommissioned Onizuka Air Force Station, as well as a steady supply of highly educated engineers from nearby universities. The largest industry clusters today are in software, computer hardware, innovation services, biomedical, and electronic components. The ten largest employers in Sunnyvale are shown in Table 7 below, according to employment data gathered in August 2013.



Table 7: Major Employers in Sunnyvale

Employer	Number of Employees
1. Lockheed Martin Space Systems	6,070
2. Apple Inc.	4,000
3. NetApp, Inc.	3,134
4. Yahoo! Inc.	2,810
5. Juniper Networks, Inc.	2,400
6. Hewlett Packard	1,743
7. Northrop Grumman Marine Systems	1,274
8. Synopsys, Inc.	999
9. Advanced Micro Devices, Inc.	823
10. Broadcom Corporation	767

Source: City of Sunnyvale, August 2013

Despite the presence of many high-wage jobs, wages for the most common occupations in the county vary widely. Median annual wages for all occupations with at least 10,000 employed within the county, and their respective household income levels, are shown in Table 8.

Table 8: Wages and Income Level by Occupation, Santa Clara County, May 2013

Occupation Title	Number Employed	Median Annual Wage	Income Level
Computer and Information Systems Managers	10,660	\$ 172,460	Above Moderate
General and Operations Managers	18,300	\$ 131,020	
Software Developers, Systems Software	23,810	\$ 130,790	
Registered Nurses	14,230	\$ 130,110	
Software Developers, Applications	28,980	\$ 127,190	
Business Operations Specialists, All Other	10,620	\$ 87,800	Moderate
Accountants and Auditors	11,750	\$ 80,080	
Customer Service Representatives	12,480	\$ 43,640	Low
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	10,980	\$ 41,360	
Office Clerks, General	13,650	\$ 37,260	
Laborers and Freight, Stock, and Material Movers, Hand	13,040	\$ 28,140	Very Low
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	15,320	\$ 23,510	
Retail Salespersons	25,940	\$ 23,050	
Cashiers	16,840	\$ 22,470	
Combined Food Preparation and Serving Workers, Including Fast Food	15,870	\$ 20,280	Extremely Low
Waiters and Waitresses	13,530	\$ 19,280	

Source: Wage data: Occupational Employment Statistics Survey, Bureau of Labor Statistics, Department of Labor, May 2013. Income level: City of Sunnyvale Housing Division, based on HCD 2013 Area Median Income Limits



## Jobs and Housing

Employment trends affect planning for housing. If a city or region such as the Silicon Valley does not have enough housing units to house the workers employed in the city or region, the cost of housing is pushed up as people compete for the limited number of units. Workers who can't afford local housing prices must find housing elsewhere and commute longer distances to work, increasing traffic congestion on major freeways and arterials, and contributing to air quality degradation. As a means of mitigating the impact of job growth on the demand for affordable housing, Sunnyvale requires intense job-producing commercial and industrial development to pay into a Housing Mitigation Fund.

Jobs/housing balance is defined as the ratio of number of jobs to number of housing units in a given area. Although the term “jobs/housing balance” is still often used, the more precise relationship is between jobs and the number of employed residents (because some households have no workers, while others have multiple workers). Jobs and housing are considered to be balanced when there are an equal number of employed residents and jobs within a given area, with a ratio of approximately 1.0. In 2010, ABAG estimates indicate that Sunnyvale had a balanced jobs-to-employed residents ratio at 1.0, similar to the county-wide ratio of 1.1 (Table 8). However, the high jobs-to-employed residents ratio in neighboring cities (2.9 in Palo Alto, 1.9 in Santa Clara, and 1.8 in Los Gatos) can also impact the demand for housing in Sunnyvale. Over the next three decades, ABAG projects Sunnyvale's jobs-to-employed residents ratio will remain fairly stable. However, as Table 9 indicates, although the ratio may be 1:1, the majority of City residents work outside of the city, and the majority of local workers commute in. However most of this commuting appears to be within the county, so distances are not that great.

Table 9: Jobs to Employed Residents Ratio  
(2010)

City	Jobs/ Employed Residents Ratio
Campbell	1.3
Cupertino	1.0
Los Gatos	1.8
Milpitas	1.5
Mountain View	1.2
Palo Alto	2.9
San Jose	0.8
Santa Clara	1.9
<b>Sunnyvale</b>	<b>1.0</b>
Santa Clara County	1.1

Source: ABAG Projections, 2013

Sunnyvale has a goal within its Housing Element Plan to maintain a local balance of jobs and housing. Policies designed to implement this goal include maintaining data on the jobs/housing ratio, continuing to require office and industrial developers to mitigate the demand for housing



created by their projects, and continuing to encourage a mix of residential and employment-generating land uses.

**ABAG Jobs-Housing Connection**

As mentioned above, in May 2012 the ABAG Executive Board adopted a Jobs-Housing Connection Strategy which projects the amount of housing and job growth anticipated to occur throughout the Bay Area between 2010 and 2040. The Executive Summary of the ABAG Jobs-Housing Connection Strategy is provided in Appendix D.



## Household Characteristics

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

### Household Type

A household is defined as all persons living in a housing unit. Families are a type of households and include people related by blood, marriage, or adoption who live together. A single person living alone is also a household. “Other” types of households are unrelated people residing in the same dwelling unit. People living in group quarters, such as dormitories or convalescent homes, are not counted as households, but are counted as a separate category

According to the 2010 Census, 53,384 households reside in Sunnyvale, with an average household size of 2.61 persons. This represents a smaller average household size than that of the County overall (2.90), and reflects Sunnyvale’s higher incidence of single-person households and lower proportion of family households.

As shown on Table 10 below, families comprise the majority of households in Sunnyvale (66%), including families with children (33%), and those without children (33%). During the 2000s, the proportion of households in Sunnyvale comprised of families with children increased by five percent. Over three-quarters of the City’s household growth between 2000 and 2010 resulted from an increase in family households. Nonetheless, Sunnyvale continues to have a higher proportion of single-person households (25%) than the County (22%), largely related to the City’s employment base of high technology and emerging industry firms which employs many younger single adults. These household data support the need for smaller, higher density and mixed-use units close to transportation and services, as well as larger housing types suitable for families.

Table 10: Household Characteristics

Household Type	2000		2010		Santa Clara County % (2010)
	Households	Percent	Households	Percent	
<b>Total Households</b>	<b>52,539</b>	<b>100%</b>	<b>53,384</b>	<b>100%</b>	<b>100%</b>
Families	32,664	62%	35,553	66%	71%
With Children	14,519	(28%)	17,394	(33%)	(35%)
Without Children	18,145	(34%)	17,831	(33%)	(29%)
Singles	14,220	27%	13,457	25%	22%
Other	5,655	11%	4,374	8%	7%
Average Household Size	2.49		2.61		2.90

Source: 2000 and 2010 Census



## Household Income

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

The State and Federal government classify household income into several levels based upon the relationship to the County "Area Median Income" (AMI), adjusted for household size. The State of California utilizes the income levels presented in Table 11. However, certain federal (HUD) housing programs utilize slightly different income levels and definitions, with the highest income level eligible for HUD programs limited to 80% AMI. For purposes of the Housing Element, the State income definitions are used throughout, except where data has been compiled by HUD and is specifically noted.

Table 11: State Income Categories

Income Category	% of County Area Median Income (AMI)
Extremely Low	0-30% AMI
Very Low	0-50% AMI
Low	51-80% AMI
Moderate	81-120% AMI
Above Moderate	120%+ AMI

Based on projections from the Association of Bay Area Governments (ABAG) for the year 2013, the median household income of Sunnyvale residents was estimated at \$93,292 for all households. As illustrated in Table 12, median household income in Sunnyvale was just slightly higher than that of the County, and similar to that of Mountain View and Milpitas.

Table 12: Regional Household Incomes

City	Median Household Income (2007-2011)
Campbell	\$82,687
Cupertino	\$124,825
Milpitas	\$94,589
Mountain View	\$91,446
San Jose	\$80,764
Santa Clara	\$89,004
<b>Sunnyvale</b>	<b>\$93,292</b>
Santa Clara County	\$89,064

Source: ABAG Projections, 2013.





Between 2000 and 2010, the proportion of Sunnyvale households in the lower income groups (0% to 80% AMI) increased from 25 to 28 percent of the total. As shown in Table 13, the City's household income distribution has remained relatively stable over the past decade, with only a slight increase in the proportion of very low income households, and a slight decrease in the proportion of low and moderate, and above-moderate income households.

Table 13: Sunnyvale Household Income Levels

Income Level	2000		2010	
	Households	Percent	Households	Percent
Very Low Income (31-50% AMI)	9,619	18%	10,540	20%
Low Income (51-80% AMI)	4,803	9%	4,175	8%
Moderate Income and above (>80% AMI)	38,006	73%	38,705	72%
<b>Total</b>	<b>52,428</b>	<b>100%</b>	<b>53,420</b>	<b>100%</b>

Source: [ABAG](#) Data for Bay Area Housing Elements, 2014

Table 14 shows the estimated income levels of Sunnyvale households by housing tenure. As could be expected, a higher percentage of renter households (33%) were lower income (<80% AMI) compared to residents who owned their homes (22%). The presence of approximately 6,820 extremely low and very low income renter households is of particular significance as market rents in Sunnyvale exceed the level of affordability for these households. A high level of housing overpayment is verified by the 2010 census which estimated that 69 percent of very low income renters spent more than 30 percent of their income on housing in 2010. The Census estimates the median income of Sunnyvale's renter households was \$86,252, compared to \$119,214 for homeowners.

Table 14: Sunnyvale Household Income Level by Housing Tenure

Income Level	Renters		Owners		Total %
	Households	%	Households	%	
Very Low Income (30-50% AMI)	6,820	25%	3,720	14%	20%
Low Income (51-80% AMI)	2,125	8%	2,050	8%	8%
Moderate Income and above (>80% AMI)	18,330	67%	20,375	78%	72%
<b>Total</b>	<b>27,275</b>	<b>100%</b>	<b>26,145</b>	<b>100%</b>	<b>100%</b>

Source: *Comprehensive Housing Affordability Strategy, 2010, based on 2006-2010 American Community Survey.*

While renters were more likely to have very low incomes than owners, there is also significant variation in income levels by household type, as presented in Table 15. Well over half (57%) of elderly households in Sunnyvale have lower incomes, with one-quarter having extremely low incomes. As seniors are typically on fixed incomes, an increase in rents can have a considerable impact on extremely low income senior renters. Senior homeowners with extremely low incomes - many of whom reside in Sunnyvale's mobile home parks - also face significant needs related to maintaining their homes. One factor that is not reflected by household income estimates is total



## Housing Needs Assessment

net worth, which includes assets, which many homeowners, particularly long-time senior home owners, have in the form of substantial equity in their homes. Many single family homes in the City are worth more than \$1 million. This equity can be tapped into to meet some household needs through mechanisms such as reverse mortgages or downsizing to smaller housing such as condominiums.

Table 15: Estimated Income Levels of Elderly Households

Income Level	Elderly
Extremely Low Income (<30% AMI)	2,514
Very Low Income (31-50% AMI)	1,653
Low Income (51-80% AMI)	1,872
Moderate Income and above (>80% AMI)	2,670
<b>Total</b>	<b>8,709</b>

*Source: 2006-2010 American Community Survey.*



## Special Needs Populations

State law recognizes that certain households have more difficulty finding decent and affordable housing due to special circumstances. Special needs populations defined by HUD include the elderly, persons with disabilities, female-headed households, large households, homeless persons and farmworkers. Table 16 summarizes the number of special needs households in Sunnyvale. Each of these population groups, as well as their housing needs, is described below.

Table 16: Special Needs Groups

Special Needs Households	Number	Percent of Total
Large Households	5,058	9%
<i>Renters</i>	2,624	
<i>Owners</i>	2,434	
Senior Households	8,968	17%
<i>Renters</i>	2,224	
<i>Owners</i>	6,744	
<i>Seniors living alone</i>	3,462	
Female-headed Households	4,629	9%
With related children	1,627	3%
<b>Total Households</b>	<b>53,384</b>	<b>100%</b>
Special Needs Individuals	Number	Percent of Total
Seniors (65+)	15,656	11%
Seniors with a disability	5,366	
All persons with Disability	9,553	7%
Workers in Agriculture, Forestry, Hunting, Fishing and Mining Occupations *	226	0.2%
Homeless People **	283 unsheltered 142 sheltered	0.2%
<b>Total Individuals</b>	<b>140,081</b>	<b>100%</b>

Source: 2010 Census unless otherwise noted.

\* 2007-2011 ACS 5-year estimates, *Employment by Industry of Civilian population aged 16 or older*, provided by ABAG.

\*\*2013 County of Santa Clara Homeless Census and Survey.



## **Senior Households**

Senior citizens have several major concerns which impact their housing needs:

- **Income:** People over 65 are usually retired and living on a limited income;
- **Health Care:** Because the elderly have a higher rate of illness and dependency, health care and supportive housing is important;
- **Transportation:** Many seniors use public transit. However, some seniors with severe mobility limitations, or very frail seniors, may require para-transit or taxi services such as Outreach.
- **Housing:** Many seniors live alone and rent. Homeowners may have a difficult time maintaining their homes.

Seniors (age 65 and above) comprise 11 percent of Sunnyvale's residents, and represent a growing segment of the City's population. About 17 percent of all households are headed by a senior, three-quarters of which are homeowners. Nearly forty percent of the City's households headed by a senior consist of one senior living alone. Over one third of elderly residents in Sunnyvale have some type of disability for self-care or mobility, which may limit their ability to live independently. There are at least 7,000 persons above the age of 75 in Sunnyvale who may soon need supportive housing, assisted living, or in-home services such as a live-in aide.

The possibility of rising rents is of particular concern to senior renters, due to the fact that most seniors are on limited incomes. Of Sunnyvale's 2,224 senior renter households, over 70 percent are lower income. Three-quarters of these lower-income senior renters pay more than 30 percent of their incomes on housing. As shown in Table 25, Sunnyvale has four senior housing projects providing 423 rental units affordable to very low and low income households. A new senior apartment complex was developed by Mid-Peninsula Housing Coalition in 2011, known as the Fair Oaks senior housing project, located next to the County's Valley Health Center. The State of California Community Care Licensing Division identified 35 residential care homes for the elderly in Sunnyvale, which provide nearly 800 beds for seniors age 60+ who require 24-hour care. As of May 15, 2014, 346 lower income seniors in Sunnyvale received Section 8 rental subsidies from the Housing Authority of the County of Santa Clara. Of that total, 224 seniors received portable, tenant-based vouchers and 122 were living in rental units assisted with project-based vouchers.

For those seniors who live on their own, many have limited incomes and, due to lack of funds, frailty or physical limitations, some seniors may not be able to maintain their homes or perform minor repairs. Furthermore, the installation of grab bars and other assistance devices in the home may be needed. The City provides a Housing Rehabilitation Program that provides low interest loans and grants to assist lower income homeowners in making needed repairs or accessibility improvements. Mobile homes are also eligible for rehabilitation assistance, a large number of which are occupied by seniors.

In 2003, Sunnyvale consolidated its various community programs for seniors into a single, 23,000 square foot state-of-the art senior center. The center was designed to promote physical, mental and emotional health, independence and socialization to meet the needs of individuals aged 50 years and older. More than 3,000 members participate in a wide variety of activities,



including over 200 recreational classes, a daily lunch program, health services, and case management services in collaboration with the Silicon Valley Council on Aging.

In addition to services offered through the Senior Center, the City funds a variety of programs which provide housing-related supportive services for seniors, including:

- Long Term Care Ombudsman Program. Provides ombudsmen who advocate for elderly residents of skilled nursing facilities and residential board and care homes.
- Adult Day Care. Provides day care for elderly and dependent seniors.
- Senior Adult Legal Assistance. Provides legal assistance and advocacy services to lower income seniors.
- Senior Nutrition. Provides subsidized hot meals five days per week at the Senior Nutrition site at First Methodist Church.
- Meals on Wheels. Provides hot meals and supportive services to homebound seniors.

## **Persons with Disabilities**

A disability is defined as a long lasting condition that impairs an individual's mobility, ability to work, or ability to perform self-care. Persons with disabilities include those with physical, mental, developmental, or emotional disabilities. Severely disabled people often have special housing needs because they often have limited incomes, there is a shortage of affordable and/or accessible housing, or they may have higher health care costs due to their disability.

According to the 2012 American Community Survey, an estimated 7 percent of Sunnyvale's residents (9,553 persons) have one or more disabilities. Approximately 6,300 of the City's disabled residents have a physical disability, 3,300 have a mental disability, and 2,162 residents have a mobility/self-care limitation that requires assistance in daily living. Of the City's senior population, approximately one-third have one or more types of disabilities. According to the San Andreas Regional Center, as of October 2013 there were 773 adults with developmental disabilities living in Sunnyvale.

The living arrangements for people with disabilities depend on the severity of the disability. Many disabled persons live at home in an independent environment with the help of other family members. To maintain independent living, disabled persons may require some assistance. This can include special housing design features for the physically disabled, income support for those who are unable to work, and in-home supportive services for persons with serious medical conditions. The Silicon Valley Independent Living Center, a countywide agency that conducts housing referrals for disabled people, receives more than 300 requests per year for help securing accessible housing for disabled people. However, only about 20 percent of these people can actually be placed because of the shortage of appropriate units. A significant percentage of the disabled population is of lower income and cannot afford market rate rents. The Santa Clara Housing Authority reported in 2008 that 124 Sunnyvale residents with disabilities receive Section 8 rent vouchers, with an additional 202 disabled residents on the waiting list for assistance.



Sunnyvale provided capital funding some years ago for two apartment complexes, Page Mill Court in Palo Alto and Stoney Pine Apartments in Sunnyvale, that provide accessible and affordable housing for developmentally disabled adults; together these two complexes provide 45 units. Another facility, Greater Opportunities, houses 12 to 15 developmentally disabled adults. In addition, the Pacific Autism Center for Education (PACE) operates two facilities which house six autistic adults and six autistic children. The State Community Care Licensing Division identifies six adult residential facilities in Sunnyvale that provide 24-hour non-medical care for adults ages 18-59 who are unable to provide for their own daily needs; these six facilities together provide capacity for 60 adults.

Other resources available to Sunnyvale residents with disabilities include:

- City of Sunnyvale Home Access Program: grants for residential accessibility improvements
- Silicon Valley Independent Living Center: case management, legal counseling, service and housing referrals
- Abilities United: services for persons with developmental disabilities
- Senior Nutrition Program: serves low-income disabled adults and seniors
- Meals on Wheels/The Health Trust: serves hot meals to homebound frail or disabled of all ages
- Housing Choices Coalition: helps people with developmental disabilities obtain housing

## **Female-Headed Households**

Single-parent households typically need services as childcare and affordable health care. Female-headed households with children in particular tend to have lower incomes than two-parent families, which limits their housing options and access to private services such as nursery schools, day care, and recreational activities for their children. The 2010 Census reported 4,629 female-headed households in Sunnyvale, over a third of which have children. Of the 1,960 female-headed households with children, 49 percent lived in poverty, the highest poverty rate for any population group in Sunnyvale, compared to a poverty rate of 4.5 percent for the entire City population. In addition, female-headed households may encounter subtle forms of housing discrimination.

Two programs currently available in Sunnyvale specifically help to address the housing needs of female-headed households. The fair housing and landlord-tenant mediation programs operated by Project Sentinel helps female-headed households obtain and maintain housing in the community, particularly important as child-related discrimination complaints represent a large proportion of the fair housing complaints reported in Sunnyvale.

The Santa Clara Housing Authority offers a Family Self-Sufficiency program for Section 8 participants to help low-income, single parents achieve economic independence from governmental assistance. Through public and private agency participation, beneficiaries have access to resources such as housing subsidies, childcare, education, job training, transportation, and a variety of other benefits. NOVA, the North Valley Workforce Investment Board, also offers free career development and job-seeking assistance and training that may be accessed by lower-income women.



## **Large Households**

Large households are defined as households with five or more members. These households are typically identified as a group with special housing needs based on the limited availability of adequately sized, affordable housing units. The shortage of large units is especially evident among rental units. Large households often live in overcrowded conditions, due to both the lack of large enough units, and insufficient income to afford available units of adequate size.

Sunnyvale is home to 5,058 large households, 52 percent (2,624) of which are renter households. According to HUD's CHAS calculations, 85 percent of Sunnyvale's large renter households face one or more housing problems, including housing overpayment, overcrowding and/or substandard conditions. Future housing studies will attempt to address these issues as best as possible.

RealFacts documented approximately 412 rental units with three or more bedrooms in large apartment complexes of 50 or more units. In general, these units are the appropriate size for large households with five or more members. Additional rental units with three or more bedrooms are available among the City's many townhomes and single-family homes, many of which are rented out. The City has 2,624 large renter households, indicating that Sunnyvale has an adequate supply of rental units to house its large families. However, many of the City's large rental units are in single-family homes, and with 3-bedroom apartments commanding median rents of \$3,100, the affordability of Sunnyvale's large rental units remains an issue.

## **Homelessness**

In January 2013, the cities of Santa Clara County and the County jointly sponsored a two-day homeless census to assess the size of the homeless population. The *2013 Santa Clara County Homeless Census and Survey* involved two components: 1) a point-in-time count of street and sheltered homeless, both youth and adults, and 2) a qualitative homeless survey, which resulted in 856 completed surveys of a representative sample. The comprehensive, two-day homeless count identified approximately 5,674 homeless people on the streets, and an additional 1,957 homeless persons in emergency shelters, transitional housing, and domestic violence shelters. Key findings of the homeless count and supplementary surveys include:

- More than half of homeless survey respondents had been homeless for more than one year, with 20% homeless for more than 3 years.
- Just over half of the County's homeless were living in vehicles and encampments.
- 40% of survey respondents indicated the primary cause of their homelessness was due to the loss of a job, with 17% indicating alcohol or drug use was the primary factor.
- Over 60% of the unsheltered homeless people were men, and 1% were families.
- Approximately 25% of respondents indicated they were experiencing a physical disability. 25% indicated they were experiencing mental illness.

Within the City of Sunnyvale, the 2013 Homeless Survey identified 425 homeless people, including 283 unsheltered people in street locations or cars/RV's/vans or encampments, and 142 people in shelters. The vast majority of homeless in Sunnyvale were individuals, with only 18 persons in families. The Countywide Homeless Survey conducted in 2011 identified 374



homeless people in Sunnyvale. Local service providers acknowledge an increase in homelessness in recent years. The Sunnyvale Department of Public Safety reported making 259 arrests during FY 2012/2013 of persons who provided a residence of “transient” (this includes the number of arrests, with some persons arrested more than one time).

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

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

A number of regional service providers serve homeless people throughout the County and in Sunnyvale, including HomeFirst of Santa Clara County (formerly EHC), InnVision-Shelter Network, West Valley Community Services, Sunnyvale Community Services, and Downtown Streets Team. The City of Sunnyvale provides funding to most of these agencies through its CDBG and human services grant programs. The City has also provided funding in prior years to create a number of transitional housing facilities, including two group homes in Sunnyvale operated by Momentum for Mental Health (Arbor and Duane Houses), a group home in Sunnyvale for youth aging out of foster care operated by Bill Wilson Center (Socorro House), a mid-size apartment complex for young adults in Santa Clara operated by Bill Wilson Center (Peacock Commons), and a four-plex in Cupertino for survivors of domestic violence (Maitri). The City recently awarded funds to rehabilitate a maternity group home in Santa Clara. The City has also been funding a transitional Tenant-Based Rental Assistance (TBRA) program for two years that primarily serves homeless and at-risk households to help them secure permanent housing. Additional facilities located in North County and San Jose are shown in Table 17 below. Two permanent supportive housing projects with a total of 117 units are currently under development in Sunnyvale with over \$10 million in financing from the City. In addition, a coalition of faith-based groups operates a rotating shelter program that provides shelter, food and case management to 15 homeless men at a time. The shelter rotates among various houses of worship in Sunnyvale and Cupertino.





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

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



**Table 17: Shelter, Transitional and Permanent Housing Facilities in North County and San Jose**

<b>Facility</b>	<b>Beds/Units</b>	<b>Clients</b>	<b>Location</b>
<b>Emergency Shelter</b>			
Asian Americans for Community Involvement	12	Women with children	San Jose
City Team Rescue Mission	48	Single men	San Jose
Hospitality House, Salvation Army	50	Single men	San Jose
Runaway and Homeless Youth, Bill Wilson Center	20	Homeless & run-away youth	San Jose
San Jose Family Shelter	123	Families	San Jose
Support Network for Battered Women	16	Domestic Violence Shelter for Women and Children	San Jose area
<b>Emergency Shelter/Transitional Housing</b>			
InnVision: Commercial Street Inn, Julian Street Inn, Montgomery Street Inn, and Hotel de Zink	184	Working men, women & children, mentally ill men & women	San Jose
James Boccardo Reception Center	127	Families & single adults	San Jose
<b>Transitional Housing</b>			
Momentum Arbor & Duane Houses	9	Adults with mental health diagnosis	Sunnyvale
Socorro House	5	At-risk young adults	Sunnyvale
Maitri House	4 units	Domestic violence survivors (women & children)	Cupertino
Jackson Street Maternity Group Homes	5 units + 5 beds	Pregnant and post-partum homeless young women	Santa Clara
Next Door: Women with Children	48	Domestic violence survivors (women & children)	San Jose
St. Joseph's Cathedral, Social Ministry Office	45	Worker housing – men, women and children	San Jose
YWCA: Villa Nueva	126	Women & children	San Jose
<b>Permanent Supportive Housing</b>			
Eight Trees Apartments	24	Men & women	Sunnyvale
Armory Family Apartments	58 units	Very low income households; 29 units are reserved for homeless applicants	Sunnyvale
Parkside Studios	59 units	Very low income individuals; 18 units are reserved for homeless applicants	Sunnyvale
Fair Oaks Senior Housing MHSA Units	21 units	Chronically homeless seniors with mental illness	Sunnyvale
Markham Plaza	50	Men & women	San Jose
Peacock Commons	20 units	Homeless and at-risk young adults	Santa Clara
Monterey Glenn Inn	95	Men & women	San Jose
Pensione Esperanza SRO (Catholic Charities)	109	Men & women	San Jose
Sobrato House Youth Center	9 units, 10 shelter beds	Youth	San Jose

*Source: HUD 2013 Housing Inventory Count Report, City of Sunnyvale Housing Division.*

**Farmworkers**

Farmworkers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural labor and have special housing needs because of their relatively low incomes and the unstable nature of their work. The 2011 American Community Survey identifies 226 Sunnyvale residents employed in agriculture, forestry, fishing, hunting and mining occupations. It is unlikely most of these residents are farmworkers. No parcels in the City are currently zoned for agricultural use, nor are there farms known to currently employ farmworkers (i.e., workers other than the land owner's family members or volunteers). It is possible a significant portion of these residents work in the nearby quarry in Cupertino which is one of the few mining operations in the area.

The City owns two orchards which are farmed on the City's behalf by a local resident as part of a City demonstration orchard (park). The former "Corn Palace" farm has been subdivided, and half of the acreage has been developed into approximately fifty homes, and the other half is expected to be developed with housing within the coming planning period. Given that there are so few persons employed in agricultural-related industries, the City can address the housing needs of farmworkers through its general housing programs.



## Housing Stock Characteristics

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

### Housing Growth

Table 18 displays housing production in the City, compared to neighboring cities and the entire Santa Clara County region. Between 2000 and 2010, Sunnyvale's housing stock increased by 4 percent, lower than the housing growth levels Countywide and within the City of Santa Clara. In the 3 years since 2010, housing growth in Sunnyvale has been a modest 2 percent, slightly higher than in most surrounding jurisdictions and Countywide.

Sunnyvale has a current (2013) housing stock of 56,898 units, which increased by approximately 3,200 units from 2000 to 2013. To address the need for additional housing in the community, Sunnyvale has implemented several planning tools to provide expanded sites for development. In 2003, the City adopted an update to its Downtown Specific Plan, providing land use designations to accommodate up to 2,000 additional high density and mixed use units. As part of its "Industrial to Residential" (ITR) program, the City has encouraged the redevelopment of approximately 320 acres of industrial land to residential use, accommodating up to 7,700 housing units, with over 2,000 units already approved and/or built.

Table 18: Regional Housing Growth Trends

City	Number of Housing Units			% Growth (2000-2010)	% Growth (2010-2013)
	2000	2010	2013		
Cupertino	18,682	21,027	21,041	13%	0.06%
Mountain View	32,432	33,881	34,136	4%	0.75%
San Jose	281,841	314,038	319,625	11%	2%
Santa Clara	39,630	45,147	45,662	14%	1%
<b>Sunnyvale</b>	<b>53,753</b>	<b>55,791</b>	<b>56,898</b>	<b>4%</b>	<b>2%</b>
Santa Clara County	579,329	631,920	639,446	9%	1%

Sources: State Department of Finance 2013 Population and Housing Estimates.

### Housing Type and Tenure

Table 19 presents the mix of housing types in Sunnyvale. Of the City's over 56,000 housing units in 2013, 47 percent were single-family units, including single-family detached homes (38%), and single-family attached units consisting of townhome style units (9%). A nearly equal number of Sunnyvale's housing consists of multi-family units (46%), including duplexes, triplexes and apartments and condominiums. Sunnyvale also has 16 mobile home parks with approximately 4,000 mobile home units, comprising 7 percent of the City's housing.



Table 19: Housing Types

Housing Type	2013	
	No of units	% of Total
Single-Family	26,658	47%
<i>Detached</i>	21,620	38%
<i>Attached</i>	5,038	9%
Multi Family	26,340	46%
<i>2-4 Units</i>	4,962	9%
<i>5+ Units</i>	21,378	37%
Mobile Homes	3,900	7%
<b>Total Units</b>	<b>56,898</b>	<b>100%</b>
Vacancy Rate		4.3%

Source: State Department of Finance 2013- Population & Housing Estimates.

Housing tenure refers to whether a housing unit is owned, rented or is vacant. Tenure is an important indicator of the housing market of a community, reflecting the relative costs of housing opportunities, and the ability of residents to afford housing. Tenure also influences residential mobility, with owner-occupied units generally considered to have lower turnover rates than rental housing, although this is not always the case. The homeownership rate in Sunnyvale declined from 51 percent in 1980, to 48 percent in 2000, to 45% in 2012. This rate of homeownership is lower than Santa Clara County as a whole (57%) and the state (55%). Approximately 20 percent of Sunnyvale's single-family attached and detached homes are renter-occupied.

## Vacancy Rate

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

Current apartment vacancy rates in Sunnyvale were obtained from RealFacts, a service providing contract rents in properties containing 50 or more units. A total of 14,654 rental units are included in the survey, comprising over half the apartment units in Sunnyvale. RealFacts documents the following vacancy rates in Sunnyvale over the past five years:

4 <sup>th</sup> Quarter:	Vacancy Rate:
2013	5.4%
2012	3.9%
2011	3.5%
2010	3.4%
2009	5.1%



As evidenced by this data, apartment vacancies have fluctuated since 2009, and with a 5.4 percent rate as of 4<sup>th</sup> quarter 2013, vacancy rates are just above the ideal 5 percent needed for adequate mobility.

### Housing Age and Condition

The age of a community's housing stock can provide a general indicator of overall housing conditions. In general, housing units over 30 years in age are likely to exhibit signs of rehabilitation needs, such as new roofing, foundation work, and new plumbing. Table 20 displays the age of Sunnyvale's housing stock, and indicates that approximately 40,000 housing units have reached the 30-year age threshold. Older housing represents a significant portion of the housing stock in Sunnyvale. However, many of these homes have been remodeled, expanded, rebuilt and/or renovated by their owners, as the City frequently issues building permits for such projects. The historic low interest rates prevalent since 2008 have allowed many homeowners to self-finance such projects, and the amount of resale activity also generates a significant amount of housing rehabilitation and upgrades as sellers wish to improve their homes to achieve the best possible price, or new buyers wish to upgrade their homes. Most homes in Sunnyvale appear well-maintained and in good condition despite their age.

Table 20: Year Built

Year Structure Built	Number of total units	% of Total Units
2010 or later	611	1%
2000-2009	3,723	9%
1990 – 1999	5,076	12%
1980 – 1989	7,455	13%
1970 – 1979	11,684	21%
1960 – 1969	10,511	19%
1950 – 1959	13,882	25%
1940 – 1949	1,547	3%
1939 or earlier	1,444	3%
<b>Total Number of Units</b>	<b>55,933</b>	<b>100%</b>

Source: 2010 Census

### Housing Conditions Survey

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



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

Based on observations made by the City's Neighborhood Preservation staff, housing conditions in Sunnyvale have generally improved since the 2008 conditions survey. Since Neighborhood Preservation is no longer required to do the housing conditions survey, staff uses The National Citizen Survey to document citizen concerns. According to the 2013 National Citizen Survey, 81% of respondents felt the overall appearance of Sunnyvale was "excellent" or "good", and only 3% thought run-down buildings, weed lots or junk vehicles were a "major" problem. These results put Sunnyvale above the national benchmark. In addition, the City began implementing the Neighborhood Enhancement Program in 2002, focusing on code compliance and housing rehabilitation improvements in single-family neighborhoods showing signs of distress. The City targets one new neighborhood per year under this program, averaging between 200-230 homes. To assist lower-income homeowners to make major repairs to their homes, the City offers housing rehabilitation loans for owner-occupied homes, including mobile home, as well as some small grants and loans for minor improvements including paint, accessibility, and emergency repairs, and also provides rental rehabilitation loans to owners of affordable rental housing.

The Neighborhood Enhancement Action Team (NEAT), a program which began in 2009, similarly targets certain neighborhoods each year in an effort to improve the quality of life for residents. The City surveys property owners, business owners and residents of the neighborhood to identify priority concerns including issues such as lighting, property maintenance, sidewalk conditions, public safety, and vehicle storage. The Neighborhood Preservation staff finds that the main issues identified in recent years tend to be related to crime or crime prevention, not home maintenance issues.

## **Housing Costs and Affordability**

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

## **Sales Prices and Rent Trends**

For purposes of the Housing Element, it is important to evaluate housing cost data over a longer, one-year time frame. Information on all sales of existing and new single-family homes and condominiums in Sunnyvale from calendar year 2013 is provided in Table 21. A total of 572 single-family home sales were recorded during this period, commanding a median sales price of \$1,012,500. 401 condominiums were sold in Sunnyvale in 2013 with a median price of \$643,500. Condominiums help to fill a need for smaller or less expensive ownership housing in the City. Although new condominiums tend to be priced in the above-moderate range at this point in time, smaller, older resale condominiums often fall in the moderate price range, and



during the recession years, many new condominiums were also affordable to moderate-income buyers.

Home foreclosures had a major impact on housing sales throughout the State beginning in late 2008 and lasting through approximately 2011. In Sunnyvale, the impacts of the foreclosure crisis were much less severe than in other parts of the State or even other parts of the county. Demand remained strong during the recession, and although there were some foreclosures and prices softened across the board, particularly in 2009-10, most distressed homes were purchased by investors or other buyers relatively quickly. By December of 2013, Realtytrac.com identified 89 homes in various states of distress: 8 bank-owned properties, 57 defaults, and 24 trustee sales. This represents approximately two percent of all properties in the County in foreclosure. In contrast, ReReport.com, based on multiple listing service data on closed and active sales, reported that in all of calendar year 2013, only 9 homes in Sunnyvale were foreclosed upon, 21 homes were sold through short sale, and two active short sale listings were on the market as of the end of the year. These numbers represent essentially a return to historic normal rates of foreclosure which are no longer dampening home prices, as evidenced by the current situation in which Sunnyvale condominiums are selling for an average of nearly 10% over asking price and Sunnyvale single-family homes are selling for 14% over asking price. (Rereport.com, Sunnyvale sales price vs. listing price ratios, April 2014).

Table 21: Median Home and Condominium Sales Prices, 2013

	2013 Median Price	2013 Average Price	Year Over Year Change (%)
Single Family	\$1,012,500	\$1,002,680	+17.1%
Condominiums	\$643,500	\$633,732	+24.2%

Source: The Santa Clara County Real Estate Market Trends Report, February 2014

The City obtained data from RealFacts on average asking rents for over 14,000 apartment units in Sunnyvale. As indicated in Table 22, during the 4<sup>th</sup> quarter of 2013, the average asking rents in these complexes ranged from \$1,481 for a studio, \$1,950 for a one-bedroom, \$2,104 for a two-bedroom, and \$3,092 for a three-bedroom unit. In comparison to the rent survey conducted in these same apartment complexes one year earlier (4<sup>th</sup> quarter 2012), rent levels had increased by an average of 11 percent. Similarly during the 2011-2012 period, rent levels increased by an average of thirteen percent, reflecting the current very competitive rental market across the Bay Area.

Table 22: Annual Apartment Rent Trends, 4<sup>th</sup> Quarter 2011 - 4<sup>th</sup> Quarter 2013

Number of Bedrooms	Number of Units in Survey	Average Asking Rents			% Increase in Rents	
		4Q 2011	4Q 2012	4Q 2013	2011-2012	2012-2013
Studio	842	\$1,175	\$1,321	\$1,481	12%	12%
1 Bedroom	6,511	\$1,528	\$1,761	\$1,950	15%	11%
2 Bedroom	3,543	\$2,037	\$2,293	\$2,550	13%	11%
3 Bedroom	195	\$2,434	\$2,702	\$3,092	11%	14%
Total	14,374	\$1,689	\$1,916	\$2,129	13%	11%

Source: REALFACTS, January 2014.





## **Housing Affordability**

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

Standards for affordable owner and rental housing costs as follows:

### Affordable Home Ownership

- Housing costs consist of mortgage payments, homeowner association dues, insurance, utility allowance and property taxes.
- Housing costs are considered affordable for homebuyers if they do not exceed 35% of the defined household income.
- Affordable costs for moderate income households are based on standard of 120% of Area Median Income (AMI), where the household is assumed to have one more person than the number of bedrooms in the unit.

### Affordable Rental Housing

- Housing costs include rent plus utilities paid for by the tenant.
- Rents are considered affordable if they do not exceed 30% of the defined household income.
- Affordable rents are based on a standard of 50% of AMI for very low income households; 80% of AMI for low income households; and 120% AMI for moderate income households, assuming the household size equals one more person than the number of bedrooms in the unit.

Based on these definitions of income and affordable housing cost, Table 23 presents the maximum affordable purchase price for moderate income households (120% AMI), and compares this with market sales prices for single-family homes and condominiums in Sunnyvale as previously documented in Table 20. As illustrated by this table, median single-family home prices in Sunnyvale are well beyond the level of affordability for moderate income households. For example, the maximum affordable purchase price for a moderate-income, four-person household was \$547,400 in 2013, whereas the median price of a single-family home in Sunnyvale was \$1,012,500 at that time, an affordability gap of \$465,100.

Condominium sales prices, on the other hand, are within closer reach of many moderate income households. As shown in Table 22, the maximum affordable purchase price for a four person household is \$547,400, whereas the median priced condominium in Sunnyvale sold for \$643,500 in 2013, an affordability gap of \$96,100. Sunnyvale's first-time homebuyer loan program and similar programs offered by the Housing Trust of Silicon Valley help to close this affordability gap for moderate income purchasers. In addition, the homes provided through the City's inclusionary zoning ordinance, the "Below Market Rate Home Ownership Program," are priced to be affordable to moderate income households, with prices set at a level affordable to buyers with median incomes (100% AMI).



Table 23: 2014 Maximum Affordable Home Price (Moderate Income), Sunnyvale

Moderate Income	3 Bedroom Home
Affordable Housing Cost	(4-person Household)
Moderate Income Threshold (120% AMI)	\$126,600
Max. Income Towards Housing @ 35% Income	\$44,310
Less Ongoing Expenses:	
Utilities	\$1,500
Property Taxes (1% housing price)	\$5,000
HOA/Insurance	\$4,200
Annual Income Available for Mortgage	\$33,610
Monthly Income Available for Mortgage	\$2,800
Supportable Mortgage @ 4.5% interest	\$520,000
Down payment (5%)	\$27,400
<b>Maximum Affordable Purchase Price</b>	<b>\$547,400</b>
<b>Sunnyvale Median Single-Family Price</b>	<b>\$1,012,500</b>
<b>Sunnyvale Median Condominium Price</b>	<b>\$643,500</b>

Source: Median sales prices based on 2013 sales, as presented earlier in Table 21.

Table 24 presents the maximum affordable rents for very low, low and moderate income households by household size, and compares with median apartment rents in Sunnyvale, as documented in Table 21. As the table below indicates, Citywide median rents are well above the level of affordability for very low income households, with an affordability gap ranging from approximately \$500 per month for one person households to over \$1,700 for four person households. Low income households, with the exception of single person households, also have trouble affording the median apartment rent, with affordability gaps ranging from approximately \$250 to \$970. Households earning moderate incomes are able to afford median market rents in Sunnyvale. The rent statistics shown here represent only those units in apartment complexes with 50+ units in Sunnyvale, and do not include single-family detached, condominiums, or other unit types.

Table 24: 2013 Maximum Affordable Rents, Sunnyvale

Income Level	Studio (1 person)	1 Bedroom (2 person)	2 Bedroom (3 person)	3 Bedroom (4 person)
Very Low Income (50% AMI)	\$924	\$1,055	\$1,187	\$1,319
Low Income (80% AMI)	\$1,485	\$1,697	\$1,909	\$2,123
Moderate Income (120% AMI)	\$2,216	\$2,532	\$2,849	\$3,165
<b>Sunnyvale Median Rents</b>	<b>\$1,481</b>	<b>\$1,950</b>	<b>\$2,550</b>	<b>\$3,092</b>

Source: REALFACTS, December 2013, HCD Income Limits 2013.



## Assisted Housing at Risk of Conversion

State Housing Element law requires an analysis of the potential for rent-restricted low income housing units to convert to market-rate housing, and to propose programs to preserve or replace any units at risk of conversion, also known as “at-risk units.” This section presents an inventory of all rent-restricted housing in Sunnyvale, and identifies those units at risk of conversion during the 2015-2023 planning period.

## Assisted Housing Inventory

Rent-restricted housing in Sunnyvale includes both publicly subsidized affordable housing, generally assisted with any combination of federal, state, local, and/or private subsidies, and deed-restricted rental units provided through the City’s historic inclusionary rental housing program, the Below Market Rate (BMR) Rental Housing program. This program, which operated between 1980 and July 2009, produced well over 900 affordable rental units during that time. The vast majority of those units have expired already.

When the BMR program was originally established in the 1980s, the affordability term was for a period of 20 years, similar to many inclusionary ordinances developed at that time. Unfortunately, this relatively short term of affordability allowed many of the rent-restricted units in these early BMR rental projects to expire, while the need for affordable rental units unfortunately has not diminished. As presented in Table 25, a total of 178 rental units are currently rent-restricted under the BMR program; 72 of these units will expire and convert to market-rate by 2023.

Table 25: Inventory of Active Below Market Rate (BMR) Rental Units

Project Name	Address	Year Built	Affordability Period	Affordable Units	Status
BRE Lawrence Station Apartments	1271 Lawrence Station Road	2012	2067	46	Not at risk in current cycle
Copley Square	979 Pinto Palm Terrace	1996	2016	5	At Risk
Renaissance	718 Old San Francisco Road	1998	2018	24	At Risk
Poplar Terrace	973-987 Wisteria Terrace	1999	2019	2	At Risk
Villa del Sol	355 E. Evelyn Avenue	2001	2020	11	At Risk
Cherry Orchard	350 W. El Camino Real	2001	2021	30	At Risk
Magnolia	177 S. Mary Avenue	2002	2032	3	Not at risk in current cycle
Tamarind Square	1160 Morse Avenue	2004	2059	12	Not at risk in current cycle
Encinal Place	604 S. Fair Oaks Avenue	2005	2025	2	Not at risk in current cycle
Via	621 Tasman Drive	2011	2066	43	Not at risk in current cycle
<b>Total BMR Units:</b>				<b>178</b>	
<b>At-Risk BMR Units:</b>				<b>72</b>	



Table 26 presents the inventory of affordable rental housing in Sunnyvale which has received some form of public assistance. As evidenced by the over 1,300 units identified, Sunnyvale has actively supported affordable rental housing utilizing a variety of local, State and Federal funds, and works extensively with non-profit housing developers in the ownership and management of its projects.

Table 26: Inventory of Assisted Rental Housing

Project Name	Address	Year Built (Assisted)	End of Affordability Term	Affordable Units	Financing	Status
Aster Park	1059 Reed Avenue	1991, 2013	2065	95	HUD/FHA 223(f)	Not at risk
Borregas Court	West 101 Weddell Drive	1997	2037	192	Bonds	Not at risk
The Carroll Inn (SRO)	174 Carroll Street	1995	2035	119	HOME	Not at risk
Crescent Terrace	130 Crescent Avenue	1985	2040	48	CDBG; Sec. 8	Not at risk
Eight Trees	183 Acalanes Drive	2006	2046	24	CDBG, HOME, HMF	Not at risk
Fair Oaks Plaza	660 S. Fair Oaks Avenue	2011	2066	123	HMF, Various	Not at risk
Garland Plaza	662 Garland	2007, 2012	2067	20	HOME, HMF, various	Not at risk
Grove Garden	243 Buena Vista Avenue	1987	2027	44	Bonds	Not at risk
Homestead Park	1601 Tenaka Place	2004, 2007, 2012	2068	211	CDBG; HOME, HMF, various	Not at risk
Klee Court	1230 Klee Court	1993, 2010	2030	2	CDBG; HOME	Not at risk
Life's Garden	450 Old San Francisco Rd	1977	2017	150	Sec. 8	Low risk; non-profit owned
Morse Court	825 Morse Avenue	2003	2023	35	Section 8, CalHFA	Not at risk; new loan requested in 2014 will extend term
Moulton Plaza	1601 Tenaka Place	2005	2040	66	HOME, HMF	Not at risk
Orchard Gardens	245-251 Weddell Drive	1998	2053	62	CDBG, HOME, HMF	Not at risk
Pacific Plaza	785 Reseda Drive	1995	2025	38	CDBG; HOME	Not at risk
Plaza de las Flores	233 Carroll Street	2006	2036	100	HOME, CDBG, CalHFA, MHP, HTSV	Not at risk



## Housing Needs Assessment

Socorro	1353 Socorro Ave	2008, 2013	2043	5	HOME	Not at risk
Stoney Pine	267 W. California Ave	2001	2041	22	CDBG, HOME, HMF, various	Not at risk
Wolfe Road	1675 S. Wolfe Road	1997/ 2002	2027	4	CDBG, HOME	Not at risk
<b>Total Assisted Rental Units:</b>				<b>1,360</b>		
<b>Total Assisted Rentals Units At Risk by 2023:</b>				<b>150</b>		

\* HMF: Housing Mitigation Funds

One assisted rental project is theoretically at risk of losing its affordability restrictions within the next eight year period: Life's Garden. However, this project is considered to be at very low risk of conversion.

- ✓ Life's Garden is a 208-unit senior housing complex built by Sunnyvale Presbyterian Church. It is owned by Sunnyvale Life, Inc., an affiliate of the church. A project-based Section 8 contract currently ensures affordability of 150 of the units in the project. The property management has confirmed that it intends to maintain the property as long-term affordable housing well beyond 2017.

## Preservation of At-Risk Rental Units

This section evaluates the affordable rental units in Sunnyvale at risk of converting to market-rate rents by 2023. As presented in Tables 24 and 25, Sunnyvale has 72 BMR rental units projected to expire during this period. Preservation and replacement options typically include provision of tenant rental assistance; acquisition or construction of replacement units; or transfer of ownership to a non-profit. Each of these options is described below.

1. **Rental Assistance:** One preservation option theoretically possible for preserving the BMR units would be to provide monthly subsidies to make up the difference between BMR rents and market-rate rents. In addition to cost, the feasibility of this alternative depends upon the willingness of property owners to accept such a subsidy and continue renting to lower-income tenants. Table 27 estimates the cost of providing rent subsidies to the 72 at-risk BMR units. As indicated by this table, the total cost would be nearly \$700,000 annually, or \$14 million for an additional 20 years of affordability, assuming market rents stayed flat for the entire 20 years, which is highly unlikely.

Table 27: Rental Subsidies Required for At-Risk BMR Units

Unit Size	Total Units	Current BMR Rent	Market Rents	Monthly Subsidy Per Unit	Annual Subsidy per Unit	Annual Subsidy for All Units
1-br	21	\$1,470	\$1,950	\$480	\$5,760	\$120,960
2-br	45	\$1,654	\$2,550	\$896	\$10,752	\$483,840
3-br	6	\$1,838	\$3,092	\$1,254	\$15,048	\$90,288
<b>Total</b>	<b>72</b>					<b>\$695,088</b>

Source: 2013 Maximum BMR Rents; Market Rents from REALFACTS (see Table 21)



The only assisted rental project identified as being at risk of conversion (Life's Garden), albeit a low risk, has a project-based Section 8 contract currently subject to annual renewal by mutual consent of the property owner and HUD. If Section 8 subsidies were terminated at the federal level, rent subsidies using alternative State or local funding sources could be used to maintain affordability of the 150 units in this project. Subsidies could be structured similar to the Section 8 program, where HUD pays the owners the difference between what tenants can afford to pay (30% of household income) and what HUD estimates as the Fair Market Rent (FMR) on the unit. Table 28 shows the total cost of subsidizing the rents of these 150 units currently assisted through the Section 8 program, estimated at about \$408,000 annually, or \$8.2 million for a 20-year term. Again, these estimates assume no increases in fair market rent during that time.

Table 28: Rental Subsidies Required for Assisted At-Risk Rental Units

Unit Size	Total Units	Voucher Payment Standard	Household Size	Very Low Income (50% AMI)	Affordable Cost	Monthly Per Unit Subsidy	Total Monthly Subsidy
1-br	75	\$1,315	2	\$42,450	\$1,055	\$169	\$12,675
2-br	75	\$1,581	3	\$47,750	\$1,187	\$284	\$21,300
Total	150						\$33,975

Source: Santa Clara Housing Authority, 2013.

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

- Acquisition or Construction of Replacement Units:** The construction or purchase of a replacement building is another option to replace at-risk units should they be converted to market-rate units. The cost of developing housing depends upon a variety of factors, including density, size of the units, location, land costs, and type of construction. Based on recent sales data obtained in early 2014, local apartment properties have been selling in the range of \$240,000 to \$280,000 per unit for properties that are often old and in need of rehabilitation. At such prices, it is unlikely the City would be able to provide sufficient assistance for acquisition of the number of units projected to expire. It is more likely the City would assist in development of new units in a project of 50-120 units, where tax credits can be used to leverage any available City funds.
- Transfer of Ownership:** Transferring ownership of an at-risk project to a non-profit housing provider is generally one of the least costly ways to ensure that the at-risk units remain affordable for the long term. By transferring ownership to a non-profit, low-income



restrictions can be secured indefinitely and the project becomes eligible for a greater range of governmental assistance. This preservation option is, however, not feasible for Sunnyvale's at-risk BMR projects since only 10-15 percent of the units in each project are rent-restricted, and it is not likely the for-profit companies would be willing to sell these properties. The assisted rental project at risk of conversion, Life's Garden, is already owned by a non-profit agency, Sunnyvale Life, Inc..

**Qualified Entities**

A list of entities qualified to rehabilitate, acquire, own and/or manage affordable rental properties is provided in the last section (Administrative Resources) of the Housing Opportunities chapter of this Housing Element. This is not an exhaustive list of all agencies that might be qualified to undertake such preservation projects, however it includes some of the non-profit housing agencies which have partnered with the City in the past on major affordable housing projects. In addition, Sunnyvale Life, Inc., the entity which currently owns the single at-risk project in the inventory, Life's Garden, is also a qualified entity.

**Comparison of Preservation Options:**

The above analysis estimates the cost of preserving the at-risk units under various options. The cost of preserving the 72 BMR units for an additional 20 years would be \$14 million, under the very unlikely assumption that rents would stay flat for 20 years. This option is not highly realistic given the greater likelihood that rents will increase steadily over time, and the probability that the property owners are not likely interested in extending the term of affordability. For these reasons, Sunnyvale's preservation efforts to date have focused on publicly-assisted units at risk of conversion, rather than on expiring BMR units. Several factors have influenced the City's preservation strategy: most of the City's current stock of assisted units are now owned by non-profit agencies, which tend to be more willing partners in preservation efforts; these subsidized units are affordable to very low and extremely low income households, which is a type of unit not provided by market-rate or mixed-income housing developers and therefore in shorter supply; and most of these units were built decades ago and are in need of financing for rehabilitation, which becomes an effective leveraging tool for negotiating extended terms of affordability.

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

**Conservation of Existing Affordable Units**

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



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





## Regional Housing Needs

State law requires all regional councils of governments, including the Association of Bay Area Governments (ABAG) to determine the existing and projected housing need for its region and determine the portion allocated to each jurisdiction. This is known as the “Regional Housing Needs Allocation” (RHNA) process.

### Existing Housing Needs

#### Overcrowding

Overcrowding occurs when housing costs are so high relative to income that families double up and/or take in roommates (boarders) and/or extended family members to share their housing costs, or to take in an elderly or disabled family member who can no longer live independently, or additional children (nieces, nephews, foster children) for various reasons. Overcrowding can often result in accelerated deterioration of homes, a shortage of street parking, and additional traffic. Therefore, maintaining a reasonable level of occupancy and alleviating overcrowding are critical to enhancing the quality of life in the community.

The Census defines overcrowding as an average of more than one person per room in a housing unit (excluding kitchens, porches, and hallways). The incidence of overcrowded housing is a general measure of whether there is an available supply of adequately sized housing units. Table 29 shows the incidence of overcrowding in Sunnyvale by owner and renter tenure, as measured by the 2012 American Community Survey.

Table 29: Overcrowded Households

Overcrowding	Households	Percent	Santa Clara County %
<b>Owners</b>			
Overcrowding*	270	1.1%	2.4%
Severe Overcrowding**	245	1%	0.9%
<b>Renters</b>			
Overcrowding	2,124	7.2%	8.6%
Severe Overcrowding	1,210	4.1%	4.2%
<b>Total Overcrowding</b>	<b>3,840</b>	<b>7.1%</b>	<b>7.5%</b>

Source: 2012 American Community Survey 1-year Estimates

Notes: Severe Overcrowding is a subset of Overcrowding

\*Overcrowding is calculated at >1 person per room

\*\*Severe Overcrowding is calculated at >1.5 persons per room

In 2012, there were 3,840 households living in overcrowded conditions in Sunnyvale, representing 7 percent of all households. Approximately 11 percent of renter households were overcrowded; a decrease from 2000 levels when 20 percent of the City’s renters were overcrowded. Household overcrowding levels in Sunnyvale are only slightly lower than that for Santa Clara County as a whole. Severe overcrowding, which is defined as more than 1.5 persons



per room, has decreased significantly in Sunnyvale since 2000, when nearly 3,400 renter households (12%) experienced severe overcrowding.

## Overpayment

Overpayment is critical issue for many households of various income levels. Housing overpayment, also known as housing cost burden, occurs when households spend more than 30 percent of gross monthly income on housing. Severe overpayment or cost burden occurs when housing costs represent more than 50 percent of gross monthly income. Table 30 shows the number of Sunnyvale households estimated to be affected by housing cost burdens between 2006 and 2010, according to the Census. Extremely low and very low income homeowners and renters represented the largest group of Sunnyvale households affected by severe overpayment, while above-moderate income homeowners were the largest group affected by moderate housing cost burdens, followed by moderate income renters in second place and low income renters in third place. The total number of all households affected by overpayment, 16,645 households, represented 31% of all Sunnyvale households during this period (2006-2010), which was 53,430.

Table 30: Housing Overpayment

Overpayment in Sunnyvale	Paying 30-50% of Income	Paying Over 50% of Income	Total
<b>Number of Homeowner Households</b>			
Extremely Low Income	180	1,125	1,305
Very Low Income	310	760	1,070
Low Income	325	515	840
Moderate Income	970	740	1,710
Above Moderate Income	2,935	625	3,560
<b>Total</b>	<b>4,720</b>	<b>3,765</b>	<b>8,485</b>
<b>Renter Households</b>			
Extremely Low Income	355	2,315	2,670
Very Low Income	1,605	1,165	2,770
Low Income	995	80	1,075
Moderate Income	1,325	65	1,390
Above Moderate Income	245	10	255
<b>Total</b>	<b>4,525</b>	<b>3,635</b>	<b>8,160</b>

Source: CHAS Data Sets Table S10708, from 2006-2010 ACS, provided by ABAG.



## Five-Year Projected Housing Needs

California housing element law requires that each city and county develop local housing programs to meet its “fair share” of existing and future housing needs for all income groups, as determined by the jurisdiction’s Council of Governments. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but also for the jurisdiction’s projected share of regional housing growth across all income categories. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that would have to be added to compensate for anticipated demolitions and changes to achieve an “ideal” vacancy rate.

In the Bay Area region, the agency responsible for allocating these regional housing needs to each jurisdiction is the Association of Bay Area Governments (ABAG). The regional growth allocation process begins with the State Department of Finance’s projections of population and associated housing demand for the planning period. The State, in consultation with ABAG, has identified a total housing need for 187,990 housing units in the Bay Area during the 2015-2023 period.

ABAG is responsible for allocating the region’s projected housing needs among its jurisdictions by income category. This is referred to as the Regional Housing Needs Allocation (RHNA) process. The RHNA represents the minimum number of housing units each community is required to provide “adequate sites” for through zoning, and is one of the primary threshold criteria necessary to achieve State approval of the Housing Element.

Future housing needs refer to the share of the region’s housing need that has been allocated to a community. In allocating the region’s future housing needs to jurisdictions, ABAG is required to take the following factors into consideration:

- Water and sewer capacity
- Land suitable for urban development or conversion to residential use
- Protected open space – lands protected by state and federal government
- County policies to protect prime agricultural land
- Distribution of household growth
- Market demand for housing
- City-centered growth policies
- Loss of units in assisted housing developments
- High housing cost burdens
- Impact of universities and colleges on housing needs in a community

In 2013 ABAG finalized the Regional Housing Needs Allocation (RHNA) based on its *Projections 2013* forecast, which projected the number of jobs, housing units, and population that would be added to the nine-county Bay Area between 2010 and 2040. ABAG has provided detailed explanations of its forecasting methods and its methodology for developing the 2015-2023 RHNA on its website. Due to the complexity of the allocation formula used by ABAG for this cycle, it is not provided here, but is summarized briefly below:



ABAG's goals in developing the RHNA included: 1) directing housing units to areas where local governments are planning growth; 2) planning for housing in tandem with jobs growth and addressing existing jobs-housing imbalances; 3) directing housing to communities with transit infrastructure; and 4) minimizing housing growth in outlying areas, thereby reducing pressures on open space and agricultural lands.

Sunnyvale was allocated a need of 5,452 new units, distributed among the four income categories, as shown in Table 31. Although the RHNA only uses four income levels, recent changes in state law require jurisdictions to presume that half of the projected need for very low income units is needed for extremely low income households, which are households with incomes of up to 30 percent of Area Median Income (AMI). Based on this requirement, the projected housing need for extremely low income households is 820 units (half of the 1,640 very low income units). Through this Housing Element, the City will demonstrate the availability of adequate sites to accommodate the projected need for these new units.

Table 31: Sunnyvale Regional Housing Needs Allocation: 2015 - 2023

Income Level	Percent of AMI*	RHNA Allocation	Percent of Total RHNA Allocation
Very Low**	0-50%	1,640	30%
Low	51-80%	906	17%
Moderate	81-120%	932	17%
Above Moderate	120%+	1,974	36%
<b>Total</b>		<b>5,452</b>	<b>100%</b>

Source: Association of Bay Area Governments, *Regional Housing Needs Determination* (July 18, 2013).

\* AMI: Area Median Income for Santa Clara County

\*\* Half of the Very Low allocation, or 820 units, is presumed to be needed for Extremely Low Income households, pursuant to Govt. Code 65583 (a)(1).



# CONSTRAINTS TO THE DEVELOPMENT OF HOUSING

The provision of adequate and affordable housing opportunities is an important goal of the City. However, there are a variety of factors that can encourage or constrain the development, maintenance, and improvement of housing stock in Sunnyvale. This section addresses potential governmental and market constraints to the provision of housing in Sunnyvale.

## Governmental Constraints

Local policies and regulations can impact the price and availability of housing and in particular, the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and various other issues may present constraints to the maintenance, development and improvement of housing. This section discusses potential governmental constraints in Sunnyvale.

## Land Use Controls

The Land Use and Transportation Element of the City of Sunnyvale's General Plan sets forth the City's policies for guiding local development. These policies, together with existing zoning regulations, establish the amount and distribution of land allocated for different uses. Sunnyvale provides for a mix of residential developments with densities ranging from less than 7 dwelling units/acre up to 78 dwelling units/acre in the Downtown Specific Plan area. Table 32 presents the City's primary General Plan land use categories permitting residential uses, and correlates these with the associated implementing zoning categories.

Table 32: Land Use Categories Permitting Residential Use

General Plan Land Use Category	Zoning District(s)	Density (Units per Gross Acre)	Residential Type(s)
Low Density Residential	R-0, R-1	<7	Single family detached homes
Low-Medium Density Residential	R-1.5, R-2	7 - 14	Single family detached homes, R-2 for townhomes, duplexes, condominiums, garden apartments, and some single family homes.
Low-Medium Density Residential / Planned Development	R-1.7, P-D	7 - 14	Single family detached homes
Medium Density Residential	R-3	14 - 27	Condominiums, townhomes, apartments.
High Density Residential	R-4	27 - 45	Apartments
Very High Density Residential	Downtown Specific Plan, 101/ Lawrence Site Specific Plan	12 - 78	Condominiums, apartments.
Very High Density Residential / Office	R-5	45 - 65	Multi-unit dwellings like condominiums, apartments
Mobile Home Park	R-MH	up to 12	Residential mobile homes

Source: City of Sunnyvale General Plan, Land Use and Transportation Element, November 1997.



## Residential Development Standards

The City regulates the type, location, density, and scale of residential development primarily through the Municipal Code. Zoning regulations are designed to protect and promote health, safety, and general welfare of residents as well as implement the policies of the City's General Plan. The Code sets forth the City's specific residential development standards, which are summarized in Table 33. These development standards serve to preserve the character and integrity of existing neighborhoods and at the same time offer flexibility in providing a wide range of residential opportunities and dwelling unit types. Building heights range from 30 to 55 feet and can accommodate a range of building stories. The R1.5 and R1.7/PD zones allow development of single-family homes on smaller lots. The higher density R-3, R-4 and R-5 zones do not have a floor area ratio requirement, allowing greater flexibility in unit sizes.

Table 33: Residential Development Standards

Residential Zones	R-0	R-1	R-1.5	R-1.7/ PD	R-2	R-3	R-4	R-5
<b>Minimum Setbacks (1<sup>st</sup> story/ 2<sup>nd</sup> story)</b>								
<b>Front (ft.)</b>	20/25	20/25	20	20	20/25	20	20	20
<b>Side (ft.)</b>	4/7	6/9	4/7	4/7	4/7	6/9	9/20	9/20
<b>Side total (ft.)</b>	20% of lot width but not less than 10/ add 6 to 1 <sup>st</sup> story req.	20% of lot width but not less than 15/ add 6 to 1 <sup>st</sup> story req.	12/18	12/18	20% of lot width but not less than 10/ add 6 to 1 <sup>st</sup> story req.	15/21	--	--
<b>Rear (ft.)</b>	20	20	20	20	20	20	20	20
<b>Max. Height (ft.)</b>	30	30	30	30	30	35	55	55
<b>Max. FAR (%)*</b>	45	45	50	50	45 (single family) 55 (other)	None	None	None
<b>Min. Lot Area for Development</b>	6,000	8,000	4,200	2 acres	8,000	8,000	8,000	8,000
<b>Min. Lot Area per Dwelling Unit</b>	6,000	8,000	4,200	2,600 (4,000 max.)	3,600	1,800	1,200	950
<b>Max. Density (du/ac)</b>	7	7	10	14	12	24	36	45
<b>Max. % Lot Coverage (1<sup>st</sup> story / 2<sup>nd</sup> story)</b>	45 / 40	45 / 40	40	40	45 / 40	40	40	40

City of Sunnyvale, Municipal Code, 2014. \* Higher FARs are allowed with Planning Commission approval.



## Provisions for Small Lot Development

Sunnyvale has two zoning districts which provide for small lot developments. The R-1.5 zoning category allows lots ranging from 4,200 to 6,000 square feet in size, and the R-1.7/PD allows lots from 2,600 to 4,000 square feet in size. Both zoning districts allow a maximum Floor Area Ratio of up to 50 percent. By providing greater development flexibility and allowing smaller lot sizes, the City's zoning provides for opportunities for development of lower cost single-family homes.

## Downtown Specific Plan

The Downtown Specific Plan provides for over 2,000 new multi-family units in close proximity to transit. The plan divides the approximately 135-acre downtown core into four main districts and 23 blocks and implements land use guidelines and development standards for each of the individual districts and blocks. The land use vision for the four districts can be summarized as follows:

**Commercial Core District:** The area contains a mix of high intensity uses with ground-level activity, plazas and open space, and connections to mass transit.

**Sunnyvale/Carroll District:** This district contains medium to high density residential uses, supplemented with a small amount of service retail.

**South of Iowa District:** This is a lower density residential district that integrates historic architectural styles to provide a buffer between the single-family neighborhood to the south and the higher density development in the commercial core.

**West of Mathilda:** This district consists of high density residential uses, intended to complement the commercial development occurring on the east side of Mathilda Avenue with 4-story buildings and corner retail spaces.

Table 34 provides an overview of the primary residential standards contained in the Downtown Specific Plan, as well as the dwelling unit potential of each block within the DSP area. The DSP concentrates on developing higher densities focused in the Commercial Core District (with densities up to 78 units/acre), surrounded by lower to medium densities around the perimeter (Sunnyvale/Carroll and South of Iowa Districts). The zoning allows for higher density residential development of up to 58 units per acre along the side of Mathilda Avenue, one of the City's primary arterial roadways.

Heights are regulated in the new development in a similar manner as the density, with the commercial core allowing the greatest heights (up to 6 stories), gradually stepping down to 2 stories along South of Iowa and Mathilda Avenue. Parking is required to be provided on site for most of the blocks, as discussed in the next section.

Landscaping and open space requirements have been established for different blocks within the DSP area, with a minimum of 20 percent of the lot area to be landscaped for all residential uses. Minimum usable open space requirements differ depending on the density of the residential area. Low and Low-Medium density residential uses are required to provide 500 square feet of usable



## Constraints to the Development of Housing

open space per unit, whereas Medium, High and Very High density residential uses are required to provide 50 square feet of usable open space per unit, ensuring a good balance of open space within the Downtown area.



Table 34: Residential Development Standards for Downtown Specific Plan

District	Commercial Core				Sunnyvale / Carroll					South of Iowa			West of Mathilda	
Blocks	1a	13	18	20	4	5	6	7	23	8, 9	8a, 9a, 10, 11, 12	8b	14, 15, 16	17
Primary Uses	Low Medium to High Density Residential, Mixed Use, Retail, Entertainment, Office & Hotel				Medium to Very High Density Residential & Retail					Low to Medium Density Residential			Low-Medium to High Density Residential	
Minimum Setbacks														
Front (ft.)	0	0–10	0	0-30	12-18	12-18	12	12-18	18	13-20			0-10	10-18
Side (ft.)	0	0	0	6	6	6	6	6	6	4	4	4	6	4
Rear (ft.)	0	0	0	20	20	20	20	20	20	20	20	20	10	20
Maximum Height (ft.)	85	30	75	40	30-40	40	30-40	50	50	30	30	30	30-50	30
Maximum Stories	6	3	5	3	2-3	3	2-3	4	4	2	2	2	3 -4	2
Minimum Lot Area (acre)	0.3	0.4	No min.	No min.	0.5	0.25	0.25	No min.	0.5	0.14	0.25	0.25	0.75	0.18
Approximate Density (du/acre)	78	12	N/A	N/A	48**	40	36**	N/A	36	12	12***	7	51, 54, 58	12
Max. % Lot Coverage	100	Per SDP*	Per SDP*	60	45	45	60	60	45	40	60	60	100	40

*City of Sunnyvale – Downtown Specific Plan 2003, updated in 2013*

*\*SDP = Special Development Permit. Lot coverage in these blocks will be evaluated on a project by project basis.*

*\*\* On Washington and McKinley Avenue frontages, density is reduced to 24 units/acre.*

*\*\*\*Block 8a allows 24 du/acre and Block 9a allows 7 du/acre, although very limited unit potential exists on these blocks.*



## Parking Requirements

Sunnyvale's residential parking requirements vary by housing type, and by number of bedrooms for multi-family units. Multi-family developments, such as townhomes, condominiums and apartments, are required to provide at least one covered assigned space per unit. Additional unassigned spaces are also required because multi-family developments typically do not have private driveways for additional parking or public street frontage. The number of unassigned parking spaces required is different based on the type of covered assigned space provided. The City permits carports in lieu of fully-enclosed garages for all housing units, which can serve to reduce development costs. Carports also have the lowest required parking ratio. Table 35 enumerates the City's residential parking requirements.

Table 35: Residential Parking Requirements

HOUSING TYPE	NUMBER OF PARKING SPACES REQUIRED		
<b>SFD / Duplex</b>	<b>4 total:</b> 2 must be covered (garage or carport) and 2 may be uncovered spaces on driveway		
<b>MFD (Condo/TH and Apartments)</b>	1 covered, assigned space/unit, + unassigned spaces per below:		
	Parking type & number / unit	Number of Bedrooms	Number of Unassigned Spaces Required / Unit
	1 space/unit in carport or parking structure	0-1	0.5
		2	1
		3	1
		4+	1 + 0.15 each for 4th & any additional bedrooms
	1 space/unit in fully enclosed garage	0-1	0.8
		2	1.33
		3	1.4
		4+	1.4 + 0.15 each for 4th & any additional bedrooms
	2 spaces/unit in fully enclosed garage	0-1	0.25
		2	0.4
		3	0.5
		4+	0.5 + 0.15 each for 4th & any additional bedrooms
<b>SROs / Residential Hotels</b>	Unit Size	Number of Spaces Required Per Unit	
	Up to 200 sq. ft.	0.25	
	200-250 sq. ft.	0.5	
	250+ sq. ft.	1	
<b>Affordable Housing Developments (Lower Income)</b>	Number of Bedrooms	Number of Spaces Required Per Unit	
	1	1	
	2-3	2	
	4+	2.15	



Table 35: Residential Parking Requirements (continued)		
HOUSING TYPE	NUMBER OF PARKING SPACES REQUIRED	
Senior / Special Needs Housing	Affordability	Number of Spaces Required Per Unit
	Affordable to Lower Income Households	0.6
	Unrestricted	1
Mobile Home Parks	2 spaces per mobile home unit (tandem parking permitted)	
Mixed Use	Ratios based on ITE or ULI guidelines, as determined by the Director of Community Development or approving body	
DOWNTOWN SPECIFIC PLAN DISTRICT		
SFD	1 covered + 1 uncovered	
SFD with ALU	1 covered + 2 uncovered	
MFD (Condo/TH and Apartments)	Number of Bedrooms	Number of Spaces Required
	0-1	1 covered assigned space + 0.5 unassigned spaces/unit
	2+	1 covered assigned space + 1 unassigned space/unit
Legend:		
SFD = Single-Family Dwelling		
MFD = Multi-Family Dwelling (Condominiums, town homes, and apartments)		
SRO = Single-Room Occupancy Hotel/Rental Building		
ALU = Accessory Dwelling Unit		
City of Sunnyvale Municipal Code, 2014.		

Reduced parking requirements for affordable housing developments and housing for seniors or persons with disabilities were adopted in 2011. The modified parking ratio that Mid-Pen Housing Corporation was allowed to use for the 124-unit Fair Oaks Senior Housing project served as the basis for the adopted parking standard for affordable housing for seniors or persons with disabilities. The City also adopted provisions to allow development applications for senior housing, housing for persons with disabilities or housing affordable to lower income households to include requests for further reductions in the parking requirements. The request can be granted if the approving body finds that the applicant's proposed parking standard is adequate through a combination of any of the following considerations: location or proximity to transportation, variety or forms of transportation available, accessibility, services and programs offered, or population served by the proposed housing development.

The City continues to explore modified parking standards for housing sites near transit. Existing parking requirements in the Downtown Specific Plan District are reduced due to the area's proximity to transit. Shared parking has been considered in mixed-use proposals where uses have



different peak parking demands. Shared parking is also encouraged for trip reduction programs such as car sharing or other transportation demand management programs. As part of the Mixed-Use Toolkit that is currently in progress, the City is also developing other parking management strategies or modified standards for mixed-use developments, especially those in proximity to transit hubs.

### **Flexible Development Standards**

Sunnyvale has adopted several provisions in its Zoning Code that facilitate a range of residential development types and can lower the cost of developing housing. These mechanisms include mixed-use development provisions, Industrial to Residential (ITR) zoning, the Below-Market Rate (BMR) Program, density bonuses, and other provisions for small lot development.

### **Mixed-Use Development**

Sunnyvale has adopted several specific and precise plans which encourage mixed use development:

- The Downtown Specific Plan (DSP) comprises roughly 135 acres and provides for over 2,000 higher density residential units in close proximity to transit. A major focus of the DSP is to integrate connections between residential and mixed use development with existing transit facilities, including the multi-modal Caltrain Station.
- The 2007 update of the Precise Plan for El Camino Real encourages compact mixed-use development along Sunnyvale's oldest transportation corridor along the commercial spine of the City.
- The 101/Lawrence Site Specific Plan aims at creating a self-supporting urban village with a mix of uses that includes high density residential.
- The Lakeside Site Specific Plan, an almost nine acre site adjacent to the 101/Lawrence Site Specific Plan area, allows the redevelopment of a hotel site into a mixed use high density residential and hotel/conference facility near the intersection of two major transportation corridors.
- The City is developing the Lawrence Station Area Plan (LSAP), which could provide more transit-oriented, higher density residential and commercial development opportunities within a half mile radius of the Caltrain Lawrence Station.
- In conjunction with the LSAP, the City is also creating a Mixed-Use Toolkit to further promote and guide mixed-use development citywide.

Sunnyvale's DSP area, Lawrence Station Transit Village and the El Camino Real corridor have all been designated as "Priority Development Areas" (PDAs) by ABAG and MTC, as supported by the City Council. PDA designation renders these areas eligible for certain capital infrastructure funds, planning grants and technical assistance to facilitate transit-oriented development.

In December 2008, the City established a Mixed Use (MU) Combining District and provisions for live/work units. The new MU district may be combined with the R-3, R-4 and R-5 zoning districts in areas within ½ mile of a public transit stop or major expressway. The combining



district requires between 10-25 percent of the lot area to be developed with commercial/office uses, and allows residential uses to be developed either adjacent to, or above commercial uses. An allowance is provided for an increase in 10 feet, or one-story above the base zoning maximum and shared parking is permitted as supported by a parking study. Live/work units are now defined in the Zoning Code, and are specifically permitted in the Mixed Use Combining District.

### **Rezoning Industrial to Residential (ITR)**

Sunnyvale has recognized that as industrial and R&D uses have become more land intensive (i.e. multi-story buildings with less floor area per employee), underutilized industrial land can be freed up for other uses. The Futures Study (July 1993) looked at some of the City's older underutilized industrial sites to evaluate planned redevelopment of these sites with residential uses, while directing higher intensity industrial development to other areas more suitable over the long-term for such uses. As a result of this study, eight industrial areas were rezoned with an Industrial to Residential Combining District (ITR). The ITR district allows industrial, office, commercial, and residential uses to exist within the same district while gradually converting to residential use. Sites with an ITR designation can be combined with any residential zoning designation and follow the residential standards of the zone that they are combined with. Most of the ITR sites are combined with the R-3 zoning designation, with a few R-4 sites. In 2007 an additional ITR area was added; the ITR Combining District now includes approximately 320 acres, accommodating up to 7,700 dwelling units. By January 2009, approximately 1,700 units had either been constructed or permitted for development within the ITR areas.

### **Below Market Rate (BMR) Housing**

Sunnyvale's Below Market Rate (BMR) Program is authorized under the Sunnyvale Municipal Code, Chapter 19.67 (Ownership) and 19.69 (Existing BMR Rental Properties). Chapter 19.67 is applicable to new developments of eight or more ownership units, and requires that 12.5 percent of units in ownership developments be sold at prices affordable to moderate-income purchasers (up to 120% AMI). The homes are priced to be affordable to buyers at 100% of AMI. There are no longer any BMR requirements for new rental developments, due to the 2009 Palmer vs. Los Angeles court case, however a number of existing rental properties remain subject to BMR requirements imposed pre-Palmer based on recorded developer agreements with terms of 20-55 years. The City revised its BMR ordinance in 2012, replacing the earlier Chapter 19.66 with the two new chapters, 19.67 and 19.69 to address both the Palmer decision and to make improvements and add flexibility to the BMR ownership program. Changes made to the BMR ownership program as part of Chapter 19.67 included providing a more concrete definition of affordable sales price, as well as adding additional flexibility to allow developers to opt to pay in-lieu fees, provide units off-site, or partner with non-profits to provide a greater number of, or more deeply targeted affordable units in lieu of the moderate income ownership units (the "standard option"). Developers must obtain Council approval prior to being able to utilize any of these options, and to date no developer has done so, although several have indicated interest in these options. Another change was to allow developers to pay fractional in-lieu fees rather than rounding up the BMR requirement to the next whole unit. This has created a new revenue stream that will be used in future years to create more affordable units.



## Constraints to the Development of Housing

The current period of affordability is 30 years for owner-occupied units and 55 years for existing BMR rental units, although there are still a few rental properties permitted prior to 2003 with 20-year restriction terms. Since Sunnyvale initiated the BMR program in the early 1980s, hundreds of affordable units have been created, although many have expired already. There are currently close to 330 active BMR ownership units (homes) and fewer than 200 active BMR rental units, as listed in the at-risk inventory. Density bonus incentives consistent with State density bonus law are available to developers to help offset the cost of providing affordable units, as well as to encourage deeper income targeting.

The balance of the BMR sub-fund was slightly over \$2 million as of FY 2013-14. This fund includes revenues from BMR administrative fees, fines for violations of the BMR codes, as well as BMR in-lieu fees. The BMR in-lieu-fees, once sufficient funds accumulate in the fund, will be used to fund development of affordable units, with a small portion of the funds used to cover BMR program administration.

### **Affordable Housing Density Bonus**

One incentive available to the City to support development of affordable rental housing is State density bonus law. Section 65915 of the California Government Code provides a system for granting a density bonus to qualified residential projects. It provides a tiered system ranging from 20-35 percent and up to three development incentives/concessions, depending on the proportion of affordable units in the proposed project, and the level of income targeting.

As part of the package of code amendments adopted in 2012 related to the BMR program, the City also updated its density bonus codes to be consistent with State law. The new density bonus codes are provided in Chapter 19.18.025 of the Municipal Code. In addition, the BMR Ordinance allows the BMR units to count toward a density bonus as long as they meet the applicable State affordability requirements. To further assist developers in pursuing a density bonus and evaluating the numerous options available under state law, staff created a density bonus calculator spreadsheet which automatically calculates the number of bonus units available based on the acreage of the site, the existing zoning, and the developer's choice of affordable unit percentages and affordability level. Developers have responded positively and have been using this tool to evaluate their options. In 2013, developers of three new rental projects (Ironworks North and South and Summerhill Mathilda Apartments) took advantage of the density bonus program. These projects will collectively provide a total of 19 very low income rental units. Staff expects additional projects to take advantage of this incentive in the coming years.

The City also provides an additional density bonus of 5% for developments that meet certain voluntary green building measures. This green building bonus may be combined with the affordable housing bonus for a total maximum bonus of up to 40%. However, continued evolution in state green building requirements may soon make the City's green building density bonus obsolete, as the required green building measures begin to equal or exceed the voluntary measures currently used for this bonus program.



## Provisions for a Variety of Housing

Housing element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. This includes single-family homes, multi-family housing, factory-built housing, mobile homes, single-room occupancy housing, emergency shelters and transitional housing among others. Table 36 summarizes housing types permitted within Sunnyvale's residential zone districts, and Table 37 identifies residential uses permitted in commercial districts and the Downtown Specific Plan.

Transitional and supportive housing may be permitted in any zoning district based on dwelling type. For example, a 45-unit multi-family development linked to a range of on-site or off-site services, such as vocational and employment services or independent living skills training, are permitted in the R-4 Zoning District where multi-family developments are permitted.

Table 36: Housing Types Permitted by Residential Zoning District

Housing Types Permitted	R-0 & R-1	R-1.5	R-1.7/ PD	R-2	R-3	R-4	R-5	R-MH
<b>Residential Uses</b>								
Single-family dwellings*	P	P	SDP	P	UP	UP	UP	P**
Two-family dwellings (duplexes)	N	UP	SDP	P	P	P	UP	P
Multiple-family dwellings (3-50 units)	N	N	N	P	P	P	P	P
Multiple-family dwellings (over 50 units)	N	N	N	UP	UP	UP	UP	UP
Single Room Occupancy (SRO) facilities	N	N	N	N	N	UP	UP	N
Accessory Living Units (second units)	MPP	N	N	MPP	N	N	N	N
Mobile Home Parks	N	N	N	N	N	N	N	P
<b>Special Needs Housing</b>								
Residential Care Facility - licensed (6 or fewer persons)	P	P	P	P	P	N	N	N
Residential Care Facility – unlicensed (6 or fewer persons)	UP	UP	UP	UP	UP	UP	UP	N
Residential Care Facility - licensed (7 or more persons)	UP	UP	UP	UP	UP	UP	UP	N
Residential Care Facility - unlicensed (7 or more persons)	N	N	N	N	UP	UP	UP	N

P = Permitted Use

MPP = Miscellaneous Plan Permit

UP = Use Permit

SDP = Special Development Permit N= Not Permitted

\*Includes Manufactured Housing

\*\*Caretaker Home only (stick-built); or manufactured housing on Manufactured Housing sites per State Law.



Table 37: Housing Types Permitted by Commercial Zone District

Housing Types Permitted	C-1	C-2/ C-3	O	M-S/ M-3	P-F	Downtown SP	
						Residential Blocks	Comm/Office Blocks
Residential Uses							
Single-family dwellings	UP	UP	UP	UP	UP	P	N/SDP
Two-family dwellings (duplexes)	UP	UP	UP	UP	UP	N/P	N/SDP
Multiple-family dwellings	UP	UP	UP	UP	UP	SDP	SDP/N
Single Room Occupancy (SRO) facilities	N	UP	N	UP	N	N/SDP	SDP/N
Accessory Living Units (second units)	N	N	N	N	N	SDP	N
Special Needs Housing							
Residential Care Facility - licensed (6 or fewer persons)	N	N	N	N	N	SDP/P	P/N
Residential Care Facility – unlicensed (6 or fewer persons)	N	N	N	N	N	N	N
Residential Care Facility - licensed (7 or more persons)	UP	UP	UP	UP	UP	N	N
Residential Care Facility - unlicensed (7 or more persons)	UP	UP	UP	UP	UP	N	N
Transitional and Supportive Housing	UP	UP	UP	UP	UP	SDP	SDP/N
Emergency Shelter for the Homeless	UP	UP	N	P/UP *	N	N	N

P = Permitted Use MPP = Miscellaneous Plan Permit UP = Use Permit

SDP = Special Development Permit N= Not Permitted

N/P = Not permitted in the majority of the DSP districts, but Permitted in some DSP districts

\* Emergency Shelters are permitted by right in the MS districts with “Place of Assembly (“POA”) overlay; and permitted with a use permit in other MS and M-3 zones.

## Multi-Family Rental Housing

The City’s Zoning Code allows development of multi-family projects (defined as those with three or more dwelling units) in its low-medium, medium and high density residential zones, as well as commercial zones and in the Downtown Specific Plan. Multi-family developments of up to 50 units are permitted by right as a use in the low-medium, medium and high density residential zones, so long as the development complies with the density limits of the applicable zoning district. Although the use itself is permitted by right, architectural and site review (design review) by the Planning Commission is required. Multi-family housing projects of 50 units or more require a use permit in those same residential zones, as listed in the Zoning Code residential use table. However, any multi-family development would be reviewed through the same process, which solely focuses on design and compliance with development standards, regardless of the number of units. As long as the proposed development meets the applicable density limitations of the zoning district, it is a permitted use of that property.





## Accessory Living Units

The purpose of permitting accessory living units (often referred to as “granny units”) in single-family zoning districts is to allow more efficient use of land and infrastructure in these zones to provide the opportunity for the development of small housing units designed to meet the needs of individuals or families, who may be rental tenants or extended family members, while preserving the relatively low densities of single-family neighborhoods.

AB 1866, which became effective in July 2003, requires local governments to use a ministerial process for second unit applications for the purpose of facilitating production of affordable housing. AB 1866 does allow cities to impose development standards on second units addressing issues such as building size, parking, height, setbacks, and lot coverage.

Sunnyvale currently allows accessory living units (ALUs) in the R-1, R-0 and R-2 zoning districts and in certain residential blocks of the Downtown Specific Plan area with just a Miscellaneous Plan Permit (MPP). All MPPs for ALUs are reviewed by the Director of Community Development or his/her designee for compliance with the standards in Section 19.68.040 of the Zoning Code and City design guidelines. This permit type is issued by staff and is considered ministerial. When the ALU application is in compliance with the relevant standards, the permit is issued. If an applicant wishes to deviate significantly from these standards, a zoning variance may be required. ALUs are treated no differently than single-family homes in the same zoning district.

Sunnyvale’s Zoning Code (Section 19.68.040) establishes the following standards for accessory living units:

- A minimum lot size of 9,000 square feet is required in the R-0 and R-1 districts, and 5,000 square feet in the R-2 and DSP sub-districts 8, 9, 10, 11, 12.
- Unit sizes are restricted to a maximum of 700 square feet and one bedroom.
- At least one on-site parking space shall be provided for each accessory unit, in addition to the minimum number required for the primary dwelling. The additional space may be uncovered, but may not be in tandem with another space.
- A deed restriction is required that stipulates that only one of the two units on the property may be rented at any one time.
- All setbacks, lot coverage, building height, open space and other applicable requirements of the underlying zone district shall be satisfied.
- Entrances and outside stairways serving ALUs shall not be constructed on any building elevation facing a public street.
- Exterior materials, colors and appearance of ALUs shall match the primary structures they adjoin.

The City usually processes several ALU applications annually, with a total of 17 ALUs permitted between 2007 and 2014. The City’s ALU development standards are reasonable, less restrictive than many jurisdictions, and do not serve as a constraint to their development.



## **Manufactured Housing/ Mobile Homes**

Section 65852.3 of the California Government Code requires jurisdictions to administratively allow manufactured homes on lots zoned for single-family dwellings if they meet certain standards. Consistent with this requirement, Sunnyvale permits mobile homes on a permanent foundation for use as a single-family dwelling in R-0, R-1, R-2 and R-3 zone districts.

Sunnyvale has 16 mobile home parks containing approximately 4,000 mobile home units. The City has established a designated mobile home park zone district, and has adopted a policy to maintain a minimum of 400 acres of mobile home park zoning. The City also has a general plan land use designation of Mobile Home.

## **Single Room Occupancy (SRO)**

SRO residences are small, one room units (generally 100-250 sq. ft.) occupied by a single individual, and may either have shared or private kitchen and bathroom facilities. SROs can provide an entry point into the housing market for extremely low income individuals, formerly homeless and disabled persons.

In 1991, the City of Sunnyvale adopted an ordinance and related building code amendments designed to make the development of SRO housing more feasible. The impact of the ordinance (Zoning Code Section 19.66.160) was to increase the allowable density and lower the cost of developing SROs by designating it a commercial development. As indicated in Tables 36 and 37, the City permits SROs with a Use Permit in the following zone districts: R-4, R-5, C-2, C-3, MS, M-3, and some DSP sub-districts. Provisions of the City's ordinance include:

- ✓ Requirements for a Management Plan outlining policies and procedures
- ✓ 24-hour on-site management
- ✓ Options for both weekly and monthly tenancies
- ✓ Unit sizes of 150 - 400 square feet in size, with an overall average unit size not exceeding 250 square feet (excluding closet and bathroom area)
- ✓ Maximum occupancy of two persons per unit

Following adoption of its ordinance in 1991, Sunnyvale issued a Request for Proposals for construction of an SRO on a City-owned site in the downtown, to provide housing for workers in service-sector jobs, as well as for seniors and disabled individuals. Mid-Pen Housing Corporation was selected as the developer, and leveraged City funds with six other public and private funding sources to achieve development of the 122-unit Carroll Inn. Twelve of the Carroll Inn units are fully accessible, and rents, most of which range from \$440 to \$580, are affordable to residents with extremely low incomes.

A second SRO, Borregas Court, was also developed under Sunnyvale's SRO ordinance. This 193-unit SRO is located just outside of downtown. While rents are not quite as low as those of the Carroll Inn, at \$675 to \$795 per month, the Borregas Court units are affordable to very low income households. The property is managed by the non-profit EAH.



## Residential Care Facilities

Section 1566.3 of the California Health and Safety Code requires residential facilities serving six or fewer persons to be considered a residential use of property for purposes of local zoning ordinances. No local agency can impose stricter zoning or building and safety standards on these residential facilities – such as a use permit (UP), zoning variance or other zoning clearance - than is required of a family dwelling of the same type in the same zone. The Sunnyvale Zoning Code permits licensed Residential Care Facilities serving six or fewer persons by right in all low and medium density zoning districts (R-0, R-1, R-1.5, R-1.7/PD, R-2), and does not subject such facilities to a use permit, building standard, or regulation not otherwise required of single-family homes in the same zone. Unlicensed Residential Care Facilities with six or fewer occupants are permitted in all residential zones, subject to issuance of a use permit.

Due to the unique characteristics of larger (more than six persons) Residential Care Facilities, most jurisdictions require a use permit to ensure neighborhood compatibility in the siting of these facilities. As indicated previously in Tables 36 and 37, the Sunnyvale Zoning Code provides for Residential Care Facilities with more than six occupants in all zoning districts where residential uses are permitted, subject to approval of a Use Permit by the Planning Commission; unlicensed facilities with more than six occupants are allowed with a Use Permit in medium and high density residential zones and nonresidential zones which allow residential uses. The required findings for approval of a Use Permit in Sunnyvale are directed towards ensuring compatibility of the proposed use and not tied to the user, and therefore are not viewed as a constraint per se to the provision of residential care facilities.

Sunnyvale has adopted Section 19.64.010 of the Zoning Code to regulate unlicensed care facilities and facilities with seven or more occupants. As articulated in this section, the Sunnyvale City Council finds that residential care facilities provide a cost-effective, humane and non-institutional environment for elderly persons, persons suffering from chronic illness, persons suffering from mental or physical impairments, and persons recovering from drug and/or alcohol addiction. The City Council also finds that the public health, safety and welfare of City residents is best served when such facilities are licensed by the California Department of Social Services, the California Department of Alcohol and Drug Programs, or other appropriate agency to ensure compliance with applicable regulations and standards, but that in fact not all facilities are so licensed. The City Council finds that over-concentration of Residential Care Facilities could impair the integrity of residential neighborhoods, and thus has established a 500 foot spacing requirement between Care Facilities with more than six occupants. Applicants may request a waiver from the distance requirement, subject to Planning Commission findings that such a waiver would not be materially detrimental or injurious to the property, improvements or uses in the immediate vicinity.

The California courts have invalidated the following definition of “family” within jurisdictions Zoning Codes: (a) an individual, (b) two or more persons related by blood, marriage or adoption, or (c) a group of not more than a certain number of unrelated persons as a single housekeeping unit. Court rulings state that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the city, and therefore



violates rights of privacy under the California Constitution. A zoning ordinance also cannot regulate residency by discrimination between biologically related and unrelated persons.

Sunnyvale's Zoning Code currently contains the following definition of "family":

- a) *An individual living alone in a dwelling unit; or*
- b) *Two or more persons related by blood, marriage or legal adoption, or a group of two or more persons who need not be related, living together in a single dwelling unit as a group where the individual or group is in possession of the entire dwelling unit."*

The City's zoning provisions for residential care facilities, as well its definition of family, both provide reasonable accommodations for people with disabilities, as evidenced by the State Community Care Licensing Division, which identified one group home, four adult residential facilities, and 34 residential care facilities for the elderly in Sunnyvale.

### **Transitional and Supportive Housing and Emergency Shelters**

Transitional housing is temporary housing (generally six months to two years) for a homeless individual or family transitioning to permanent housing. Residents are also provided with one-on-one case management, education and training, employment assistance, mental and physical services, and support groups. Recent changes in State law (SB 2 - effective January 2008) require transitional housing to be treated the same as any other residential use within the same zone. Sunnyvale considers transitional housing the same as permanent rental housing, and thus the review and approval process is the same. The Zoning Code defines transitional housing as a dwelling, and depending on the physical characteristics of the facility as a single-family or multi-family structure, permits transitional housing as a residential use within single-family zones, or within multi-family and commercial zones.

Supportive housing is generally defined as permanent, affordable housing with on-site services that help residents transition into stable, more productive lives. Services may include childcare, after-school tutoring, career counseling, etc. Most transitional housing includes a supportive services component. Similar to transitional housing, the Zoning Code regulates supportive housing as a residential use, provided supportive services are ancillary to the primary use and for use by the residents of the facility.

Pursuant to SB 2, jurisdictions with an unmet need for emergency shelters must identify at least one zone where emergency shelters are allowed as a permitted use without a conditional use permit or other discretionary permit. The identified zone must have sufficient capacity to accommodate the shelter need, and at a minimum provide capacity for at least one year-round shelter. Permit processing, development and management standards for emergency shelters must be objective and facilitate the development of, or conversion to, emergency shelters. The Sunnyvale Zoning Code allows emergency shelters as a permitted use in the City's industrial zones with the "place of assembly" overlay ("MS-POA" zones), based on code amendments adopted in 2011. Shelters are also allowed in industrial zones without the POA overlay with a use permit. Shelters are subject to the same development and management standards as any other permitted uses in the zone.



## Constraints to the Development of Housing

As discussed in the homeless section of the Housing Needs Assessment, the 2013 Santa Clara Homeless Survey identified 425 homeless people in Sunnyvale, including 283 unsheltered people in street locations or cars/RV's/vans or encampments, and 142 people in shelters. Sunnyvale conducted a review of its zoning districts in 2009 and determined that the industrial zones with an overlay of 'place of assembly' (POA) are the best suited for emergency shelter uses. In 2007, the City added the MS-POA overlay designation to a number of sites in the MS zone. The POA designation essentially allows places of assembly and recreational uses, such as places of worship, community centers, etc., in these POA overlay zones. SROs and residential uses are also permitted in the MS-POA zone with a use permit. POA sites were selected based on their proximity to major arterials and locations near the outer edges of larger industrial neighborhoods, and given their direct and convenient access to public transit, would serve as good candidates for the location of an emergency shelter. A map on the City's website shows the locations of all MS-POA sites within Sunnyvale. These sites have a combined area of 117 acres, which is more than sufficient acreage to locate 425 shelter beds, enough to house the entire homeless population.

The MS-POA sites are characterized by larger buildings and warehouses, many of which are suitable for conversion to a shelter. Numerous underutilized properties also exist which are suitable for redevelopment. Most structures on MS-POA sites are Class C, single-story, tilt-up, industrial buildings. The availability of these buildings for adaptive reuse and the relatively lower property values in industrial areas serve to minimize, to the extent possible, the cost of establishing an emergency shelter. The vacancy rate of research and development properties in the City, which most closely corresponds to these zones, was approximately 9% percent in the first quarter of 2014, according to Colliers International, as reported in the April 14, 2014 City Manager's Biweekly Report.

The City's MS-POA development standards are appropriate to facilitate emergency shelters, and can be summarized as follows:

- Minimum lot size: 22,500
- Building height: 75 feet
- Front yard setback: 25 feet
- Side yard setback: total 20 feet
- Rear yard setback: none

In addition to application of MS-POA development standards, pursuant to SB-2, the City can also specify written, objective standards to regulate certain aspects of emergency shelters to enhance compatibility. The zoning code does not specify any standards other than those listed above, however it defines emergency shelter as follows: "any facility with on-site management and security that provides temporary overnight sleeping accommodations for a maximum of thirty days and minimal supportive services for homeless persons."



## **Farm Worker Housing**

According to the 2011 American Community Survey of the Census Bureau, 226 Sunnyvale residents were employed in farming, fishing, hunting, mining and forestry occupations between 2007 and 2011, representing less than two-tenths of one percent of the City's population. It is unlikely that most of these residents were employed as farm workers. No parcels in the City are zoned for agricultural use, nor are there any farms in the City known to currently employ farm workers (i.e., other than the land owner's family members or volunteers). The City owns two demonstration orchards which are farmed on the City's behalf by a local resident (who has adequate housing). Given the lack of any major agricultural institutions employing farmworkers within the City, the City has not identified a need for dedicated farmworker housing, and can address the housing needs of farm workers through its general housing programs.

## **Accessibility Accommodations**

Both the federal Fair Housing Act and the California Fair Employment and Housing Act (the "Acts") impose an affirmative duty on local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments.

It is the policy of the City of Sunnyvale to provide reasonable accommodation for persons with disabilities seeking fair access to housing in the application of its zoning and building laws. The City has conducted a review of zoning and building code requirements, and has not identified any barriers to the provision of accessible housing. Sunnyvale accommodates most accessibility modifications through issuance of a simple remodel permit. Handicapped ramps or guardrails are permitted to intrude into the standard setbacks required under zoning to allow first floor access for physically disabled residents. The Building Division has adopted the 2013 California Building Code without amendment, and enforces the disabled access regulations delineated in its chapters on Housing Accessibility and Accessibility of Publicly Funded Housing. New apartment buildings with three or more units are subject to requirements for unit "adaptability" on ground floor units, and accessibility to common use areas. Adaptable units are built for easy conversion to disabled access, such as doorway and hallway widths, and added structural support in the bathroom to allow the addition of handrails.

While Sunnyvale has not identified any constraints on the development, maintenance and improvement of housing for persons with disabilities, the City adopted specific procedures in 2011 for requests that cannot be accommodated by existing exceptions or allowances in the Zoning Code. The procedures adopted under Chapter 19.65 of the Zoning Code were based on HCD's Model Ordinance for Providing Reasonable Accommodation and tailored to Sunnyvale's existing processes. If the reasonable accommodation request is part of a project that requires some other discretionary approval, such as a Design Review for a large single-family home addition, the request is then reviewed by the decision-making body with that discretionary approval. If the project does not require some other discretionary approval, the request is reviewed by the Director of Community Development (or designee) through a Miscellaneous



## Constraints to the Development of Housing

Plan Permit application. There is no fee required for the review. The decision to grant a reasonable accommodation request is based on certain findings consistent with the Acts.

In December 2004, Council created an Advisory Committee on Accessibility (ACA). The City of Sunnyvale's ACA advises and provides input to City staff on accessibility issues related to City services, programs and facilities. The City also has a dedicated Americans with Disabilities Act Coordinator, and identifies resources and local programs for persons with disabilities on its website.

Sunnyvale administers a Home Access Grant program, providing up to \$6,500 to lower income disabled homeowners to retrofit their homes. Common accessibility retrofits funded through the program include: ramps, hand railings, grab bars, hand-held showerheads, widening of doors, modification of steps, and wheelchair lifts. The City also maintains an inventory of lifts it provides to residents, and removes the lift when it is no longer needed.

### **Development Permit Procedures**

Planning is an essential part of the development process. Good planning can mean the difference between an average development and an excellent one that meets the community's expectations. The planning process also provides anyone with an interest in a proposed development to get involved. Before development can occur, it is necessary to obtain certain permits and discretionary approvals. These procedures, although necessary to ensure that the development is safe and in compliance with local, regional and state regulations and zoning code requirements, can sometimes lead to delays in projects and increase costs. Moreover, excessive processing time may act as a constraint on the production of affordable housing, because it increases carrying costs for the developer for land and financing.

The City of Sunnyvale places a strong emphasis on customer service and satisfaction, and its permitting processes are designed for expedited processing of all planning and building permits. Recognizing the complexity of the development process for property owners and developers, the City of Sunnyvale offers easy-to-read brochures to help developers and homeowners better understand the planning and development procedures in Sunnyvale. The City is also committed to an efficient review process.

In 1985, Sunnyvale established a One-Stop Permit Center to process building permits, building inspections, use permits, business licenses, code compliance, housing services, plan checking, planning permits, economic development, and other general services. The One-Stop Permit Center is comprised of a team of City Staff from the Community Development, Public Works and Public Safety Departments. The team effort results in fast and convenient service. Some of the services provided are:

- Coordinated customer contacts with appropriate staff representatives
- Related development services in a central location
- Streamlined permitting process
- Computerized land use information and building permit tracking system
- Plan checks and permit issuance combined in one location



## Constraints to the Development of Housing

Any interested person can visit the One Stop Permit Center to meet with various staff, with or without an appointment, including a Building Inspector, Planner, Public Works Engineer, Neighborhood Preservation Specialist, Housing Specialist, Traffic Engineer, Fire Prevention Engineer, or a Structural Engineer. The One-Stop Permit Center is able to provide streamlined plan review and building permit issuance, with over 90 percent of all building permits issued at the counter. Review processes for some of the most common residential project types are described briefly below.

**Single-Family Home or Duplex:** Applications for new single-family homes, duplexes or additions that are designed in compliance with the code requirements and are less than the FAR threshold for the zoning district are reviewed by staff through the Design Review (DR) process. Applications are reviewed for conformance with applicable development standards and adopted design guidelines. There are different timeframes for staff review, depending on the size of the project. Single-story additions to single-family homes and duplexes that are less than 20 percent of the existing floor area are reviewed over the counter as part of the building permit plan review at the One-stop Permit Center. Projects that propose to add more than 20 percent of the existing floor area are reviewed within a two-week timeframe. Second-story additions and new two-story homes require neighbor notification and a two-week comment period, but are generally processed within four weeks.

A single-family home, duplex addition, or new construction project that exceeds the total FAR threshold for the zoning district is required to go through a public hearing process reviewed by the Planning Commission. These projects are reviewed for conformance with the same standards and design guidelines as those projects reviewed at staff level, but require a higher level of review because of the proposed size and potential visual impacts. The Planning Commission DR process typically takes two to three months.

**Multi-Family Housing:** The Community Development Director has decision-making authority on minor use permits and special development permits, variances, site plan reviews, and zoning clearances. Minor use and development applications (including variance applications) that are categorically exempt pursuant to the terms of California Environmental Quality Act (CEQA) are reviewed through the Zoning Administrator (ZA) hearing process. An example of a multi-family housing project that could be reviewed at the ZA level is the conversion of a laundry facility to a dwelling unit within an existing apartment complex. It typically takes 30 days for a fully complete application to be scheduled for a ZA hearing. Building permits may be issued for approved projects after the appeal period, which is 15 days from the decision date.

New construction of multi-family housing requires site and architectural review by the Planning Commission. Projects that are not categorically exempt per CEQA also require a public hearing with the Planning Commission as the decision-making body. The Planning Commission review process typically takes three months for projects that are deemed complete within the first month of application submittal.

Sunnyvale offers an optional Preliminary Review (PR) process for applicants to submit schematic plans for review by the Project Review Committee (PRC) and receive early feedback





## Constraints to the Development of Housing

from City staff before submitting a formal entitlement application. The PR process is strongly encouraged for complex projects, large projects or potentially controversial projects, and could aid in helping applicants determine the most efficient path to project approval, thus helping to save time and costs. The PRC consists of representatives from the City Departments of Community Development (Planning and Building Divisions), Public Safety (Fire and Crime Prevention Divisions), Environmental Services and Public Works. The PRC was created to review development/improvement proposals for technical compliance with CEQA, City codes, design guidelines, policies and other specifications. The PR process starts at application submittal and ends at the PRC meeting with no formal decision made on the application. Applicants are encouraged to attend the PRC meeting where they receive written comments from the PRC and are given an opportunity to seek clarifications and ask questions. The PRC meeting is typically held once every two weeks, offering several opportunities for applicants seeking preliminary review of projects.



## Fees and Exactions

The City of Sunnyvale collects various fees from developments to cover the costs of processing permits and providing the necessary services and infrastructure related to new development projects. Table 38 summarizes the planning and development fees applicable to housing construction.

Table 38: Planning and Development Fees

<b>Single-Family Homes and Duplexes</b>	<b>Fee</b>
Staff Level Design Review	\$150.50
Planning Commission Design Review (Public Hearing)	\$408.50
Special Development Permit or Use Permit (Public Hearing)	\$408.50
Variance (Public Hearing)	\$408.50
Large Family Child Care 300+ ft. from any other (Staff level review)	No Fee
Large Family Child Care within 300 ft. of another (Public Hearing)	\$150.50
<b>Staff Level Reviews</b>	
Miscellaneous Plan Permit	\$127.50
Preliminary Project Review for Public Hearing Projects	\$341.50
Architectural Review, Landscaping, Parking & Lighting	\$341.50
Extension of Time for Minor and Major Permits and Tentative Maps (non-Heritage)	\$732.50
Zoning Exception for Solar Installations	\$127.50
<b>Appeals</b>	
Appeal of Permit Decision by Director, Zoning Administrator, Planning Commission or Heritage Preservation Commission	\$150.50
<b>Zoning Administrator Reviews</b>	
Minor Special Development Permit or Use Permit (non-Single Family Home)	\$1,485.50
Minor Permit Plan Review	\$796.00
Variance (non-Single Family Home)	\$1,485.50
Tentative Parcel Map (4 or fewer lots or condominium units)	\$2,404.50
<b>Public Works Planning Application Review</b>	
Tentative Parcel Map (4 or fewer lots or condominium units)	\$760.00
Tentative Map (5 or more lots)	\$2,340.00
Major Planning Project	\$4,680.00
<b>Planning Commission Reviews (Public Hearing)</b>	
Major Special Development Permit, Use Permit or Nonresidential Design Review	\$3,137.50
Major Permit Plan Review	\$1,589.00
Tentative Map (5 or more lots): Base Fee	\$3,930.50
Plus fee per lot	\$270.00
Tentative Map: Modification to Conditions of Approval	\$1,606.50
<b>City Council Reviews (Public Hearing)</b>	
General Plan Amendment Initiation	\$1,243.50
General Plan Amendment	\$5,214.50
Rezone (Zoning District Change) or Amendment to Zoning Code	\$5,214.50
Rezone Combining District (except Heritage Housing or Single-Story Combining District)	\$2,618.50
Rezone to Heritage Housing or Single-Story Combining District	\$133/lot
Specific Plan	\$5,214.50
<b>Environmental Review</b>	



## Constraints to the Development of Housing

Table 38: Planning and Development Fees

Environmental Assessment (Initial Study)	\$715.00
Consultant Preparation of Environmental Study or Environmental Impact Report	As Needed
Staff Review of Environmental Study Prepared by Consultant	\$1,346.00
Staff Review of Environmental Impact Report	10% of Consultant Fee
Recordation of Notice of Exemption (County fee)	\$50.00
Recordation of Notice of Determination (County fee) Neg. Declaration	\$2,231.25
Recordation of Notice of Determination (County fee) EIR	\$3,079.75
<b>Impact Fees</b>	
Transportation Impact Fee, Single Family Detached (Per Unit)	\$2,144.00
Transportation Impact Fee, Multi-Family Attached (Per Unit)	\$1,317
Park Dedication In-Lieu Fee	\$69.00 / square foot
Sense of Place Fee (ITR 7-8, Fair Oaks Junction, East Sunnyvale)	\$1,096.70/unit

Source: Sunnyvale Planning Division Fees, August 26, 2013.

The Home Builders Association of Northern California conducts an annual Cost of Development Survey. Eight South Bay cities participated in the 2006-2007 survey, including Cupertino, Gilroy, Morgan Hill, Mountain View, Palo Alto, San Jose, Salinas and Sunnyvale. Each city calculated total development fees, impact/capacity fees, and development taxes on five different project prototypes, including a 50 unit single-family subdivision and a 96 unit multi-family development. For the single-family prototype, Sunnyvale's fees were documented at \$27,014 per unit, the second lowest of the eight jurisdictions surveyed. Similarly, for the multi-family prototype, Sunnyvale's per unit fees of \$19,712 were also the second lowest. Sunnyvale's development fees are comparable if not lower than those charged in surrounding communities and are not considered a constraint to housing development in this area.

The City's current fees for two recent sample projects, one single family and one multi-family, are provided in Table 39 on the following pages.

Table 39: City and Non-City Fees for Single and Multi-family Residences

Fee	Typical single-family development on an R-2 lot (18 single-family homes)		Typical multi-family development on an R-3 lot (186 apartments)	
	Cost Factor	Total Project Cost	Cost Factor	Total Project Cost
<b>Planning Application Fees</b>				
Rezone	\$5,105/application	\$ 5,105.00	N/A	N/A
Major Special Development Permit	\$3063/project	\$ 3,063.00	\$3063/project	\$ 3,063.00
Plan Review	\$1,561/project	\$ 1,561.00	\$1,561/project	\$ 1,561.00
Tentative Subdivision Map	\$3,844/base fee per map	\$ 3,844.00	\$3844/base fee per map	\$ 3,844.00
Tentative map (per lot)	\$265/lot	\$ 5,035.00	\$265/lot	\$ 265.00
Environmental Assessment (Initial Study)	\$702/project	\$ 702.00	\$702/project	\$ 702.00
Review of Environmental Studies	\$1,322/study	\$ 2,644.00	\$1,322/study	\$ 1,322.00
Technology	\$17/application	\$ 51.00	\$17/application	\$ 34.00
<b>Project Cost Subtotal</b>		<b>\$ 22,005.00</b>		<b>\$ 15,753.00</b>
<b>Per Unit Cost Subtotal</b>		<b>\$ 1,222.50</b>		<b>\$ 84.69</b>
<b>Impact Fees</b>				
Park Land Dedication or In-Lieu fee	\$27,029.89/net new unit	\$ 486,537.98	\$14,079.9184/net new d.u.	\$ 2,618,864.82
Traffic Impact fees South of 237	\$2,094/net new PH trip	\$ 19,026.00	\$1,286.00/net new PH trip	\$ -
Sense of place fee for ITR areas	N/A	N/A	\$1,071/d.u.	\$ 199,206.00
<b>Project Cost Subtotal</b>		<b>\$ 505,563.98</b>		<b>\$ 2,818,070.82</b>
<b>Per Unit Cost Subtotal</b>		<b>\$ 28,086.89</b>		<b>\$ 15,150.92</b>
<b>Building Fees</b>				
Building Permit Fee	per valuation tables	\$ 41,907.70	per valuation tables	\$ 119,318.48
Issuance Fee	\$25.50 per permit	\$ 459.00	\$25.50 per permit	\$ 306.00
Technology Surcharge	\$17.50 per permit	\$ 315.00	\$17.50 per permit	\$ 210.00
Construction Tax	0.54% of valuation	\$ 22,369.31	0.54% of valuation	\$ 114,204.70
Plan Check	70% of bldg permit fee	\$ 17,752.17	70% of bldg permit fee	\$ 59,330.52
Energy Plan Check	10% of bldg permit fee	\$ 2,536.02	10% of bldg permit fee	\$ 8,475.79
Grading	2% bldg permit fee	\$ 3,204.00	2% bldg permit fee	\$ 9,168.00
Plumbing	\$0.08 x sq.ft	\$ 3,439.68	\$0.08 x sq.ft	\$ 17,606.32
Mechanical	\$0.08 x sq.ft	\$ 3,439.68	\$0.08 x sq.ft	\$ 17,606.32
Electrical	\$0.08 x sq.ft	\$ 3,439.68	\$0.08 x sq.ft	\$ 17,944.80
Fire Prevention	70% of bldg permit fee	\$ 29,335.36	70% of bldg permit fee	\$ 83,522.92
Gen Plan Maintenance Fee.	0.15% construct value	\$ 6,267.67	0.15% construct value	\$ 31,723.52
<b>Project Cost Subtotal</b>		<b>\$ 134,465.27</b>		<b>\$ 479,417.37</b>
<b>Per Unit Cost Subtotal</b>		<b>\$ 7,470.29</b>		<b>\$ 2,577.51</b>
<b>Public Works Fees</b>				
Engineering Plan Check and Inspection Fees	For cost between \$50,001 and \$250,000 = \$18,706 plus 4% of public improvement construction cost >\$50,000	\$21,266.00	For cost between \$250,000 and \$1,000,000 = \$27,257 plus 4% of public improvement construction cost > \$250,000	\$31,457.00
Sanitary Sewer Connection (Residential)	\$3,308 per unit 3 bedroom or more	\$59,544.00	\$2,042 per unit 1 or 2 bedroom units	\$379,812.00
Sanitary Sewer Connection (Commercial)			\$3,296 per unit (per 1,000 SF for recreation/lease area)	\$29,542.43
	\$3,296 per unit (per 1,000 SF) - credit for existing	(\$2,998.82)	\$3,296 per unit (per 1,000 SF) - credit for existing	(\$15,048.13)
Sewer Frontage Fee (Resi.)	\$115 per lineal foot	NA	\$115 per lineal foot	NA
Water Frontage Fee	\$51 per lineal foot	NA	\$51 per lineal foot	NA
Water Connection (Residential)	\$521 per unit 3 bedroom or more	\$26,010.00	\$380 per unit 1 or 2 bedroom units	\$70,680.00

Table 39: City and Non-City Fees for Single and Multi-family Residences (continued)

Fee	Typical single-family development on an R-2 lot (18 single-family homes)	Typical multi-family development on an R-3 lot (186 apartments)
Water Connection (Commercial)	\$510 for the first unit (1,000 SF), \$380 for the second unit, \$284 for the third unit and \$198 for the fourth and each additional unit NA \$510 - first unit (1,000 SF) \$380 - second unit \$284 - third unit \$198 - fourth & each addtl <i>Credit for existing</i> (\$3,363.00)	\$510 for the first unit (1,000 SF), \$380 for the second unit, \$284 for the third unit and \$198 for the fourth and each additional unit \$2,194.80 \$510 - first unit (1,000 SF) \$380 - second unit \$284 - third unit \$198 - fourth & each addtl <i>Credit for existing</i> (\$30,107.76)
Water Meter	\$228 per meter (5/8" DCDA meter) NA \$359 per meter (3/4" meter) \$359.00 \$456 per meter (1" radio-read disk meter) \$2,280.00 \$839 per meter (2" radio-read disk meter) NA \$10,505.27 per meter (6" radio-read disk meter) \$10,505.27	\$228 per meter (5/8" DCDA meter) \$456.00 \$359 per meter (3/4" meter) NA \$456 per meter (1" radio-read disk meter) NA \$839 per meter (2" radio-read disk meter) \$1,678.00 \$10,505.27 per meter (6" radio-read disk meter) \$21,010.54
Water Tapping fee	\$285 / 1" or 2" tap \$1,710.00 \$544 / 4" to 10" tap \$1,632.00	\$285 / 1" or 2" tap \$285.00 \$544 / 4" to 10" tap \$2,176.00
Storm Drain Connection (Residential)	\$6,328.00 per gross acre	NA \$6,328.00 per gross acre
Encroachment fee	\$279 minimum	covered under Engineering Plan Check and Inspection Fees \$279 minimum
Street Lighting System	\$30.50 per lineal foot	NA \$30.50 per lineal foot
Street Tree Inspection	\$25 per tree	\$425.00 \$25 per tree
Map Check fee	\$3,353 + \$45 per lot for final map	\$4,163.00 \$2,235 + \$45 per lot for parcel map
Maintenance deposit	1% public improvement construction cost +\$750	\$1,890.00 1% public improvement construction cost +\$750
Technology Fee	\$17.50 for each project review entry	\$35.00 \$17.50 for each project review entry
<b>Project Cost Subtotal</b>		<b>\$ 123,457.45</b>
<b>Per Unit Cost Subtotal</b>		<b>\$ 6,858.75</b>
<b>TOTAL PROJECT FEES</b>		<b>\$ 785,491.70</b>
<b>TOTAL FEES PER UNIT</b>		<b>\$ 43,638.43</b>

City of Sunnyvale, May 2014



## Constraints to the Development of Housing

The total Planning, Building, Public Works and Impact fees (parks, traffic and art) associated with development of two typical residential projects are presented in Table 39. The first project of 18 single-family homes had per-unit development fees at just under \$43,700 per unit, or approximately 2.6% of the lowest sales price of the homes in that project, which were listed for sale in 2014 at prices from \$1.7 to over \$2 million. The second project was a 186-unit apartment development, with per-unit fees at a total of \$20,508. Staff does not have the developer's total costs for these units, but they were advertised for rents ranging from \$3,300 to \$4,100 per month as of August 2014. The City waives park fees for affordable rental projects and for affordable units in mixed-income rental projects, such as affordable units in density bonus projects.

### Building Codes and their Enforcement

The City of Sunnyvale has adopted the California Building Code of 2013, the California Residential Code of 2013, the California Green Building Code of 2013 (CalGreen), and the 2012 International Property Maintenance Code, and is subject to Title 24, the State Energy Regulations. The City's building code also requires new residential construction to comply with the federal American with Disabilities Act (ADA), which specifies a minimum percentage of dwelling units in new developments that must be fully accessible to the physically disabled. Although these standards and the time required for inspections may increase housing production costs and/or impact the viability of rehabilitation of older properties, which are required to be brought up to current code standards, the intent of the codes is to provide structurally sound, safe, and energy-efficient housing.

The City administers a Code Enforcement Program that aims to preserve and maintain the livability and quality of neighborhoods. Code enforcement staff investigates violations of property maintenance standards as defined in the Municipal Code as well as other complaints. When violations are identified or cited, staff encourages property owners to seek assistance through the rehabilitation assistance programs offered by the City.

### Site Improvements

The Sunnyvale Zoning Code requires housing developers to provide off-street parking, wiring for electrical and telecommunications, including undergrounding of utilities, and open space for all residential development. For multifamily units, developers are also required to provide secure storage space<sup>1</sup> and landscaping. While these requirements all increase the cost of housing, they are consistent with current market demand and similar to requirements in other Bay Area communities. The Planning Commission and City Council may reduce parking requirements on a case-by-case basis.

The Subdivision Code requires cross gutters; curbs and gutters; sidewalks; street name signs and traffic control signs; street paving; street trees; ornamental street lighting system; sanitary sewage collection and pumping system; water distribution and fire protection system; storm

<sup>1</sup> The City requires 300 cubic feet of secure storage space per dwelling unit which is typically located in a portion of the carport, garage or balcony. This is an important amenity in apartment living, and does not substantially add to the development cost or the rental cost of a unit.



## Constraints to the Development of Housing

water drainage system fences along lot line adjacent to proposed or existing surface water drainage channels; fences and landscaping along rear lot lines of lots backing upon streets or highways; off-tract improvements, wherever such improvements are required for the general health, safety and welfare, and where conditions necessitating such improvements are caused or aggravated by the subdivision; and the dedication of rights-of-way or granting of easements when necessary for the proper layout and maintenance of facilities. All of these requirements, with the exception of the requirement for “ornamental” street lighting, are necessary for the health and welfare of those living in the subdivision or to mitigate impacts on the surrounding community. Some of the requirements, such as those for street paving, street name signs and traffic control signs would have little impact on housing construction, as the street network is already completed in most areas of the city.



## Market Constraints

Land costs, construction costs, and market financing contribute to the cost of housing development and reinvestment, and can potentially hinder the production of new affordable housing. Although many constraints are driven by market conditions, jurisdictions have some ability to institute policies and programs to address the constraints.

### Development Costs

Land and construction costs represent the most significant barrier to the construction of new affordable housing. In 2011, land costs in Sunnyvale for sites suitable for residential development were noted to be in the range of \$3 to above \$4 million per acre. A price of \$3 million per acre results in land costs of \$71,429 per unit at an assumed density of 42 units per acre, based on a typical three- to four-story building over podium parking.<sup>2</sup> Assuming a 950 square-foot apartment unit, this per unit land cost would translate to \$75 per usable square foot of living space. Most available sites also require demolition and site remediation expenditures, in addition to acquisition and construction costs. Sunnyvale has a history of assisting with site acquisition for affordable housing projects, providing low-interest acquisition and/or development loans to non-profit housing providers and various other forms of assistance in exchange for long-term affordability covenants. For example, the City provided a long-term ground lease of City property to MidPen Housing in 2009 for development of the 124-unit Fair Oaks Senior Housing project. In 2007 the City provided an acquisition loan of \$2.1 million for acquisition of a 20-unit rental property known as Garland Plaza, which has now been rehabilitated and restricted as affordable housing, and more recently, in 2013, the City provided Charities Housing and MidPen Housing each with a long-term ground lease of City property to allow development of two affordable housing projects at the former site of the National Guard armory in Sunnyvale.

Construction costs vary widely according to the type of development, with multi-family housing generally less expensive per unit to construct than single-family homes. However, there is wide variation within each construction type depending on the size of unit and the number and quality of amenities provided. Single family construction costs were not considered in the affordable housing fee study cited above, as it is not feasible at this point in time to provide single-family homes as affordable housing due to the high land costs. However, that study estimated the total development cost for a typical affordable apartment development at \$436,621 per unit, inclusive of land. These cost estimates are consistent with those reported by developers of multi-family projects under development in Sunnyvale just prior to completion of that study. A reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) could slightly lower the cost of development. In addition, prefabricated factory-built housing could reduce construction and labor costs to some extent. One of the affordable housing projects currently under construction at the armory site, the Parkside Studios project, is using modular studio units that are fabricated entirely off-site, which will save both construction costs and time.

<sup>2</sup> Economic and Planning Systems, Nexus-Based Affordable Housing Fee Analysis for Rental Housing, Prepared for City of Sunnyvale, June 3, 2013.





Another factor related to construction costs is the number of units built at one time. As the number increases, overall costs generally decrease as builders can benefit from economies of scale.

### Mortgage and Rehabilitation Financing

The availability of financing in a community depends on a number of factors, including the type of lending institutions active in the community, lending practices, rates and fees charged, and equal access to financial institutions. Through analysis of Home Mortgage Disclosure Act (HMDA) data on the disposition of residential loan applications, an assessment can be made of the availability of residential financing within a community.

Table 40 summarizes HMDA data for both Sunnyvale and Santa Clara County as a whole, providing information on the approval status of all home purchase and home improvement loan applications during 2007. Of the total of 2,931 applications for conventional home purchase loans in Sunnyvale, 76 percent were approved, 15 percent denied, and 9 percent withdrawn or incomplete. In comparison to the County-wide average, mortgage loan approval rates were higher in Sunnyvale (76%), than the County (70%). Approval rates for home improvement loans were also higher in Sunnyvale than Santa Clara County as a whole, at 66 percent compared to only 59 percent County-wide. Staff has been unable to obtain more recent HMDA data aggregated to the city and county levels.

Table 40: Home Purchase and Improvement Loans - 2007

Loan Type	# Loan Applications in Sunnyvale	% Loans Approved		% Loans Denied		% Loans Withdrawn/Incomplete	
		Sunnyvale	Santa Clara County	Sunnyvale	Santa Clara County	Sunnyvale	Santa Clara County
Home Purchase	2,931	76%	70%	15%	20%	9%	10%
Home Improvement	350	66%	59%	24%	29%	10%	12%

Source: Home Mortgage Disclosure Act (HMDA) data, 2007.

Review of mortgage loan denial rates by census tract identifies several areas in Sunnyvale with denial rates at or nearly twice the city-wide average of 15 percent. These census tracts<sup>3</sup> include: tract 5048.05 (30% of total 198 loan applications denied); tract 5087.04 (30% of total 50 loan applications denied); and tract 8086.01 (28% of total 85 loan applications denied).

To address potential constraints and expand homeownership and home improvement opportunities, the Sunnyvale offers and/or participates in a variety of programs. These include the City's First Time Home Buyer Loan Program, as well as rehabilitation programs for single-family homes and rental properties. Such programs assist lower- and moderate-income residents

<sup>3</sup> The geographic boundaries of the 3 identified census tracts are as follows: CT 5048.05 N- Mt View Alviso, S- Lakebird Dr, W- Fair Oaks, E- Lawrence Expressway; CT 5087.04 N- Hwy 101, W- Fair Oaks, E- City limits; CT 5086.01 N- Central Expressway, S- El Camino Real, W- Mary Ave, E- Mathilda



by increasing access to favorable loan terms to purchase or improve their homes. The Housing Plan provides more detailed information on the type and extent of programs available.

## Environmental Constraints

Environmental constraints and hazards affect, in varying degrees, existing and future development in Sunnyvale. Discussed below are the major environmental hazards in the City, as summarized from the 2008 Seismic Safety and Safety Sub-element of the General Plan. The City's General Plan recognizes these hazards and identifies programs to minimize them.

### Geologic and Seismic Hazards

Sunnyvale is subject to the effects of earthquakes due to its location in the Santa Clara Valley which is traversed by several active earthquake faults, including the San Andreas Fault, the Hayward-Rodgers Creek Fault and the Calaveras Fault. Lying beneath Sunnyvale are thick layers of sand, gravel and clay, known as alluvium, which amplify the effects of earthquakes. To improve the seismic safety of buildings in the less stable soil areas of the City, geotechnical reports are now required for all developments in the City. The City actively participates in the State of California Seismic Hazards Mapping Program. All geotechnical reports received by the City are forwarded to the State of California for additional review.

Un-reinforced masonry (URM) buildings are particularly susceptible to ground shaking. In compliance with URM legislation enacted 1986, Sunnyvale is continuing to perform hazard mitigation on URM buildings. Only ten URM buildings remain in Sunnyvale, all of which are located in the South Murphy Avenue historical area which is exempt from the State URM legislation; none of these URM's are residential structures.

### Flood Hazards

The majority of Sunnyvale is located within the 100 year floodplain, although a 100-year flood event has never occurred in the City. The Santa Clara Valley Water District maintains Calabazas Creek, Stevens Creek, and the Sunnyvale East and West flood control channels, and has made numerous improvements to the channels to increase their capacity. These channels coupled with the City's extensive 150 mile storm drain system take the majority of surface run-off to the Bay. In addition, low lying areas in the northern areas of the City are assisted by two pumping stations. Within the next few years, the Santa Clara Valley Water District has planned additional improvements to local creeks to ensure they will be able to contain the runoff from a 100 year flood.

Sunnyvale enforces specific building code requirements in the flood prone areas to minimize potential property damage, including minimum foundation pad heights above the projected flood depth as specific on the Flood Insurance Rate Map (F.I.R.M.). The City participates in the National Flood Insurance Program Community Rating System, and has maintained a Class 8 CRS rating, enabling property owners to obtain a discount on flood insurance premiums.

Without the present system of dikes and levees, parts of Sunnyvale would be subjected to flooding by tides. Were these dikes and levees to fail or their banks overflow, tidal flooding could occur. In 2006, the City's Department of Public Works completed a capital improvement



project to repair and strengthen the levees surrounding the holding ponds, reducing the chance that the levees would fail in the event of a major earthquake.

### **Fire Hazards**

Sunnyvale has a relatively low risk factor for fire loss and past fire experience has demonstrated Sunnyvale to be a relatively fire-safe community. The City maintains a trained and well-equipped fire service to respond to fires and other incidents. While the potential for extraordinary disaster always exists, and while the aging process of the City and its buildings will have some adverse impact on fire loss, the overall environment is comparatively fire-safe.

### **Hazardous Materials**

A decline in manufacturing facilities in Sunnyvale and changes in the manufacturing processes has resulted in a lower overall volume of hazardous materials stored and used within the City. The highest hazard facilities, those with larger quantities of hazardous materials or materials having greater toxicity, are located in the industrial area in the northern part of the City. The primary risks to the community are spills and releases of hazardous materials from an onsite accident, a transportation accident, an act of terrorism, or a seismic event. Regulatory controls are in place to minimize the probability of releases occurring as a result of these incidences.

### **Aviation Hazards**

Sunnyvale lies in the landing pattern of Moffett Federal Airfield and, during south winds, planes take off over heavily- developed areas. Risk of future accidents exists even though the Navy's usage of Moffett Field as a Naval Air Station ended in 1994. Other than the potential for aircraft accidents, noise is the most significant concern of residents. Allowable land uses around Moffett Field are determined by accident potential and noise level.

### **Impact of Environmental Constraints on Development**

In summary, while Sunnyvale is subject to the environmental constraints described above, the City's Seismic Safety and Safety Sub-element sets forth a series of actions to minimize these constraints. Sunnyvale incorporates this knowledge of safety hazards into its land use planning and development review processes.

Environmental impact reports (EIRs) were prepared for the two most significant areas of future residential development in Sunnyvale – Industrial to Residential (ITR) sites and the Downtown Specific Plan – and concluded these areas were suitable for residential use. One of the primary criteria under the ITR program for designation of industrial sites for housing was suitability for residential development. The findings in the ITR “Futures Study” EIR state that with the recommended mitigation measures, development of housing on the identified sites would not have a significant adverse impact on the environment.

EIRs prepared for both the Downtown Specific Plan and ITR sites are Program EIRs which are based on the concept of “tiering”, which means that as project proposals are made on specific sites, the need for additional environmental analysis will be determined. If a proposed project has the potential for impacts which exceed those discussed in the Program EIR, additional environmental analysis is required.



PAGE INTENTIONALLY LEFT BLANK



# HOUSING OPPORTUNITIES

## Availability of Sites for Housing

ABAG has determined the projected housing need for its region for the 2009-2014 Housing Element cycle, and has allocated this housing need to each jurisdiction by income category. This Regional Housing Needs Assessment (RHNA) represents the minimum number of housing units each community is required to plan for by providing “adequate sites” through the general plan and zoning. An important component of the Housing Element is the identification of adequate sites for future housing development, and evaluation of the adequacy of these sites in fulfilling the City’s share of regional housing needs (RHNA). Sunnyvale has a RHNA allocation of 5,452 units distributed among the following income groups: 1,640 very low income; 906 low income; 932 moderate income; and 1,974 above-moderate income units.

The City plans to fulfill its share of regional housing needs using a combination of the following areas:

- Vacant and underdeveloped residential sites;
- Redevelopment opportunity sites in the Industrial to Residential (ITR) areas;
- Mixed use zones in the Downtown Specific Plan and Lakeside Specific Plan Areas; and
- Redevelopable Commercial/Mixed Use Zones in the El Camino Real Precise Plan Area.

Together, the above areas comprise the adequate sites inventory with capacity for development of a total of 5,849 dwelling units. Among these sites, there is sufficient acreage zoned at the default “Mullin” density of 30 units or more per acre to allow for development of 1,640 very low income and 1,052 low income units; sufficient acreage zoned for 15 units or more per acre to allow for development of 1,183 moderate income units; and sufficient acreage at lower densities to allow for development of 1,974 above-moderate income units, as described in more detail in the following narrative. Parcel-specific site inventories are included in Appendix B.

### **Vacant and Underutilized Residential Sites**

The City staff has conducted a comprehensive review of all vacant and underutilized sites currently zoned for residential use using the City’s GIS database. The results of this analysis are presented in Table 41, with the parcel-specific inventory included in Appendix B.

Only one truly vacant residential site remains in Sunnyvale – the 9.27 acre site known as the “Corn Palace” located along the Lawrence Expressway. This site, comprised of one parcel, is currently used for a farm stand. Based on the existing land use designation (R-Low-Medium) and an assumption that a significant percentage of the land area would go towards new public streets, this site is estimated to have capacity for development of approximately 96 new homes.

Throughout most of Sunnyvale’s residential zoning districts, there are older, underutilized properties developed with fewer units than are permitted under zoning. With the lack of vacant land remaining in Sunnyvale, redevelopment of such lots is an important source for future



housing. For purposes of identifying underutilized parcels suitable for redevelopment within the five year planning period of the Housing Element, the following criteria were used: 1) the net increase in units achievable under a “realistic” zoning density is more than twice the existing number of units; 2) the existing structure is over 30 years of age; and 3) the ratio of on-site improvements (i.e. the structure) to the total value (the structure and the land) is generally less than 50 percent. As presented in Table 41, a total of nearly 48 acres of vacant and underutilized residential property have been identified. Given the high land cost in the Silicon Valley, the market has supported residential recycling and intensification in Sunnyvale’s residential neighborhoods for many years. For example, since 2010, the city has approved more than twenty residential infill projects in various zones (see Table B-5 in Appendix B).

Several examples of development projects on underutilized sites (residential, mixed use, or other) which are typical of current development trends include:

- A project approved in December 2013 consisting of the development of 105 apartment units on two parcels with a total of 1.6 acres, located at 455 South Mathilda Avenue, in Block 14 of the Downtown Specific Plan. This project involved parcel assemblage, demolition of occupied commercial structures, and a State density bonus for affordable housing. The occupied commercial buildings included a three-story occupied office building and a single-story, multi-tenant commercial building fronting on Mathilda, and several paved parking lots. All of the structures have now been demolished, a building permit has been issued, and construction of the project is expected to begin before the end of 2014.
- A project approved in December 2013 consisting of the development of 85 town homes on seven parcels with a total site area of 4.02 acres, located at 617 East Arques Avenue in north Sunnyvale. The existing structures to be demolished on the site included 54,000 square feet of occupied structures including several light industrial uses, a commercial warehouse, a restaurant, and a nine-unit apartment building.
- A project approved in July 2013 for development of 117 apartments on two commercial parcels with a total site area of 2.3 acres, located at 457 East Evelyn Avenue in the Downtown Specific Plan area. The existing structures on the site included two occupied multi-tenant commercial buildings with a total of 31,000 square feet in floor area. Construction of the project began in May 2014 and is expected to be completed by Spring of 2016. This project involved parcel assemblage, a green building density bonus, a State density bonus for affordable housing, and demolition of two large commercial structures with various business tenants.

Examples of recent projects approved or recently proposed on primarily residential underutilized sites, many of which included assemblage of several smaller sites by the developer, is provided in Table B-6 in Appendix B. These projects, which are in various stages of completion or pending City approval, could provide a combined total of 221 net new dwelling units in twelve projects with a combined site area of just over ten acres. In addition, Table B-6 also provides examples of infill projects on non-residential and/or mixed use sites which involved clearance of various non-residential and/or residential structures, most of which were occupied at the time of application, similar to the examples provided above. The development trends demonstrated by



these examples are consistent with the City's projections of future rates of development on the underutilized sites in the Sites Inventory.

The City's approach to assessing the number of units that can be achieved on underutilized parcels is based on a realistic density of between 75 to 85 percent of the density allowed based on the zoning or land use designation, whichever is higher. Sunnyvale's General Plan states all new residential development should be built to at least 75 percent of permitted zoning density as a means of achieving the development form envisioned under the General Plan. Following the City's density policy, for the purpose of determining site development potential, realistic densities have been assumed at 75 percent of maximum density for sites with low to medium density residential zoning and/or land use designations.

Within high-density residential areas (R-4 and R-5 zones), the City encourages the greatest residential densities and development trends evidence projects being developed at close to the maximum zoned densities. For example, a high-density apartment development was completed in 2012 at 1287 Lawrence Station Road. This 6.63 acre site is zoned R-5/PD/MU and was approved for 338 apartments and live-work units in addition to 16,000 square feet of commercial and retail space, resulting in a density of 51 units/acre. Therefore, the realistic densities for these higher density zones have been increased and assumed at 85 percent of maximum density.

Utilizing these assumptions for realistic density, the 48 acres of vacant and underutilized residential property suitable for near-term redevelopment can accommodate a net increase of 703 new units. The greatest opportunity for additional units lies in the medium-density R-3 zone and high density R-4 zone where condominiums, townhomes and apartments are the preferred development types. The areas with zoning and/or general plan land use designations which allow at least 30 dwelling units to the acre, as shown on the "R-High" row of Table 41, meet the densities required to facilitate the development of housing affordable to low or very low income households.



Table 41: Vacant and Underutilized Residential Sites

General Plan Land Use Designation	Total Acreage	Max. Density (du/acre)	Realistic Density (du/acre)	Unit Potential (based on realistic density)
<b>Vacant Sites</b>				
R-Low Medium (LM)	9.3	14	10.3	96
<b>Underutilized Sites</b>				
R-Low	7.5	7	5	33
R-LM	7.9	14	10.5	68
R-Med	10.6	27	20	146
Office (R-2)	1.2	12	9	9
R-High	11.1	45	38	351
<i>Underutilized Subtotal</i>	38.3	<i>n/a</i>	<i>n/a</i>	607
<b>Total</b>	<b>47.5</b>	<b>n/a</b>	<b>n/a</b>	<b>703</b>

Source: City of Sunnyvale CDD (April 2014)

### Industrial to Residential (ITR) Sites

The 1993 Futures Study identified several of the City's older underutilized industrial sites for planned redevelopment with residential uses, while directing higher intensity industrial development to other areas more suitable over the long-term for such uses. The result of the Futures Study was the establishment of the Industrial to Residential Combining District (ITR), the purpose of which is to allow industrial, office, commercial and residential uses to exist within the same zoning district, and to encourage ITR areas to gradually convert to residential uses.

Sites were selected for ITR zoning based on their suitability for residential development (all are located adjacent to residential neighborhoods); the probability of redevelopment based on a predominance of older, underutilized light industrial uses; how well the site could support higher density residential along existing and proposed transit lines; and how well the site helps create a neighborhood with a mix of uses. In 2007 an additional ITR area was added; the ITR Combining District at that time included approximately 320 acres, and could accommodate up to 7,700 dwelling units. By January 2009, approximately 1,700 units had either been constructed or had received building permits within the ITR areas. For purposes of demonstrating the viability of residential development in the ITR areas, the 2009 Housing Element included a series of maps outlining the ITR boundaries and identifying the extent of residential development in each of these areas (refer to Appendix B of the 2009 Element). The ITR sites provided the greatest opportunity for additional residential development within Sunnyvale during the 2007-2014 planning period. Many of these areas were redeveloped with residential projects during that period, so the current sites inventory in Appendix B includes just one map that covers all remaining ITR sites.

In addition to market support for residential development, several other factors promote residential development within the ITR areas. ITR zoning limits the intensity of industrial





development to 0.35 FAR, whereas a far greater intensity of residential development is permitted – either 24 or 36 units per acre, depending on whether it is combined with an R-3 or R-4 zoning district. Once residential uses are developed within an ITR area, the City's Noise Ordinance requires remaining industrial uses to comply with a more stringent noise standard based on their adjacency to residential uses. In the nearly twenty years since ITR zoning has been in place, only one site has been redeveloped with an industrial use. In various ITR projects approved since 2011, a total of 1,056 residential units have been completed or are in various stages of development. The existing uses on ITR sites are predominately Class C industrial buildings, defined as older properties that have not been renovated – their condition is typically fair but not considered good. Given the under-investment in the older industrial buildings in the ITR areas, combined with the significantly higher value of residential uses, the existing developed uses in the ITR areas have not served as an impediment to residential development.

There are currently eight key ITR areas throughout the City, the majority of which are combined with R-3 and R-4 zones and planned for condominiums, townhomes, and apartments. The remaining residential sites in the ITR areas have been identified by removing sites that have already been developed or entitled. The remaining sites available for development have been reviewed and updated development assumptions made. As illustrated in Table 42, potential remains for development of more than 2,900 additional multi-family units in ITR areas. Staff estimates that 1,970 of these units will be developed on sites with allowable densities of at least 30 units to the acre.

Table 42: Industrial to Residential (ITR) Areas

General Plan	Zone	Acreage	Realistic Density	Net New Units
Residential High	R-4	9.2	31	436
ITR Mix	R-4	11.9	31	416
ITR Mix	MS/R-3	11.8	20	386
ITR Mix	C2	3.2	27	87
ITR Med	MS/R-3	66.1	20	1,267
ITR Med	C1/R-3	1.3	20	26
ITR High	MS/R-4	11.3	31	308
<b>Total</b>		<b>114.7</b>		<b>2,926</b>

Source: City of Sunnyvale CDD, April 2014.

### Downtown Specific Plan

The Downtown Specific Plan (DSP) was originally adopted in 1993 and was updated in 2003. The goal of the DSP is to rebuild downtown Sunnyvale as a traditional downtown, a vibrant, pedestrian-friendly center for shopping, working, living and entertainment. Redevelopment has been in progress for a number of years within the core area, including redevelopment of the former low-rise Town and Country shopping center into two large apartment projects with ground-floor retail, known as Solstice and Carmel Lofts. Together these two projects include more than 400 apartments and 35,000 square feet of retail space. Occupancy of the Solstice



Apartments began in late 2013, and many of the storefronts have been leased and will open soon with caf  s, restaurants and shops. Carmel Lofts began leasing in spring of 2014.

Construction of a mixed use retail/office/residential project on the large center portion of downtown, commonly known as the Town Center Mall, began in 2008. That project includes 292 residential condominiums, up to one million square feet of retail space and 320,000 square feet of office space. The Target store was rebuilt and completed in 2009. The office buildings were completed in 2010 and were occupied by Nokia and Apple in 2010 and 2012. Several additional higher density developments have been approved more recently, including two projects on Evelyn Avenue approved in 2013 with a total of 184 apartments. This project took advantage of the density bonus, and will provide 14 units affordable to very low income households. Another project of 105 apartments on the 400 block of South Mathilda Avenue, approved in late 2013, also received a density bonus, and will include 5 units affordable to very low income households. The development of downtown continues to be a priority for the City.

The DSP is organized into four main districts to promote a mix of uses to create a lively street scene, increase walkability, reduce dependence on the automobile, and provide for higher-density housing in proximity to mass transit. In addition, a DSP goal is to encourage below-market-rate housing in all residential neighborhoods. The four DSP districts are: the Commercial Core District, Sunnyvale/Carroll District, South of Iowa District and West of Mathilda Avenue District. In addition to the nearly 300 units with exterior shells completed on block 18 in the Town Center, the greatest opportunities for higher-density residential development are focused on remaining blocks: Blocks 1A, 4, 5, 6, 10, 11, 13, 14, 15, 16, and 20. Within these blocks, the Specific Plan provides for the development of 1,019 net new units, as illustrated in Table 43 on the following page. This residential development potential is in addition to the amount of commercial development permitted in each block; in other words, development of commercial uses does not reduce the amount of residential permitted under the Specific Plan.



Table 43: Downtown Specific Plan (DSP) and Lakeside Specific Plan (LSP) Areas

Block/Plan Area	Zone	Acres	Net Potential # of Units
LSP	LSP	5.5	250
DSP 1A	DSP	0.5	23
DSP 4	DSP	1.4	61
DSP 5	DSP	0.5	44
DSP 6	DSP	3.0	69
DSP 10	DSP	2.6	17
DSP 11	DSP	3.3	18
DSP 13	DSP	6.7	19
DSP 14	DSP	3.2	171
DSP 15	DSP	2.7	143
DSP 16	DSP	3.3	165
DSP 20	DSP	2.5	39
<b>Total</b>		<b>33.5</b>	<b>1,019</b>

Source: City of Sunnyvale CDD, April 2014

\* Maximum residential units are in addition to the commercial development potential within each block.

Blocks 14, 15 and 16 are zoned for Very High Density Residential (51-58 dwelling units per acre) and require a minimum lot size of 0.75 acres. Development on these three blocks is projected to occur at densities at or above 30 units per acre, for a total of 479 units. A development located on 1.6 acres within Block 14 has already been entitled for 105 units with a density bonus, but building permits have not yet been issued, therefore it will be counted in the 2015-2023 cycle, so those units have been included in the 171 unit estimate shown above.

The purpose of the minimum lot size is to assure the desired density is achieved. Ideally, the blocks would be developed with no more than three projects, however the Code would allow up to four separate developments per block. Each block is approximately three acres in size, with individual property ownership ranging from 3 to 50 percent of the land area per block. However, each block has at least one property owner that could redevelop their site in accordance with the specific plan without any further land assemblage. Most of the properties are commercially owned and used or are rental dwellings (i.e., only three of the 30 properties are home-owner occupied); this ownership pattern assists in the aggregation of land.

The City purchased 5 parcels in Block 15 many years ago (one-quarter of the land area) and has been land-banking these properties since that time to facilitate future land assemblage and development. A major residential developer has recently expressed interest in redeveloping Block 15 and submitted a preliminary review application in 2014. The City will continue to encourage site assembly in the Downtown by continuing to publicize the downtown redevelopment potential made possible by the DSP through City channels such as the “Downtown Redevelopment Information” webpage, KSUN, and public meetings regarding the status of redevelopment.



### **Lakeside Specific Plan**

In 2005, the City Council adopted the Lakeside Specific Plan to facilitate redevelopment of an 8.8 acre site currently developed with an older, low rise hotel with development of a mixed use hotel and residential project. Given the site's prime location adjacent the Lawrence Expressway and Highway 101, as well as a number of City amenities and visitor attractions, redevelopment of the site can provide significant economic benefits.

The addition of residential development as a component of the overall hotel development program is recognized as having the beneficial effect of making the site attractive to hotel visitors as well as to residents. The projected resident population will provide an increased level of on-site activity through an extended period of the day and into the evening. Hotel visitor amenities, such as the restaurant and support retail, benefit from and are an attraction for nearby residents, who also are potential customers. Moreover, people using the open space associated with the adjacent lake provide an increased sense of safety and interest for everyone.

The stated goals of the specific plan are as follows:

- Create a dynamic, economically viable hotel and residential development project that is beneficial to the City's economic base and which will complement the quality and high intensity character of the neighborhood;
- Create housing that increases the diversity of unit types in tenure, type, size, and location to permit a range of choice for all current residents and those expected to become city residents. The mix of these higher density units, both in terms of size and affordability, shall provide for a variety of future residents. The project shall expand the City's commitment to improving the jobs/housing ratio;
- Create a place that encourages quality architectural and landscape design, that improves the City's identity, and that inspires creativity in utilizing opportunities to strengthen sensitive neighborhoods.

The residential development potential of the area, which includes approximately 5.5 acres for residential use, is estimated at approximately 250 dwelling units, as shown in Table 43. The specific plan allows for development of several residential buildings of up to seven stories in height, with units ranging in size from one to three bedrooms. If the project is developed for sale as condominiums, it will be required to sell 12.5 percent of the units as affordable, Below Market Rate homes.

### **El Camino Real Precise Plan**

El Camino Real is the primary commercial corridor of the City and is also State Highway 82. A plan for the corridor, the "Precise Plan for El Camino Real," was adopted in 2007 in order to achieve the following goals:

- ✓ Establish a common vision for El Camino Real;
- ✓ Provide design guidelines for use by property owners, developers and the City in considering the redevelopment or rehabilitation of properties along El Camino Real;



- ✓ Highlight development opportunities in certain locations known as “Nodes”, where more intense mixed-use development will be encouraged,
- ✓ Emphasize the importance of enhancing the street character of El Camino Real by developing a unifying design to provide a distinct aesthetic standard for the corridor.

A number of mixed use developments already exist within this plan area, such as the large “Cherry Orchard” mixed use development, which includes a high density apartment complex as well as a retail center with shops and restaurants. In recent years, several additional mixed use developments have been approved or proposed along the corridor consistent with the Precise Plan, including: a mixed use development of 103 town homes and a 145-room hotel, both of which were nearing completion in April 2014; a mixed use project approved in December 2013 at 1095 W El Camino Real with 175 rental apartments in a four-story building and a three-story, 40,000 square foot office building; and an application submitted but not yet approved for 112 dwelling units and 32,500 square feet of retail space at 833 West El Camino Real. Table 44 provides a summary of the estimated residential development potential that remains within the Precise Plan area, by node. There is no residential density limit for sites within this corridor, all of which are zoned C2, which allows for commercial and mixed use development.

Table 44: El Camino Precise Plan Area

<b>Node</b>	<b>Zone</b>	<b>Acreage</b>	<b>Net New Units</b>
Western	C2	24.5	239
Downtown	C2	37.1	484
Community Center	C2	20.8	152
Eastern	C2	11.8	170
Not in Node	C2	3.8	156
<b>Total</b>		<b>98.0</b>	<b>1,201</b>



### Residential Development Potential Compared with RHNA

As presented in Table 45, Sunnyvale's regional housing need allocation (RHNA) for the 2015-2023 period is for 5,452 new units. Table 45 compares Sunnyvale's RHNA of 5,452 units with the City's residential sites inventory, which provides for a total of 5,849 units. This unit potential is derived from the following:

- Capacity for 703 units on vacant or underutilized residentially zoned sites. Approximately 11 acres among these sites have allowable densities of thirty or more units per acre, which is presumed adequate to allow for development of 351 units affordable to low or very low income households;
- Capacity for up to 2,926 units within the ITR areas, including approximately 66 acres at densities sufficient to allow development of 1,970 units affordable to very low and low income households.
- Capacity for 1,019 units within the Downtown Specific Plan and Lakeside Specific Plan areas, including enough sites for 729 units at densities suitable for very low and low income housing;
- Capacity for up to 1,201 units within the El Camino Real Precise Plan area. Among these sites, densities are adequate to support development of 156 units affordable to low and very low income households.

Table 45: Comparison of Regional Housing Need Allocation (RHNA) and Residential Sites

Income Group	Total RHNA	Total Sites Available	Allowable Density
Very Low *	1,640	1,640	30+ Units/Acre
Low	906	1,052	
Moderate	932	1,183	15+ Units/Acre
Above Moderate	1,974	1,974	No Minimum Density
<b>Total</b>	<b>5,452</b>	<b>5,849</b>	

*\* 50% of Very Low units/sites are Extremely Low units/sites.*

In terms of evaluating the adequacy of these sites to address the affordability targets established by the RHNA, Housing Element statutes use a concept known as the “default densities” to assess affordability. Based on its population size, the default density for Sunnyvale is at least 30 units per acre for providing units affordable to extremely low, very low and low income households. Sites zoned R-4 and/or with land use designations of High Density Residential, and certain sites identified within the Downtown Specific Plan, Lakeside Specific Plan, and El Camino Real Precise Plan, as shown in Appendix B, allow densities in this range, and have been counted as sites that can accommodate development of housing affordable to very low and low income households. For moderate income households, the default density is 15 units per acre. Sites with R-3 zoning or Medium Density Residential land use designations, as well as sites in the Downtown Specific Plan that allow medium density residential development meet this density threshold. Sites zoned R-0, R-1.5, and R-2 were counted as sites for above-moderate income housing. Collectively, the sites identified in the Sites Inventory provided in Appendix B are sufficient to meet the City's RHNA in all the income categories.

**Availability of Infrastructure and Public Services**

All of the identified housing sites are surrounded by developed land and have the necessary infrastructure and services in place to support development. In 2008, the city updated the Water Resources Element of the General Plan, which confirmed the availability of water supplies to serve projected growth. More specifically, the Element states that sufficient water supplies exist to serve ABAG projections of an increase in nearly 20,000 residents in Sunnyvale by the year 2025. Any potential increase in water demand from new developments will be met from contractual arrangements the City has with San Francisco Public Utilities Commission (SFPUC), Santa Clara Valley Water District and groundwater.

In 2009, the City entered into a 25-year individual Water Supply Contract with SFPUC which includes an Individual Supply Guarantee (ISG) of 12.58 million gallons per day (MGD). Although the Water Supply Contract expires in 2034, the ISG (which quantifies San Francisco's obligation to supply water to its individual wholesale customers) survives the contract's expiration and continues indefinitely. The Sunnyvale contract also includes a minimum purchase amount of 8.93 MGD (10,003 acre-feet per year), which Sunnyvale agreed to buy, regardless of whether sales drop below this level. The City also has seven active wells that could be utilized to supplement increased demands.

Sunnyvale also has sufficient wastewater capacity within its collection system and treatment plant to serve all development included in the General Plan build-out projections. The City's Wastewater Management Sub-element identifies a 2001 wastewater flow of 16.2 million gallons per day (MGD), whereas capacity exists for 29.5 MGD. The shift in local industry from primarily manufacturing, which used significant amounts of water, to knowledge-based industries which do not use as much water, has resulted in a significant reduction in wastewater flows. In addition, aggressive conservation programs targeting residential and industrial customers have also resulted in decreased water demands and reduced flow to the wastewater plant.

SB 1087, which took effect in January 2006, requires water and sewer providers to grant priority for service allocations to proposed developments that include units affordable to lower income households. Pursuant to these statutes, upon adoption of its Housing Element, Sunnyvale will immediately deliver the Element to local water and sewer providers, along with a summary of its regional housing needs allocation.



## **Financial Resources**

Sunnyvale has access to a variety of existing and potential funding sources available for affordable housing activities. They include programs from local, state, federal and private resources. The following section describes the primary local and county housing funding sources to be available in Sunnyvale during the planning period. These include Housing Mitigation Funds, CDBG and HOME grants, BMR in-lieu fees, and others described below. Table 46 provides a more comprehensive inventory of potential federal, State, County and private funding sources.

### **Housing Mitigation Fund**

Since 1983, the City has collected a Housing Mitigation fee from specified industrial and commercial developments that exceed a floor area ratio of 0.35 as a means of mitigating the impact of job-producing development on the demand for affordable housing. Funds may be used for acquisition, rehabilitation, new construction, preservation of at-risk housing, down payment assistance, and related activities. Housing assisted with these funds is affordable to very low, low and moderate-income households, although the emphasis is on subsidizing rental housing affordable to very low income households. Some major uses of this funding in the 2007-2014 planning period included:

- ✓ \$4.5 million for the development of the 124-unit Fair Oaks Senior Housing project;
- ✓ \$2.1 million for acquisition of the 20-unit Garland Plaza Apartments;
- ✓ \$5 million for rehabilitation of the 211-unit Homestead Park Apartments;
- ✓ \$8.2 million for acquisition of sites for development of the Parkside Studios and Armory Family Apartments, which will include 47 units for homeless applicants
- ✓ Over \$1 million in contributions to the Housing Trust of Silicon Valley
- ✓ Provision of nearly 50 First Time Home Buyer Loans

### **Redevelopment Agency Low/Moderate Income Housing Fund**

The former Sunnyvale Redevelopment Agency (SRA) was created in 1975 to guide redevelopment in the central core of the city. State redevelopment law, prior to dissolution of redevelopment agencies in 2011, used to require these agencies to set aside 20 percent of the tax increment funds they collected to increase and improve housing for low and moderate-income households. These funds were deposited into a separate account known as the housing fund. Because Sunnyvale's former redevelopment agency was created before 1976, it was allowed to defer payments into this fund as long as its pre-1986 debt service payments exceeded the tax increment collected by the agency. The former RDA accounted for the amounts deferred from the housing fund each year, and must repay the deficit in the fund if and when any tax increment funds ever become available.

The dissolution of redevelopment agencies throughout California eliminated a significant source of future funding for affordable housing. Due to pre-existing debt obligations, the SRA had to defer payments into the Low and Moderate Income Housing Fund (LMIHF). Between fiscal year 1994 to fiscal year 2011, a liability of approximately \$14.7 million in deferred payments accrued





to the LMIHF. This liability is considered a housing asset to be administered by the City as the Housing Successor to the former SRA. Based on the State's repayment formula, it is currently projected that the LMIHF could receive reimbursement over a 15-year period starting as soon as fiscal year 2014-15. However, since the SRA still has a number of unresolved debts that could ultimately delay the reimbursement to the LMIHF, these projections are just preliminary estimates.

### **Below Market Rate (BMR) Housing In-Lieu Fees**

Sunnyvale's Below Market Rate (BMR) Home Ownership Program requires that 12.5 percent of homes developed in residential subdivisions or condominium developments (homes for sale) be sold as BMR units, at prices affordable to moderate-income home buyers. Developers of such projects may seek Council approval to pay an fee in lieu of providing the BMR homes (the BMR in-lieu fee). The BMR in-lieu fee, for developers of for-sale projects paying the fee rather than providing any BMR units, is equal to 7 percent of the contract sales price of each home in the development. During the thirty-plus year history of the BMR Program, less than a handful of developers have opted to pay the fees, and thus these fees have not been a significant source of revenue for housing. However, a code amendment enacted in 2012 also created an option for developers to pay a fractional in-lieu fee rather than rounding their BMR unit obligation up to the next highest whole number. Since that time, a small but steady stream of fractional in-lieu fee revenue has been accruing in the fund, and is currently projected to fluctuate in the range of several hundred thousand dollars annually, depending on the number of new developments occurring. The current balance of the BMR sub-fund is approximately \$2 million, which includes more recent fractional in-lieu fee revenues, BMR administrative (transaction processing) fees, and revenues from in-lieu fee payments received some years ago. These funds may be used to develop additional affordable units and support administration of the BMR program.

### **Home Investment Partnership Act (HOME)**

As a HOME entitlement jurisdiction, Sunnyvale receives an annual HOME grant directly from HUD. HOME funds may be used for the construction, rehabilitation and acquisition of housing affordable to lower-income households, as well as for tenant-based rental assistance, which is similar to the Section 8 voucher program. The amount of these annual grants has declined dramatically since 2010, due to congressional efforts to cut back on domestic discretionary programs. The HOME grant awarded to the City for fiscal year 2014-15 is slightly over \$300,000, compared to grants of nearly \$800,000 in the years just prior to 2010. Given the very small amount of the grant at this time, these funds are no longer planned for use for major housing developments. In the last two years, the City has budgeted all of its new HOME grant funds for tenant-based rental assistance for homeless households. The City also received several large HOME loan payments in excess of \$1 million, which were almost immediately re-used to assist the development of two affordable housing projects at the former site of the Sunnyvale Armory: Parkside Studios and Armory Family Apartments. Such loan payments are received somewhat sporadically, so it is difficult to project how much income of this type will be received during the 2015-2023 planning period.

**Community Development Block Grant (CDBG)**

The CDBG program provides funding for housing and housing-related activities such as: property acquisition, housing rehabilitation, accessibility improvements, fair housing services, and public services benefiting lower income households. Because CDBG funds cannot be used for new construction, Sunnyvale has historically used most of its CDBG funds for housing rehabilitation and home improvement programs. In the last several years the City has begun using CDBG for employment development services for homeless people, as part of an effort to help them obtain jobs and housing. Sunnyvale receives a CDBG grant as an entitlement city, but the amount varies annually depending on how much is allocated to the program in the federal budget. The federal allocations for CDBG have also been declining in recent years, although not quite as sharply as those for HOME. The City has been allocated a CDBG grant of slightly over \$1 million for fiscal year 2014-15, a significant decline compared to the grant of over \$1.3 million received in FY 2010. However, the City continues to receive program income from the repayment of CDBG loans funded in prior years. These program income revenues typically range from \$150,000 to \$250,000 per year.

**Housing Trust of Silicon Valley (HTSV)**

HTSV is a non-profit organization created in 2001 through a cooperative effort of the private and public sectors, including the Collaborative on Homelessness and Affordable Housing, the Silicon Valley Manufacturing Group, Santa Clara County, Community Foundation Silicon Valley, and all 15 Santa Clara towns and cities. The purpose of the Trust is to increase the supply of affordable housing in Santa Clara County within three program areas: first-time homebuyer assistance, multi-family rental housing, and programs for homeless people with special needs. Funds are available for acquisition, rehabilitation, new construction, predevelopment costs and supportive housing services. Since the Trust's inception in 2001, it has raised \$75 million and leveraged over \$1.88 billion to create more than 9,953 housing opportunities. During that time, the Trust has provided down payment assistance loans to 183 Sunnyvale home buyers and provided development financing to four affordable housing projects in Sunnyvale, including Fair Oaks Senior Housing, Moulton Plaza, Socorro Home, and Plaza de las Flores.



Table 46: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
<b>1. Federal Programs</b>		
Community Development Block Grant (CDBG)	Block grants awarded to the City on a formula basis for housing and community development activities benefiting lower income households, eliminating blight, and creating jobs. Sunnyvale receives approximately \$1,300,000 in CDBG funds annually.	<ul style="list-style-type: none"> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ Home Buyer Assistance</li> <li>✓ Economic Development</li> <li>✓ Homeless Assistance</li> <li>✓ Public Services</li> <li>✓ Public Facilities</li> </ul>
HOME	Funding can be used to support a variety of low income housing activities.	<ul style="list-style-type: none"> <li>✓ New Construction</li> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ Home Buyer Assistance</li> <li>✓ Rental Assistance</li> </ul>
Section 8 Rental Assistance Program	Rental assistance payments to owners of private market rate units on behalf of very low income tenants.	<ul style="list-style-type: none"> <li>✓ Rental Assistance</li> </ul>
HUD Section 202	Grants to non-profit developers of supportive housing for the elderly.	<ul style="list-style-type: none"> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ New Construction</li> </ul>
HUD Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	<ul style="list-style-type: none"> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ New Construction</li> <li>✓ Rental Assistance</li> </ul>
<b>2. State Programs</b>		
Low-income Housing Tax Credit (LIHTC)	Tax credits are available to persons and corporations that invest in low-income rental housing. Proceeds from the sale are typically used to create housing.	<ul style="list-style-type: none"> <li>✓ Construction of Housing</li> </ul>
Multi-Family Housing Program (MHP)	Deferred payment loans to local governments and developers for new construction, rehabilitation and preservation of rental housing.	<ul style="list-style-type: none"> <li>✓ New Construction</li> <li>✓ Rehabilitation</li> <li>✓ Preservation</li> <li>✓ Conversion of nonresidential to rental</li> </ul>
Multi-Family Housing Program – Supportive Housing	Deferred payment loans for rental housing with supportive services for the disabled who are homeless or at risk of homelessness.	<ul style="list-style-type: none"> <li>✓ New Construction</li> <li>✓ Rehabilitation</li> <li>✓ Preservation</li> <li>✓ Conversion of nonresidential to rental</li> </ul>
Affordable Housing Innovation Fund	Funding for pilot programs to demonstrate innovative, cost-saving ways to create or preserve affordable housing.	<ul style="list-style-type: none"> <li>✓ Regulations pending</li> </ul>



Table 46: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
Infill Incentive Grant Program	Funding of public infrastructure (water, sewer, traffic, parks, site clean-up, etc.) to facilitate infill housing development.	<ul style="list-style-type: none"> <li>✓ Development of parks and open space</li> <li>✓ Water, sewer, or other utility service improvements</li> <li>✓ Streets, roads, parking structures, transit linkages, transit shelters</li> <li>✓ Traffic mitigation features</li> <li>✓ Sidewalks and streetscape improvements</li> </ul>
CalHFA Homebuyer Down payment Assistance Program	CalHFA makes below market loans to first-time homebuyers of up to 3% of sales price. Program operates through participating lenders who originate loans for CalHFA. Funds available upon request to qualified borrowers.	<ul style="list-style-type: none"> <li>✓ Homebuyer Assistance</li> </ul>
<b>3. Local Programs</b>		
Sunnyvale Successor Agency Housing Fund (former RDA Housing Fund)	Sunnyvale's current financial projections indicate that funds may begin accruing into this fund by 2017, depending on redevelopment in the downtown.	<ul style="list-style-type: none"> <li>✓ Acquisition</li> <li>✓ Rehabilitation</li> <li>✓ New Construction</li> </ul>
Silicon Valley Housing Trust	Housing trust fund created by private and public sector organizations. Sunnyvale has contributed funds to this fund almost every year since its inception. These funds are leveraged with Trust Fund resources to increase the amount of affordable housing that can be assisted.	<ul style="list-style-type: none"> <li>✓ Multi-family Rental Housing</li> <li>✓ Homebuyer Assistance</li> <li>✓ Special Needs Facilities</li> </ul>
Sunnyvale Housing Mitigation Fund	A fund that receives linkage fee payments from large development projects in the City to offset the impacts of projected job creation. The revenues received support various City housing projects, programs and activities.	<ul style="list-style-type: none"> <li>✓ New Construction</li> <li>✓ Rehabilitation</li> <li>✓ Acquisition/Preservation</li> <li>✓ Homebuyer Loans</li> </ul>
Sunnyvale BMR In-Lieu Fees	Fees paid by residential developers in lieu of providing affordable units in new developments.	<ul style="list-style-type: none"> <li>✓ New Construction</li> <li>✓ Rehabilitation</li> <li>✓ Acquisition/Preservation</li> </ul>
<b>4. Private Resources/Financing Programs</b>		
Federal National Mortgage Association (Fannie Mae)	✓ Fixed rate mortgages issued by private mortgage insurers.	✓ Home Buyer Assistance
	✓ Mortgages that fund the purchase and rehabilitation of a home.	<ul style="list-style-type: none"> <li>✓ Home Buyer Assistance</li> <li>✓ Rehabilitation</li> </ul>
	✓ Low Down-Payment Mortgages for Single-Family Homes in under-served low-income and minority cities.	✓ Home Buyer Assistance
Federal Home Loan Bank Affordable Housing Program	Direct Subsidies to non-profit and for profit developers and public agencies for affordable low-income ownership and rental projects.	<ul style="list-style-type: none"> <li>✓ New Construction</li> </ul>



## Administrative Resources

Described below are several non-profit agencies active in providing affordable housing in Sunnyvale. These agencies serve as resources in meeting the housing needs of the community.

**MidPen Housing Corporation (MPHC)** is a regional non-profit organization involved in the development, and acquisition and rehabilitation of affordable rental housing. MPHC also provides professional management services and on-site coordination of services to residents. MPHC has developed, acquired/rehabilitated and preserved numerous affordable housing projects in Sunnyvale, including Moulton Plaza, Aster Park, Garland Plaza, the Carroll Inn, Crescent Terrace, Morse Court, Homestead Park, and the Fair Oaks Senior Housing project. MPHC is currently developing the new 58-unit Armory Apartments project for very low income households.

**Charities Housing Development Corporation** is a non-profit affordable housing developer based in San Jose. CHDC developed 23 apartments for developmentally disabled tenants, the Stoney Pine Apartments, in 2001, and is currently building a new project in Sunnyvale known as Parkside Studios, which will provide 59 studios for very low income individuals, including homeless applicants. CHDC is also in the process of acquiring two group homes for seniors in Sunnyvale.

**Christian Church Homes of Northern California** develops and preserves affordable housing for seniors, and provides property management services and social service coordination. The City worked with Christian Church Homes in the acquisition and preservation of Plaza Las Flores as long-term affordable housing.

**First Community Housing** designs, develops and manages affordable housing. Located in San Jose, First Community focuses on providing sustainable housing, locating projects adjacent to transit corridors and providing free bus and light rail “Eco Passes” to tenants. Sunnyvale worked with First Community Housing in the development of Orchard Gardens Apartments.



## **Opportunities for Energy Conservation**

Conventional building construction, use and demolition along with the manufacturing of building materials have multiple impacts on our environment. In the United States, the building industry accounts for:

- ✓ 65 percent of electricity consumption
- ✓ 30 percent of greenhouse gas emissions
- ✓ 30 percent of raw materials use
- ✓ 30 percent of landfill waste
- ✓ 12 percent of potable water consumption

Interest in addressing these impacts at all levels of government has been growing. In 2004, the State of California adopted legislation requiring LEED (Leadership in Energy and Environmental Design) certification for new and renovated public buildings. Some local jurisdictions have not only adopted similar standards for their public buildings, but have also required LEED certification for larger commercial and residential developments.

LEED certification building standards are one piece of a coordinated green building program. Why would a city adopt a green building program? Most local building standards already consider energy and storm water issues. In addition, many jurisdictions have programs related to energy, recycling, water conservation, storm water management, land use, and public health. However, these programs are often overlapping and uncoordinated. One of the primary goals behind establishing a green building program is to create a holistic, integrated design approach to green building.

A green building program considers a broad range of issues including community and site design, energy efficiency, water conservation, resource-efficient material selection, indoor environmental quality, construction management, and building maintenance. The end result will be buildings that minimize the use of resources, are healthier for people, and reduce harm to the environment. Both the public and private sectors currently offer grants, refunds, and other funding for green building. In addition, developments built to green standards assist both the owners and tenants with energy and maintenance costs over time. The City adopted a green building ordinance in 2010. The new Title 24 standards which will become effective in July 2014 are expected to exceed the local green building requirements, however the City continues to encourage green building beyond that required by state regulations through use of incentives for green building.

### **Environmental Sustainability in Sunnyvale**

In 2006, Sunnyvale conducted a community feedback process as part of a visioning phase of the General Plan update. The community clearly stated a desire for the City to become a leader in environmental sustainability. This visioning process resulted in adoption of the following sustainability policy:



“A regional leader in environmental sustainability advocating to reduce dependence on non-renewable resources by providing greater transportation options, reducing waste, protecting our natural resources, and promoting alternative energy usage and research. We take environmental preservation and protection seriously and consider how each action will affect Sunnyvale for future generations.”

In response this sustainability policy, in 2007 the City developed a *Framework for Sustainability* to provide the “big picture” perspective on what the City is (and can be) doing to promote environmental sustainability. Part of this effort has involved the hiring of a full-time Sustainability Coordinator to coordinate the various environmental sustainability activities among City departments, and to leverage City funds through grants and partnerships with the private sector. Highlights of but a few of the City’s achievements include:

- ✓ Adoption of the 2007 Solar Energy Plan aimed at educating the public on solar and reducing institutional barriers to promote solar energy. Over 893 photovoltaic permits have been issued for solar panels in residential buildings since 2007.
- ✓ Partnership in Sustainable Silicon Valley and adoption of the Sunnyvale Climate Action Plan to report and reduce CO2 emissions.
- ✓ Creation of an economic development initiative to attract businesses in the clean and green industry, with a focus on energy generation and energy efficiency.
- ✓ Zoning incentives for sustainable industrial development, and integration of sustainability development requirements and incentives in the Specific Plan for the Moffett Park industrial area.
- ✓ Municipal Code provisions which promote sustainable practices, including energy requirements in Title 24 of the Building Code, and provisions that apply to storm water runoff, wood burning appliances, solar water heating, landscaping and sidewalk improvements
- ✓ Partnership with Acterra to provide eco-information and education to help Sunnyvale residents reduce their own greenhouse gas emissions. Through its “Green @ Home program,” community volunteers visit Sunnyvale households and perform basic home energy audits to calculate their carbon emissions and provide recommendations to reduce energy usage.
- ✓ Provision of up to \$25,000 Energy Efficiency Loans for low income homeowners to replace inefficient aging appliances, heating systems, windows, increase insulation, and undertake other types of weatherization improvements.

The City adopted its first Climate Action Plan on May 20, 2014.

The City’s commitment to sustainability was recognized by Popular Science magazine in its 2008 naming of Sunnyvale as the 13<sup>th</sup> greenest city in America. The ranking is based on National Geographic Society’s Green Guide, and considers the following factors for cities of over 100,000 population: renewable energy, transportation and trip reduction, reduction of CO2 emissions, recycling, and green living.



## **Energy Conservation Programs Offered through Local Utilities**

In addition to green building, Sunnyvale promotes energy conservation by advertising utility rebate programs and energy audits available through Pacific Gas and Electric, particularly connected to housing rehabilitation programs. Lower-income households are also eligible for State sponsored energy and weatherization programs.

### **Pacific Gas & Electric ([www.pge.com](http://www.pge.com))**

Pacific Gas & Electric provides both natural gas and electricity to residential consumers in Santa Clara County, including Sunnyvale. The company provides a variety of energy conservation services for residents and PG&E also participates in several other energy assistance programs for lower-income households, which help qualified homeowners and renters conserve energy and control electricity costs. These include the following:

- **The California Alternate Rates for Energy (CARE) Program** - Provides a 20 percent monthly discount on gas and electric rates to income qualified households, certain non-profits, facilities housing agricultural employees, homeless shelters, hospices and other qualified non-profit group living facilities.
- **The Relief for Energy Assistance through Community Help (REACH) Program** - Provides one-time emergency energy assistance to low income customers who have no other way to pay their energy bill. REACH aims to assist who are in jeopardy of losing their electricity services, particularly the elderly, disabled, sick, working poor, and the unemployed, who experience severe hardships and are unable to pay for their necessary energy needs. Customers who have experienced an uncontrollable or unforeseen hardship may receive an energy credit up to \$200.
- **The Balanced Payment Plan (BPP)** - Designed to eliminate big swings in a customer's monthly payments by averaging energy costs over the year. On enrollment, PG&E averages the amount of energy used by the household in the past year to derive the monthly BPP amount. PG&E checks the household's account every four months to make sure that its estimated average is on target. If the household's energy use has increased or decreased dramatically, PG&E will change the amount of monthly payment so that the household does not overpay or underpay too much over the course of a year.
- **The Low-Income Home Energy Assistance Program (LIHEAP) Block Grant** - Funded by the federal Department of Health and Human Services, it provides two basic types of services. Eligible low-income persons, via local governmental and nonprofit organizations, can receive financial assistance to offset the costs of heating and/or cooling dwellings, and/or have their dwellings weatherized to make them more energy efficient. This is accomplished through these three program components:
  - The Weatherization Program provides free weatherization services to improve the energy efficiency of homes, including attic insulation, weather-stripping, minor home repairs, and related energy conservation measures.





- The Home Energy Assistance Program (HEAP) provides financial assistance to eligible households to offset the costs of heating and/or cooling dwellings.
- The Energy Crisis Intervention Program (ECIP) provides payments for weather-related or energy-related emergencies.
- **The Family Electric Rate Assistance (FERA) Program** - PG&E's rate reduction program for large households of three or more people with low- to middle-income. It enables low income large households to receive a Tier 3 (131 percent to 200 percent of baseline) electric rate reduction on their PG&E bill every month.
- **Medical Baseline Allowance Program** - PG&E offers additional quantities of energy at the lowest (baseline) price for residential customers that have special medical or heating/cooling needs because of certain medical conditions.
- **Energy Works Program/Energy Partners Program** - The Energy Works Program provides qualified low-income tenants free weatherization measures and energy-efficient appliances to reduce gas and electricity usage. In order to qualify for the program, a household's total annual gross income cannot exceed the income as set in the income guidelines ([http://www.hacsc.org/energy\\_works\\_program.htm](http://www.hacsc.org/energy_works_program.htm)); households must receive gas and/or electricity from PG&E; and the residence did not participate in the Energy Partners Program in the past 10 years.
- **PG&E's SmartAC™ program** - This program offers a simple and convenient way to help prevent power interruptions. When customers sign up, PG&E installs a free SmartAC device that slightly reduces the energy the air conditioner uses automatically in case of a state or local energy supply emergency. PG&E customers get \$25 for signing up for the SmartAC™ program.



PAGE INTENTIONALLY LEFT BLANK



# HOUSING PLAN

The prior sections of the Housing Element establish the housing needs, opportunities and constraints in Sunnyvale. This Housing Plan section begins by evaluating the City's accomplishments achieved during the 2007-2014 planning period, and then presents Sunnyvale's goals, policies and programs for the 2015-2023 period.

## Evaluation of Accomplishments under the Adopted Housing Element

Under State Housing Element law, communities are required to assess the achievements under their adopted housing programs as part of the five-year update to their housing elements. These results should be quantified where possible (e.g. the number of units rehabilitated), but may be qualitative where necessary (e.g. mitigation of governmental constraints). The results should then be compared with what was projected or planned in the earlier element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be discussed.

This section reviews the City's progress to date in implementing these housing programs and their continued appropriateness for the 2009-2014 Housing Element. Table C-1 contained in Appendix C of the Element details the City's specific accomplishments under each of the prior Element's goals and objectives, and indicates the continued appropriateness of these programs in the updated Element. The discussion which follows draws from this analysis to highlight Sunnyvale's major housing accomplishments during the prior planning period, followed by a review of the City's progress in meeting its overall quantified objectives for housing production, rehabilitation, and preservation. The results of these analyses provide the basis for developing the comprehensive housing program strategy for the 2009-2014 planning period.

Some of Sunnyvale's major housing accomplishments during the 2007-2014 period included:

- Development of the Fair Oaks Senior Housing project by Mid-Pen Housing Corporation, a 124-unit development for extremely low and very low income seniors located next to the Valley Medical Center.
- Provision of assistance to MidPen Housing and Charities Housing for site acquisition and development of a total of 117 new affordable rental units for very low and extremely low income households, including formerly homeless households, at the former site of the Sunnyvale Armory.
- Revision of the BMR Ordinance in 2012 to make program enhancements and provide additional flexibility, and to update the density bonus provisions consistent with state law.
- Acquisition and rehabilitation of the 20-unit Garland Plaza Apartments by MidPen Housing Corporation.
- Rehabilitation and preservation of the 95-unit Aster Park Apartments project.
- Rehabilitation of the 211-unit Homestead Park Apartments project.



- Revision of the City's Mobile Home Park Conversion Ordinance to provide additional protections for lower-income park residents.
- Provision of affordable housing density bonus incentives for development of the Ironworks apartment projects and the 455 Mathilda Avenue project, resulting in commitments to provide 19 very low income units.

Table 47 summarizes the quantified objectives contained in Sunnyvale's 2007-2014 Housing Element, and the City's progress in meeting these objectives.

Table 47: Summary of Quantified Objectives and Accomplishments 2007-2014 \*

Income Level	New Construction*		Rehabilitation**		Preservation***	
	Goal	Progress	Goal	Progress	Goal	Progress
Very Low	1,073	187	90	251	245	95**
Low	708	260	100	140	0	0
Moderate	776	1,183	70	0	0	0
Above Moderate	1,869	1,773	0	0	0	0
<b>Totals</b>	<b>4,426</b>	<b>3,403</b>	<b>260</b>	<b>391</b>	<b>245</b>	<b>95*</b>

\* Includes units permitted through June 30, 2014.

\*\*Preserved units are not counted in total units completed because they are also included in the Rehabilitation column.

In total, approximately 77% of the RHNA goal for new construction was met during the cycle. This is particularly notable given that several years of the cycle included the historic recession which brought most investment and developer interest in new projects nearly to a halt. The new units affordable to very low income households include 58 units affordable to extremely low income households, with another 12 ELI units approved and scheduled to be under construction by December 2014. When rehabilitated units are included, a total of 438 very low income units were produced during the 2007-2014 period, or 41% of the very low income goal. That is a significant achievement, given the amount of subsidy required to produce a very low income unit. The City met 56% of its low income unit goal, including new and rehabilitated units; 152% of its moderate income goal; and 95% of its above moderate income goal. If the 2009 Palmer court decision had not occurred early in the cycle, terminating the City's inclusionary (BMR) rental program, approximately 125 of the moderate income units would have likely been low income BMR rental units, and there would be another approximately 142 low income units in the pipeline for the coming cycle, based on projects approved during the current cycle which have not yet begun construction.

As illustrated earlier in Table 24, market rate rents in Sunnyvale were affordable to moderate income households during this period. Sunnyvale's BMR ordinance provided 258 BMR units affordable to low income households, a portion of which were BMR rental units approved before Palmer, and 82 BMR homes affordable to moderate income households, during this period. Housing for moderate-income households was also provided through development of market-rate apartments and condominiums. In addition to the units shown above, one additional new affordable rental project was approved for development during this period, the Armory



Apartments project, which will provide 58 units affordable to very low and extremely low income households.<sup>4</sup>

In terms of housing rehabilitation, Sunnyvale exceeded its overall goal to rehabilitate 260 units, by providing rehabilitation assistance to rehabilitate more than 359 affordable rental units. These included units at the following projects: Homestead Park (211 units, including 78 completed to date and the balance to be completed by August 2014), Peacock Commons (28 units) Aster Park (95 units), Garland Plaza Apartments (20 units), plus five group homes (Socorro, Arbor Court, Duane Court, and the Klee/Offenbach duplex). The Aster Park project was also a preservation project, since the property's affordability restrictions would have expired if the City had not provided rehabilitation assistance in 2011. In addition, Sunnyvale provided 32 rehabilitation loans to single-family and mobilehome owners, and 121 home improvement grants during this period.

---

<sup>4</sup> That project is not included on Table 47 above because its building permit has not yet been issued, but the project is currently in plan check and the permit is anticipated by September 2014. It will be included in the accomplishments of the 2015-2023 RHNA cycle.



## Goals and Policies

This section of the Housing Element presents the goals and policies the City intends to implement to address Sunnyvale's identified housing needs.

### **Provision of New Housing and Home Buyer Assistance**

**Goal A** Assist in the provision of adequate housing to meet the diverse needs of Sunnyvale's households of all income levels.

- Policy A.1** Encourage diversity in the type, size, price and tenure of residential development in Sunnyvale, including single-family homes, townhomes, apartments, mixed-use housing, transit-oriented development, and live-work housing.
- Policy A.2** Facilitate the development of affordable housing through regulatory incentives and concessions, and/or financial assistance.
- Policy A.3** Utilize the Below Market Rate (BMR) Housing requirements as a tool to integrate affordable units within market rate developments, and increase the availability of affordable housing throughout the community.
- Policy A.4** Continue to require office, residential, and industrial development to mitigate the demand for affordable housing.
- Policy A.5** Work with Sunnyvale's major employers, educational and health care institutions to facilitate and encourage the development of workforce housing. Promote the City's affordable housing programs with local employers.
- Policy A.6** Provide first time homebuyer assistance to low and moderate income households, with priority to buyers who currently work and/or live in Sunnyvale.
- Policy A.7** Support collaborative partnerships with non-profit organizations, affordable housing builders, and for-profit developers to gain greater access to various sources of affordable housing funds.
- Policy A.8** Encourage developers to use State density bonus incentive when applicable to provide affordable housing units.



## **Housing Conservation and Maintenance**

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

**Policy B.1**      Encourage property owners to maintain rental and ownership units in sound condition through the City's neighborhood preservation and housing rehabilitation programs.

**Policy B.2**      Provide community outreach and comprehensive neighborhood improvement programs within Sunnyvale's Neighborhood Enhancement areas to improve housing conditions and the overall quality of life.

**Policy B.3**      Strengthen multi-family neighborhoods through partnerships with non-profit housing organizations in the acquisition and rehabilitation of older residential properties and maintenance as long term affordable housing.

**Policy B.4**      Work with property owners, tenants, and non-profit purchasers to facilitate the preservation of publicly-assisted rental housing to maintain affordability to lower income households.

**Policy B.5**      Support the provision of rental assistance by the Santa Clara County Housing Authority to lower income households.

**Policy B.6**      Preserve Sunnyvale's mobile home parks as an affordable housing option. Maintain at least 400 acres of mobile home park zoning.

**Policy B.7**      Regulate the conversion of rental apartments to condominium ownership, and only permit conversions when the citywide vacancy rate for rental units warrants, and a benefit to the overall housing supply can be shown.



## **Removal of Governmental Constraints**

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

**Policy C.1** Monitor and revise when appropriate all regulations, ordinances, departmental processing procedures and fees related to the rehabilitation and construction of housing units to assess the impact on housing costs and/or future supply.

**Policy C.2** Maintain provisions for supportive and transitional housing and emergency shelters in the City's Zoning Code.

**Policy C.3** Maintain reduced parking standards for special needs housing and housing in close proximity to public transit.

## **Provision of Adequate Housing Sites**

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

**Policy D.1** Provide sites for development of housing that responds to diverse community needs in terms of density, tenure type, unit size, accessibility, location and cost.

**Policy D.2** Continue to accommodate new residential development into specific plan areas and areas near transit and employment and activity centers, such as the El Camino Real corridor and Lawrence Station area.

**Policy D.3** Require new development to build to at least 75 percent of the maximum zoning density, unless an exception is granted by the City Council.

**Policy D.4** Assist residential developers in identifying sites through dissemination of the sites inventory.

**Policy D.5** Provide opportunities and incentives for mixed use, multi-family infill, and transit-oriented development in Downtown Sunnyvale as part of the City's overall revitalization strategy for the area.





- Policy D.6** Provide expanded areas for higher density housing through the conversion of underutilized industrial areas to residential use, if the sites are consistent with General Plan standards for residential uses (i.e., no health hazards exist).
- Policy D.7** Take advantage of existing infrastructure and public improvements to provide additional housing by allowing accessory living units within residential neighborhoods.

### **Equal Housing Opportunities and Special Needs**

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

- Policy E.1** Support the provision of fair housing services and tenant/landlord mediation to residents.
- Policy E.2** Implement City ordinances regarding prohibition of discrimination in housing.
- Policy E.3** Continue to address the special housing needs of seniors through provision of affordable housing, and housing-related services, such as home rehabilitation programs, paint grants, and maintenance, shared housing match, and housing counseling (i.e. reverse mortgage counseling, etc.) and various referral services.
- Policy E.4** Continue to address the special needs of persons with disabilities through provision of supportive housing, accessibility grants, and development of procedures for reasonable accommodation.
- Policy E.5** Encourage the provision and distribution of residential care facilities throughout the community.
- Policy E.6** Participate in the County Collaborative on Affordable Housing and Homeless Issues to support its efforts to prevent and end homelessness. Facilitate and sponsor the provision of permanent supportive housing for homeless people. Support local service providers that offer facilities and support services to homeless individuals and families, and persons at risk of homelessness.
- Policy E.7** Encourage developers to design and develop housing projects that accommodate the needs of large families, single-parent



households, and/or families with children, such as including units with three or more bedrooms, on-site child care facilities, and/or family-friendly open space and common areas.

## **Neighborhood Quality**

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

- Policy F.1**      Continue efforts to balance the need for additional housing with other community values, including preserving the character of established neighborhoods, high quality design, and promoting a sense of identity in each neighborhood.
- Policy F.2**      Promote neighborhood vitality by providing adequate community facilities, infrastructure, landscaping and open space, parking, and public health and safety within new and existing neighborhoods.
- Policy F.3**      Continue a high quality of maintenance for public streets, rights-of-way, and recreational areas, and provide safe and accessible pedestrian, bike, and transit linkages (accessibility) between jobs, residences, transportation hubs, and goods and services.
- Policy F.4**      Continue to implement a citizen-oriented, proactive education program regarding neighborhood preservation. Encourage resident involvement in identifying and addressing neighborhood needs in partnership with the City.
- Policy F.5**      Promote the preservation of historically and architecturally significant buildings and neighborhoods through land use, design and housing policies.
- Policy F.6**      Require the use of sustainable and green building design in new and existing housing.
- Policy F.7**      Continue to permit and encourage a mix of residential, neighborhood-serving retail, and job-producing land uses, as long as there is neighborhood compatibility and no unavoidable environmental impacts.



## Housing Programs

The housing programs described on the following pages include existing programs as well as several new programs that have been added to address the City's identified housing needs. The program summary (Table 48) included at the end of this section specifies for each program the following: five-year objective(s), funding source(s), and agency responsible for implementation of the program.

### **GOAL A: Provision of New Housing and Home Buyer Assistance**

#### **1. Below Market Rate (BMR) Housing Program**

Sunnyvale began implementation of its Below Market Rate (BMR) Program, one of the oldest inclusionary housing programs in the country, in the early 1980's. The BMR Program is continually reviewed and refined to address changing market conditions and improve its effectiveness. The last major revision was adopted in 2012 to implement Program 1 of the 2009 Housing Element. That revision added several new compliance options for developers with projects subject to the BMR ordinance, and made some administrative improvements as well. The current BMR ordinance, Chapter 19.67 of the Municipal Code, requires residential developments consisting of eight or more ownership units to designate 12.5 percent of newly developed homeownership units as BMR units, for purchase by low and/or moderate income homebuyers earning up to 120% of AMI. The BMR sale prices are targeted to be affordable to households with median incomes (100% of AMI). The period of affordability is 30 years for owner-occupied units.

BMR rental units were required in new rental projects between 1980 and July 2009, at which time the program was rendered essentially inoperable by the *Palmer v. City of Los Angeles* court decision. Part of the revisions to the BMR requirements adopted in 2012 included a revision to preserve existing BMR rental units for the remainder of each property's recorded term of affordability, subject to the new Chapter 19.69 of the Municipal Code, and a revision removing the prior requirement for BMR units to be provided in new rental projects.

Since the inception of the BMR program, a total of 685 BMR rental units and 421 BMR homes for sale have been developed and occupied by income eligible households. In the intervening years, a large number of those units have expired due to the twenty-year affordability term required until 2003, when it was increased to thirty years for owner-occupied units and fifty-five years for rental units. Currently there are 178 BMR rental units and nearly 330 BMR home ownership units still subject to affordability restrictions. An additional 20 BMR homes for sale are currently under development in approved residential projects, and an additional 52 BMR homes have been proposed in projects for which planning applications have been submitted and are pending City approval. Staff expects most of these planned BMR homes will be completed during the 2015-2023 planning period.

***2015-2023 Objective:*** Continue to implement the BMR Home Ownership Program. Review and refine BMR program guidelines and codes periodically as needed to accommodate changing market conditions and improve overall program effectiveness.



## 2. First Time Home Buyer Programs

The City established a First Time Homebuyer Program (FTHB) in 2005 to help low and moderate income home buyers purchase their first home. Most program participants purchase homes made available through the City's Below Market Rate (BMR) Housing Program, although the program allows participants to purchase moderately-priced market rate homes as well. Current market conditions are not highly conducive to market-rate purchases through the program however the option is still available. Low-interest, deferred second mortgage loans ("silent seconds") of up to \$50,000 are currently provided through the FTHB program, which has provided a total of fifty-five loans since 2005. In 2009, the City updated the program guidelines to streamline program administration, respond to changing conditions, and improve program effectiveness.

**2015-2023 Objective:** *Continue to implement the FTHB Program and aim to assist 5-10 low to moderate income homebuyers per year, or as demand warrants.*

## 3. Affordable Housing Development Assistance

The City, using its local Housing Mitigation Fund, BMR in-lieu fees, and its HOME entitlement grant funds, can finance the construction of new affordable housing in Sunnyvale, including assistance to non-profit developers for various typical development costs, such as: clearance, site acquisition, predevelopment/design, construction, and related project costs. The City collects housing mitigation fees from non-residential development projects that generate significant amounts of new employment in the City. The City prioritizes the use of these funds primarily for projects that provide housing for extremely low and very low income households, as well as some units for low income (LI) households. Priority is also placed on projects that agree to reserve some units for special needs households, such as elderly and disabled tenants, including those with developmental disabilities, people transitioning out of homelessness, and youth aging out of foster care.

**2015-2023 Objective:** *Continue to work closely with the non-profit community through provision of regulatory incentives, technical assistance, and/or financing to support the development of new housing units affordable to extremely low, low and low income households. Continue to collect housing mitigation fees from non-residential developments to offset the demand they generate for affordable workforce housing. Seek additional sources of funding for affordable housing. Issue notices of funding availability annually, with advance outreach to potential applicants.*

## 4. Density Bonus Provisions

Pursuant to State density bonus law (*Government Code Section 65915*), developers of residential projects may apply for a density bonus and additional incentive(s) if the project includes one or more of the following:

- ✓ At least 10 percent of the units for lower income households;
- ✓ At least 5 percent of the units for very low income households;



- ✓ A senior citizen housing development, as defined in Sections 51.3 and 51.12 of the Civil Code, or mobile home park that limits residency based on age requirements for housing for older persons pursuant to Section 798.76 or 799.5 of the Civil Code;
- ✓ At least 10 percent of the total dwelling units in a condominium development for moderate income households.

In addition, developers of the above types of projects may qualify for an additional density bonus if the project also provides one or more of the following:

- ✓ Land dedication sufficient for the development of affordable units
- ✓ Space for a child care facility.

The amount of density bonus varies according to a sliding scale set forth in State law, but generally ranges from 20-35 percent above the density otherwise allowed under the zoning or land use designation of the site. In addition to the density bonus, eligible projects may receive 1-3 additional development incentives, depending on the proportion of affordable units and level of income targeting. The following development incentives may be requested:

- ✓ Reduced site development standards or design requirements.
- ✓ Approval of mixed-use zoning in conjunction with the housing project.
- ✓ Other regulatory incentives or concessions proposed by the applicant or the City that would result in identifiable cost reductions.

Applicants are also eligible to utilize the State's parking ratio (inclusive of handicapped and guest parking), which requires: one space for studios and 1-bedroom units; two spaces for 2- or 3-bedroom units, and two and one half spaces for units with 4 or more bedrooms. The Sunnyvale Municipal Code was updated in 2012, in order to implement Program 4 of the 2009 Housing Element, to reflect current State density bonus law.

***2015-2023 Objective:*** Continue to educate developers about the density bonus incentives available under State law through outreach materials provided online and/or at the One-Stop Center. Promote use of the density bonus in discussions with development applicants, and share the City's density bonus calculator tool with interested developers.



## **GOAL B: Housing Conservation and Maintenance**

### **5. Home Improvement Program**

Since the late 1970's, the City has offered a Home Improvement Program that provides various types of assistance for home owners to allow them to fund needed improvements to their homes. The program is funded by the City's CDBG funds, either new grant funds or revolving loan funds, as may be available. The program provides two main types of assistance: grants and loans. Loans are provided for major housing rehabilitation projects, major energy efficiency improvements, and/or exterior painting by licensed contractors. Grants are provided for accessibility improvements, emergency repairs, purchase of paint for exterior painting to be completed by the home owner, and/or minor energy efficiency improvements. Applicants may combine any type of loan up to a maximum of \$85,000 in loan funds, and may also add on an accessibility grant if needed. Between mid-2007 and early 2014, the City provided loans and/or grants to a total of 153 home owners through the Home Improvement Program. Major rehabilitation of a total of 32 homes and mobile homes was completed during this period.

A list of the current loan and grant types and the maximum loan or grant amount available for each is provided below. However, evolving prices for labor and materials, interest rates for home equity loans, and related economic conditions may require program parameters to be modified from time to time, so these limits may be adjusted if deemed necessary during the 2015-2023 planning period. All programs are available to lower-income home owners. Accessibility grants are also available to lower-income renters, with the landlord's permission for the requested improvements. Loan payments are deferred for borrowers who are seniors and/or very low income, and are amortized for borrowers who can afford to make payments without incurring a housing cost burden.

<b>Loan/Grant Type</b>	<b>Maximum Available</b>
Single-Family/Condominium Rehabilitation Loan	\$60,000
Mobile Home Rehabilitation Loan	\$15,000
Energy Efficiency Loan	\$25,000
Paint Loan	\$ 4,000
Accessibility Improvements Grant	\$ 6,500
Emergency Repair Grant	\$ 5,000
Paint Grant	\$ 1,000
Energy Efficiency Matching Grant	\$ 5,000

**2015-2023 Objective:** *Continue to operate the Home Improvement Program to assist lower-income households with funding for rehabilitation and minor improvements. Assist a total of 15-20 home owners per year through the program, or as demand warrants.*

### **6. Multi-Family Rental Property Rehabilitation**

The Multi-Family Rental Property Rehabilitation Program provides below market-rate interest loans, including deferred and/or residual receipts loans, to finance substantial rehabilitation of multi-family rental housing, including deferred maintenance, energy efficiency upgrades, and correction of code violations. At least 51 percent of the units to be rehabilitated with program



funds must be occupied by and rent-restricted to be affordable to low income tenants. Historically this program has primarily appealed to non-profit owners of affordable housing since they are used to complying with the requirements of public sector financing, and the units are already subject to affordability restrictions. The loans are funded with several sources, including CDBG, HOME, and local Housing Mitigation funds. The City provided a number of rehabilitation loans for rehabilitation of various affordable rental housing properties during the 2009-2014 planning period, including rehabilitation loans for: Homestead Park (211 units), Peacock Commons (28 units), Aster Park (95 units), Garland Plaza (20 units) and the Socorro, Arbor, Duane, and Klee/Offenbach group homes, one of which was a duplex, for a total of 359 units rehabilitated during this period.

**2015-2023 Objective:** *Continue to offer below-market rate financing for rehabilitation of affordable rental units, using funding sources available to the City for this purpose. Provide rehabilitation financing to one or more properties during the planning period.*

## **7. Multi-family Rental Property Acquisition and/or Preservation**

The City also assists non-profit housing corporations in acquiring and/or preserving multi-family rental properties, in order to preserve or improve affordability. Financing provided for this purpose is very similar to that provided for rental rehabilitation projects as described above, and may be combined with rehabilitation financing if the property to be acquired or preserved requires rehabilitation as well.

**2015-2023 Objective:** *Assist in the acquisition and/or preservation, alone or in combination with rehabilitation assistance, of at least one multi-family rental property during the planning period.*

## **8. Neighborhood Preservation Program**

The Neighborhood Preservation (NP) Program is implemented by the NP Division of the Department of Public Safety. The purpose of the program is to maintain and improve the quality of life in the City's residential and commercial neighborhoods. The program's objectives include the following:

- Promote attractive and well maintained residential and non-residential properties and neighborhoods, and discourage neighborhood decline by:
  - Resolving property maintenance violations in accordance with the Sunnyvale Municipal Code and;
  - Providing education, outreach, and resources to the community to foster attractive neighborhoods and prevent neighborhood deterioration.
- Resolve property maintenance nuisances throughout the community by:
  - Providing education and assistance and;
  - Conducting progressive enforcement when necessary.
- Provide education, outreach, and resources to the community to foster attractive neighborhoods and prevent neighborhood deterioration by:
  - Conducting concentrated code enforcement and implementing improvement plans in targeted areas and;



- Supporting neighborhood clean-up programs and events.

**2015-2023 Objective:** *Continue to implement the Neighborhood Preservation Program. Housing Division shall continue to support the program as may be needed by providing information about the Home Improvement Program and other affordable housing information to NP staff, and attending program outreach meetings and events as needed.*

## 9. Preservation of Assisted Housing

As described in the needs assessment section, the City currently has a total of 1,360 assisted rental units in its affordable housing stock. While none of the assisted units are considered at high risk of conversion to market rents, one project with a total of 150 affordable units currently subject to a Section 8 contract (Life's Garden) could potentially opt out of that contract during the planning period, which means that the tenants might have to pay somewhat higher rents than they are paying currently with the Section 8 assistance. However this project is owned by a non-profit organization whose long term mission is to maintain the affordability of these units, as confirmed by the organization. In addition, when such HUD contracts expire, HUD provides portable Section 8 vouchers to all tenants occupying Section 8 units. The tenants may use the portable vouchers to remain in their current units indefinitely, or may opt to move to another unit of their choice with the portable vouchers. Although tenants of the expiring units would not be at risk of facing major rent increases, the City's housing stock could potentially lose these affordable units. In order to minimize the risk of an opt-out at Life's Garden, the City will take the following actions to facilitate long-term preservation of these units:

- Monitor the property and maintain close contact with the property owner regarding long-term plans for the affordable units at the property.
- Offer financial and/or technical assistance to the property owner for preservation and/or rehabilitation of the units.
- In the unlikely event that the property owner opts not to renew its current Section 8 contract for the units, monitor the property owner for compliance with the HUD requirements applicable in these situations, such as providing one-year notice to tenants, ensuring that the Housing Authority provides portable Section 8 vouchers to affected tenants, and so on.

**2015-2023 Objective:** *The City will maintain close contact with the owner of Life's Garden and offer financial and other assistance to maintain the affordability of the 150 units potentially at risk.*

## 10. Section 8 Rental Assistance

The federal Section 8 Rental Assistance Program, currently referred to as the Housing Choice Voucher Program, provides portable rental subsidies (vouchers) to very low and extremely low income households, including families, seniors, and the disabled. Section 8 vouchers pay the difference between the HUD-established "fair market rent," which is set at approximately the 40<sup>th</sup> percentile of market-rate rents for a modest rental unit in the county, and what a tenant can afford to pay in rent, typically 30 to 35 percent of household income. This program is administered by the Housing Authority of the County of Santa Clara (HACSC) for the entire





county. As of May 2014, a total of 520 Sunnyvale households were receiving rental assistance in the form of portable Section 8/Housing Choice vouchers. Nearly half of those households, or 224 households, were headed by seniors. Given the significant gap between market rents and what very low income households can afford to pay for housing, Section 8 plays a critical role in allowing such households to remain in the community, and is a key program to address the needs of extremely low and very low income households.

A second, lesser-known component of this program is known as “project-based Section 8.” This component consists of contracts between the HACSC and various rental property owners who agree to accept Section 8 subsidies directly from the HACSC in exchange for renting a certain number of their rental units to very low and extremely low income tenants, generally selected from the Section 8 waiting list. The subsidy formula is generally the same as with the portable vouchers: the tenant pays approximately 30% of their income toward the rent, and the Section 8 subsidy pays the difference to the landlord. However, in the case of project-based vouchers, the voucher is not portable. Instead, it is committed to a specific rental unit for a specific time period, generally 10-15 years, based on the contract with the landlord, rather than being awarded to a particular household which can use the voucher virtually anywhere within the county. Many of the City’s affordable rental properties and even some market-rate rental properties participate in the project-based voucher program, including many of the properties listed on the at-risk inventory. As of May 2014 there were 150 rental units in Sunnyvale receiving project-based vouchers, of which 122 were occupied by senior households.

**2015-2023 Objective:** *Continue to support the Housing Authority in its efforts to maintain adequate federal funding for the Section 8 program. Continue to refer extremely low to very low-income residents to the Housing Authority for information about Section 8 assistance and other HACSC-provided affordable housing opportunities. Continue to provide landlords with information on Section 8, encourage them to list available rental units with the Housing Authority, accept voucher-holders as tenants, and participate in the project-based Section 8 program.*

## 11. Anti-Displacement Provisions

In recent years public concern has been increasing regarding involuntary displacement of tenants from existing housing in the Silicon Valley, San Francisco, and elsewhere in the Bay Area. In Sunnyvale and some surrounding communities, there have been some recent incidents where tenants, particularly those with more modest incomes, have expressed concern about being displaced by redevelopment (demolition) of existing rental housing, or renovation of rental properties followed by significant rent increases. The goal of this program would be to develop provisions in City codes and/or policy to provide lower- and moderate-income tenants with protection and/or assistance to in the event of demolition and/or renovation of large rental properties, potentially similar to policies in place in Mountain View and other communities.

**2015-2023 Objective:** *Consider developing an anti-displacement policy or ordinance applicable to redevelopment and/or major renovation of larger rental properties. Conduct outreach on the topic with interested stakeholders before developing proposed provisions.*



## 12. Mobile Home Park Preservation

With 16 mobile home parks and over 4,000 mobile home units, mobile homes comprise an important segment of Sunnyvale's stock of affordable housing. Several policies serve to protect mobile homes in the community. The City has established a designated mobile home park zone district, and has adopted a policy to maintain a minimum of 400 acres of mobile home park zoning. Currently, 13 of the City's 16 parks, comprising a total of 420 acres, are zoned for long-term mobile home park use. Chapter 19.72 of the Municipal Code, revised in 2012 to implement Program 11 of the 2009 Housing Element, regulates the conversion of mobile home parks to other uses, including requirements for preparation of a conversion impact report, tenant noticing and public hearing requirements, and payment of relocation assistance to displaced tenants.

***2015-2023 Objective:** Continue to implement current mobile home park protections and maintain mobile home park zones. In the event of a closure of a mobile home park, enforce the provisions of Chapter 19.72, Mobile Home Park Conversions, which requires relocation assistance to be provided to park residents.*

## 13. Foreclosure Prevention

While home foreclosures were not as prevalent in Sunnyvale as in many other areas of the County even during the worst part of the recession, there was and continues to be some incidence of foreclosure in the City. Several area agencies provide foreclosure intervention counseling services, including Project Sentinel and the Housing Trust of Silicon Valley. The City has provided funding for services provided by these agencies for Sunnyvale residents in the past several years, and will continue to promote these services to residents at risk of, or in the midst of default or foreclosure proceedings. In addition, the home buyer counseling classes that the City promotes to all interested home buyers, and requires of all BMR home buyers, provide prospective home buyers with information and tools to avoid foreclosure once they become home owners.

***2015-2023 Objective:** The City will provide information about available foreclosure counseling services, warnings about foreclosure-related scams, and available legal resources, through City public outreach channels (website, Housing newsletter, media releases, City blog, etc.), and will continue to refer any homeowners in default to the services available.*

## 14. Condominium Conversion Regulations

Apartment projects proposed for conversion to condominium ownership are subject to the City's Condominium Conversion regulations (Section 19.70 of the Zoning Code). These regulations set forth a series of tenant protections, including relocation provisions, limitations on tenant rent increases, and first right of refusal, among other provisions. The regulations limit the number of conversions to 175 units in any 12 month period and require a citywide rental vacancy rate above three percent, unless otherwise approved by the Planning Commission. Condominium conversions are now also subject to the 12.5 percent affordability requirement under the City's BMR Home Ownership Ordinance.



*2015-2023 Objective: Continue to provide tenant protections through implementation of the City's condominium conversion regulations.*

## **GOAL C: Removal of Government Constraints**

### **15. Consider Modifications to Development Standards for Accessory Living Units (ALU's)**

Review current standards for development of ALU's to determine if any revisions to the standards are warranted to encourage or facilitate more development of ALUs. Evaluate capacity for ALU development under current standards and existing property conditions in relevant zoning districts, develop a menu of possible modifications to the standards to increase capacity, streamline application review and approval, and/or otherwise encourage and facilitate development of ALUs in appropriate locations.

*2015-2023 Objective: Conduct outreach, complete analysis of ALU standards and possible modifications, and provide recommendations for public, stakeholder, and Council consideration.*

### **16. Complete the "Retooling the Zoning Code" Project**

This project, which was partially completed in 2013, involves reorganizing, reformatting and "retooling" the entire Zoning Code (Title 19 of the Sunnyvale Municipal Code) to make it more clear and user-friendly for members of the public, staff and decision-makers. The new format will use everyday language, illustrations and examples to clarify development requirements. This project will also explore ways to improve administrative procedures and streamline permitting requirements for residents and businesses. This project will not make substantive changes to land use regulations or development standards.

An important goal of this effort is to create a permitting system with permit types and titles that reflect the purpose of the permit (such as use permit or design review) and the decision-making body (i.e., staff or a legislative body). For example, the permit title and type for most residential projects in residential zones would be "Design Review" rather than "Use Permit." For example, the permit type for larger multi-family residential projects in residential zones might be Planning Commission Design Review, provided the project complies with the density range and other development standards of the zoning district. This change in title would improve the clarity and certainty of approval for projects that meet the designated development standards of a given site, since the approval is limited to design details rather than the proposed use itself. More information about this project is available online at: [ZoningCode.inSunnyvale.com](http://ZoningCode.inSunnyvale.com).

The Retooling project was planned to be presented for Council review in three phases. Staff completed the first phase of the project with a report to Council in 2013, and plans to complete the next two phases by December 2015. The second phase of the project will clarify or create necessary definitions, simplify the current use tables, and improve and streamline permitting procedures. The final phase will reorganize and clarify the chapters on the various zoning districts, site planning standards, and any remaining sections not covered in the earlier phases. The final phase will also include the final draft of the Zoning Code for adoption by Council.

**2015-2023 Objective:**

*Complete the Retooling project by providing a final draft of the Zoning Code for Council consideration by the end of December 2015.*

**GOAL D: Provision of Adequate Housing Sites****17. Residential Sites Inventory**

The Land Use Sub-Element of the City's General Plan provides for a variety of housing types to meet the diverse needs of Sunnyvale residents, with densities ranging from 7 to 78 units per acre. Industrial to Residential (ITR) areas provide the most significant opportunity for future residential growth, with potential for development of more than 2,900 new units. The Downtown Specific Plan and Lakeside Specific Plan areas provide capacity for more than 1,000 new units of housing, providing opportunities for people to live, work, shop and recreate without having to use their cars. The El Camino Real Precise Plan area also provides capacity for an additional 1,200 dwelling units, and various residential zones provide capacity for approximately 700 units.

The residential sites analysis demonstrates the availability for sites of a total of 5,849 units during the 2015-2023 time frame. This residential development potential is more than adequate to address the City's share of regional housing needs, identified as 5,452 new units. As part of this Housing Element update, City staff updated the parcel-specific vacant and underutilized sites analysis that can be used to assist developers in the identification of potential sites.

***2015-2023 Objective:** Continue to provide appropriate land use designations to address the City's share of regional housing needs. Maintain a current inventory of potential residential and mixed-use sites to provide to developers in conjunction with information on available development incentives.*

**18. Minimum Densities**

To encourage the efficient and sustainable use of land, the City requires residential development to achieve at least 75 percent of the maximum densities permitted under zoning. Given high land costs, multi-family projects in Sunnyvale's highest density residential zones typically develop at well above this threshold. Exceptions to this policy may be granted by City Council as warranted by unique site characteristics.

***2015-2023 Objective:** Inform development applicants of the minimum density policy and its purpose to encourage compact urban form.*

**19. Downtown Specific Plan**

The development of its downtown as a vibrant, pedestrian-friendly, transit-oriented center for shopping, working, living and entertainment is a key priority for Sunnyvale. In support of this goal, the City prepared a comprehensive update to its Downtown Specific Plan in 2003, providing various land use and development standard revisions including increasing residential densities to an excess of 55 units per acre and providing for up to 1,800 dwelling units;



commercial development potential is in addition to this residential capacity. The Plan is divided into a series of blocks, with a maximum number of residential units identified in each block. In addition to the nearly 300 units nearing completion on block 18 in the Town Center, additional opportunities for higher-density residential development are available within the DSP area, providing for a net increase of 1,019 units, in addition to the hundreds of units currently nearing completion or soon to be under construction downtown, including units at Town Center, Solstice, Carmel Lofts, Mathilda Avenue Apartments, and Ironworks North and South.

As a means of facilitating the assembly of sites and realizing the development envisioned for Downtown, the 2003 Specific Plan identified the following implementing actions to be undertaken by the City and its former Redevelopment Agency:

- ✓ Identify and target areas of partly aggregated property and assist in land aggregation
- ✓ Identify and purchase strategically located property as it becomes available and where it is important to accomplish long-term goals
- ✓ Invest in strategic parcels (including City-owned land) where it would increase the potential for strategic land assembly and redevelopment activity.

The City implemented major site assembly efforts in the Downtown many years ago, including purchase of five parcels in Block 15 (one-quarter of the land area) that it is holding to facilitate future land assemblage and development. At least one major residential developer has expressed interest in this block and has submitted a preliminary review application with conceptual plans for the site.

**2015-2023 Objective:** *Continue to publicize the downtown redevelopment potential made possible by the DSP through City channels such as the “Downtown Redevelopment Information” webpage, KSUN, and public meetings. Facilitate the provision of housing affordable to low and moderate income households by requiring below market rate (BMR) units to be provided on-site or within the boundaries of the Specific Plan, and by promoting the density bonus incentives and affordable housing financing available.*

## 20. Accessory Living Units

An Accessory Dwelling Unit (ALU) is a separate dwelling unit that provides complete, independent living facilities for one or more persons. It includes permanent provisions for living, sleeping, cooking, eating, and sanitation on the same parcel as the primary unit is situated. Given the limited developable land remaining in Sunnyvale, integrating secondary dwelling units in existing residential neighborhoods present an opportunity for the City to accommodate needed rental housing. The development of secondary dwelling units is effective in dispersing affordable housing throughout the City and can provide housing to lower-income persons, including seniors, college students, and recent graduates.

**2015-2023 Objective:** *Facilitate the construction of new accessory living units by making information about how to obtain permits for them available to the public.*

## 21. Housing Policies for Priority Development Areas



Priority Development Areas (PDAs) are areas of the City designated by Council as likely and appropriate for development of new residential, mixed use and/or non-residential uses due to their locations near transit and related factors influencing development capacity. These areas are also identified in Plan Bay Area, which is the regional land use plan and Sustainable Communities Strategy developed by the Association of Bay Area Governments (ABAG). The City may consider developing specific housing policies for designated PDAs, such as the El Camino Real Corridor and Lawrence Station Area, through preparation of new or modified specific plans and/or station area plans. Such policies would provide additional incentives and goals for the provision of affordable housing and/or any type of housing encouraged by the City within the PDAs.

***2015-2023 Objective:** Consider developing specific housing policies for designated PDAs in the City through preparation of specific plans or station area plans.*

## **GOAL E: Equal Housing Opportunities and Special Needs**

### **22. Fair Housing Program**

The City will continue to support programs that provide fair housing services to Sunnyvale residents. Sunnyvale currently provides funding to several qualified local fair housing agencies to provide fair housing services in Sunnyvale. These agencies provide education, outreach, and complaint investigation services for all members of the community. The City also contracts with one of these agencies to provide tenant/landlord referral and mediation services.

***2015-2023 Objective:** Continue to contract with qualified fair housing agencies to provide comprehensive fair housing services and/or tenant/landlord mediation to the extent funding is available. Provide multi-lingual fair housing brochures at City Hall, the Sunnyvale Library, Senior Center, Recreation Center, and the Columbia Neighborhood Center. Provide fair housing information on the City's website, including a direct link to HUD fair housing website. Continue to participate in the Santa Clara County Fair Housing Task Force.*

### **23. Accessible Housing**

The City adopted reasonable accommodation procedures during the last planning period as part of Program 23 of the 2009 Housing Element (see Appendix C). Its current procedures, available in conjunction with Building, Planning, or any other development permits, meet all requirements of applicable State and federal law.

***2009-2014 Objective:** Maintain procedures for reasonable accommodation requests with respect to zoning, permit processing, and building codes. Continue to adopt accessibility updates to building and housing codes as needed. Provide grants to income-qualified households for accessibility improvements, and continue to provide CDBG funding, when available, for accessibility improvements to pedestrian facilities as needed in residential neighborhoods.*

### **24. Programs to Address Homelessness**



During the prior planning period, the City provided financial and related assistance to facilitate the development of two new housing developments that will provide a total of 117 units of permanent supportive housing for very low income households, of which 47 will be reserved for homeless applicants. Both projects will include supportive services on site to support all tenants, with a special focus on those transitioning out of homelessness and/or with special needs. A portion of the units will include project-based subsidies through the Section 8, Mental Health Services Act, and Continuum of Care programs. These projects are currently under development and expected to be completed in the first two years of the new planning period.

In addition, the City has been providing a significant amount of CDBG and HOME funds for two programs for several years to help work-able homeless residents to gain housing and jobs. The City will continue to support these programs, WorkFirst Sunnyvale and the Tenant-Based Rental Assistance Programs, to the extent funding is available. In addition, the City provides CDBG human services grants to a variety of agencies providing supportive services for lower income residents who are homeless or at risk of homelessness. Agencies currently providing these services include Sunnyvale Community Services, Downtown Streets Team, West Valley Community Services, Bill Wilson Center, agencies providing services for victims of domestic violence, and HomeFirst SCC.

**2015-2023 Objective:** *Continue to provide funding for programs that seek to prevent and end homelessness and provide supportive services to homeless and at-risk clients. Continue to implement programs such as WorkFirst Sunnyvale and TBRA. Continue to offer financing for permanent supportive housing projects and other projects that agree to reserve units for applicants transitioning out of homelessness.*

## **25. Special Needs Housing Development Assistance**

Encourage developers of affordable and/or market-rate housing projects to reserve some or all units in development for tenants with special needs, including but not limited to: adults with severe disabilities, including developmental disabilities, mental and/or physical disabilities, elderly residents, and youth aging out of foster care. Provide such projects with priority for development and/or rehabilitation financing available through the City's various housing funds, such as Housing Mitigation, BMR in-lieu funds, CDBG and/or HOME funds. Encourage developers and housing providers to work with advocacy groups that provide supportive services to such special needs populations in order to facilitate outreach to prospective special needs residents about planned or available special needs housing units, and to assist prospective tenants with the rental application and leasing process.

### **2015-2023 Objective:**

*Include priority for special needs units in City notices of funding availability for new housing construction, rehabilitation, and/or preservation projects. Aim to assist in the development of at least one new project with some or all of the units reserved for special needs tenants, including tenants with severe disabilities. Encourage developers to include special needs advocacy groups in their marketing and leasing efforts related to newly available special needs units.*



## **26. Development of Housing Units for Large Families and Single-Parent Households**

Encourage developers of market-rate and affordable rental housing to include units with three or more bedrooms in their new developments, to the extent demand is projected to exist for such units based on timely market analyses and projected rent levels. Encourage developers to include family-friendly common areas and open spaces within residential developments, including appropriate play areas for children when possible. Encourage residential developers to include on-site child care facilities to the extent possible, and inform developers of the density bonus incentives available for qualifying projects that also include such facilities.

### ***2015-2023 Objective:***

Encourage rental housing developers to include units that address the needs of large families, single-parent households, such as units with three or more bedrooms, and to provide family-friendly common areas, open space and amenities such as on-site child care. Inform developers of the density bonus incentives available for qualifying projects with child care facilities.

## **GOAL F: Neighborhood Quality**

### **27. Sustainability and Green Building**

In 2007, the Sunnyvale City Council adopted a sustainability policy to become “a regional leader in environmental sustainability, advocating to reduce dependence on non-renewable resources by providing greater transportation options, reducing waste, protecting our natural resources, and promoting alternative energy usage and research.” The structure for implementation of this policy is set forth in Sunnyvale’s *Framework for Sustainability*, with the City’s various environmental activities coordinated through the City’s Sustainability Coordinator.

In 2010, the City adopted its first green building codes using the “Build It Green” GreenPoint rating system for residential construction, establishing minimum point thresholds, and providing density, height and lot coverage incentives for exceeding the minimum thresholds. As a means of lessening the potential impact on development, the ordinance phases in the green building standards over several years, with threshold requirements for green building points increasing over the four year period.

***2015-2023 Objective:*** *Continue the City’s comprehensive sustainability and green building programs.*





Table 48: Housing Implementation Programs Summary

Housing Program		Program Goal	2015-2023 Objective	Funding Source	Responsible Agency	Time Frame
<b>Provision of New Housing</b>						
1.	<b>BMR Housing Program</b>	Ensure new residential developments include some homes affordable to lower- and moderate-income home buyers	Continue to implement BMR Home Ownership Program. Review and refine BMR program guidelines and codes periodically as needed to accommodate changing market conditions and improve overall program effectiveness.	BMR In-Lieu and Admin. Fees	CDD, Housing Division	Ongoing: 2015-2023
2.	<b>First Time Home Buyer Program</b>	Provide down payment assistance to help lower- and moderate-income home buyers buy their first homes	Continue to implement FTHB Program; aim to assist 5-10 homebuyers per year, or as demand warrants.	Housing Mitigation Fund (HMF), BMR In-Lieu Fees	CDD, Housing Division	Ongoing: 2015-2023
3.	<b>Affordable Housing Development Assistance</b>	Support development of new housing affordable to extremely low, very low and low income households.	Provide financial and regulatory assistance for new affordable housing development, using available funds. Seek new sources of funding for affordable housing. <b>Issue notices of funding availability annually, with advance outreach to applicants.</b>	HMF; HOME; BMR In-Lieu Fees	CDD, Housing Division	Ongoing: 2015-2023 <b>(Annual NoFA issuance)</b>
4.	<b>Density Bonus Provisions</b>	Encourage developers to include affordable units in new residential developments through use of the state density bonus incentive.	Educate developers about density bonus incentives using outreach materials provided online and/or at the One-Stop Center. Promote use of density bonus in discussions with applicants and share the City's density bonus calculator tool with interested developers.	Department Budget	CDD, Housing and Planning Divisions	Ongoing: 2015-2023



Table 48: Housing Implementation Programs Summary (continued)

Housing Program		Program Goal	2015-2023 Objective	Funding Source	Responsible Agency	Time Frame
<b>Housing Conservation and Maintenance</b>						
5.	<b>Home Improvement Program</b>	Provide financial assistance to lower income households for rehabilitation, emergency repairs, accessibility, paint, and energy efficiency improvements.	Continue to operate the Home Improvement Program to assist lower-income households with funding for housing rehabilitation and minor improvements. Assist a total of 15-20 households per year, or as demand warrants.	CDBG Revolving Loan Fund	CDD, Housing Division	Ongoing: 2015-2023
6.	<b>Multi-Family Rental Property Rehabilitation</b>	Offer financing for rehabilitation of affordable rental housing units at multi-family properties.	Continue to offer below-market rate financing for rehabilitation of affordable rental units, using funding sources available for this purpose. Provide rehabilitation financing to one or more properties during the planning period.	HOME, CDBG, HMF	CDD, Housing Division	Ongoing: 2015-2023
7.	<b>Multi-family Rental Property Acquisition and/or Preservation</b>	Preserve or improve affordability of rental housing by providing acquisition and/or preservation financing.	Assist in acquisition and/or preservation, alone or in combination with rehabilitation assistance, of at least one multi-family rental property during the planning period.	HOME, CDBG, HMF, BMR In-Lieu Fees	CDD, Housing Division	Enter into first funding agreement by 2017; others thereafter as feasible.
8.	<b>Neighborhood Preservation Program</b>	Preserve and maintain the quality of Sunnyvale's housing & neighborhoods.	Continue to implement the Neighborhood Preservation Program, with affordable housing support from the Housing Division	CDBG; General Fund	DPS, Neighborhood Preservation Division; CDD, Housing Division	Ongoing: 2015-2023
9.	<b>Preservation of Assisted Rental Housing</b>	Preserve existing assisted housing at risk of conversion to market rents.	Maintain contact with owner of Life's Garden and offer financial and other assistance to maintain the affordability of the at-risk units.	HOME, CDBG, HMF	CDD, Housing Division	Complete by 2017



Table 48: Housing Implementation Programs Summary (continued)

Housing Program		Program Goal	2015-2023 Objective	Funding Source	Responsible Agency	Time Frame
10.	<b>Section 8 Rental Assistance</b>	Support the provision of Section 8 rental assistance to eligible households by the Housing Authority.	Support the Housing Authority in its efforts to maintain adequate federal funding for Section 8. Refer residents to the Housing Authority for Section 8 and related information. Encourage landlords to participate in the program.	Department Budget	CDD, Housing Division	Ongoing: 2015-2023
11.	<b>Anti-Displacement Provisions</b>	Provide lower-income tenants with protection and/or assistance to help them avoid displacement in the event of demolition and/or renovation of large rental properties.	Consider developing an anti-displacement policy applicable to redevelopment or major renovation of larger rental properties. Conduct outreach on the topic with interested stakeholders before developing proposed provisions.	Department Budget	CDD, Housing and Planning Divisions; OCA	Begin program by 2016
12.	<b>Mobile Home Park Preservation</b>	Implement land use policies to maintain the city's stock of mobile homes and mobile home parks.	Continue to implement current mobile home park protections and maintain mobile home park zones. In the event of mobile home park closure, enforce the Mobile Home Park Conversion requirements to provide relocation assistance to park residents.	Department Budget	CDD, CDD, Housing and Planning Divisions; OCA	Ongoing: 2015-2023
13.	<b>Foreclosure Prevention</b>	Support the provision of education and counseling services to help homeowners avoid the risk of foreclosure.	Provide information and referrals about available foreclosure services and related information through City public outreach channels.	Housing Division Operating Budget	CDD, Housing Division	Ongoing: 2015-2023
14.	<b>Condominium Conversion Regulations</b>	Protect the rental housing stock and provide tenants with protections in the event of conversion.	Continue to provide tenant protections through implementation of the City's condominium conversion regulations.	Department Budget	CDD, Housing, Planning Divisions	Ongoing: 2015-2023



Table 48: Housing Implementation Programs Summary (continued)

Housing Program		Program Goal	2015-2023 Objective	Funding Source	Responsible Agency	Time Frame
<b>Removal of Government Constraints</b>						
15.	<b>Consider Modifications to Development Standards for Accessory Living Units (ALU's)</b>	Consider modifications to allow increased development of ALU's in appropriate zones.	Conduct outreach, complete analysis of ALU standards and possible modifications, and provide recommendations for public, stakeholder, and Council consideration.	Department Budget	CDD, Housing and Planning Divisions	Begin program by 2017
16.	<b>Retooling the Zoning Code</b>	Reformat, reorganize, and revise the Zoning Code for ease of use, clarity, and streamlined administrative procedures.	Complete the Retooling project by providing a final draft of the Zoning Code for Council consideration by the end of December 2015.	Department Budget	CDD, Planning Division	Complete project by 2016.
<b>Provision of Adequate Sites</b>						
17.	<b>Residential Sites Inventory</b>	Provide appropriate land use designations to address the city's share of regional housing needs.	Maintain current inventory of potential residential and mixed use sites; provide to developers with information on incentives.	Department Budget	CDD, Housing and Planning Divisions	Ongoing: 2015-2023
18.	<b>Minimum Densities</b>	Promote compact development by encouraging properties to develop to General Plan densities.	Inform developers of policy to develop to at least 75% of General Plan density.	Department Budget	CDD, Planning Division	Ongoing: 2015-2023
19.	<b>Downtown Specific Plan</b>	Facilitate development and preservation of housing in downtown area consistent with the DSP	Encourage provision of affordable housing by requiring BMR units to be provided on-site or within the boundaries of the Specific Plan, and by promoting density bonus incentives.	Department Budget	CDD, Planning and Housing Divisions	Ongoing: 2015-2023
20.	<b>Accessory Living Units</b>	Allow accessory living units in existing residential neighborhoods.	Facilitate the development of new accessory living units by making information about how to obtain permits for them available to the public.	Department Budget	CDD, Planning and Building Divisions	Ongoing: 2015-2023
21.	<b>Housing Policies for Priority Development Areas</b>	Encourage provision of desired housing types, including affordable housing, in PDAs	Consider developing specific housing policies for designated PDAs in the City through preparation of specific plans or station area plans.	Department Budget	CDD, Housing and Planning Divisions	Begin program by 2017



Table 48: Housing Implementation Programs Summary (continued)

Housing Program		Program Goal	2015-2023 Objective	Funding Source	Responsible Agency	Time Frame
<b>Equal Housing Opportunities and Special Needs</b>						
22.	<b>Fair Housing Program</b>	Promote fair housing practices.	Contract with qualified fair housing agencies to provide fair housing services to the extent funding is available. Provide fair housing brochures at City facilities and fair housing information on the City's website, with links to HUD fair housing page. Participate in the Santa Clara County Fair Housing Task Force.	CDBG	CDD, Housing Division	Ongoing: 2015-2023
23.	<b>Accessible Housing</b>	Provide reasonable accommodations in zoning and permitting of housing to ensure residents with disabilities have fair access to housing.	Maintain procedures for reasonable accommodations in codes and permitting. Adopt accessibility updates to codes as needed. Provide grants for accessibility improvements for eligible households, and provide CDBG funds for accessibility improvements to pedestrian facilities as needed in residential neighborhoods.	CDBG; Department Budget	CDD, Planning, Building and Housing Divisions	Ongoing: 2015-2023
24.	<b>Programs to Address Homelessness</b>	Provide support to programs to prevent and end homelessness and offer financing for the development of permanent supportive housing units.	Provide funding for programs that seek to prevent and end homelessness and provide supportive services, such as the TBRA and WorkFirst Sunnyvale programs. Offer financing for permanent supportive housing and projects that reserve units for homeless applicants.	CDBG, HOME, HMF	CDD, Housing Division	Ongoing: 2015-2023



Table 48: Housing Implementation Programs Summary (continued)

Housing Program		Program Goal	2015-2023 Objective	Funding Source	Responsible Agency	Time Frame
25.	<b>Special Needs Housing Development Assistance</b>	Develop additional affordable units for special needs tenants, such as adults with disabilities, seniors, and youth aging out of foster care	Include priority for special needs units in all City notices of funding availability for new housing construction, rehabilitation, and/or preservation projects. Aim to assist in the development of one new project with some units reserved for special needs tenants. Encourage developers to include advocacy groups in marketing and leasing efforts related to newly available units.	HMF, HOME, BMR In-lieu Fees	CDD, Housing Division	Begin program by 2016
26.	<b>Housing for Large Families and Single-Parent Households</b>	Encourage development of rental units that address the needs of large families and single-parent households to meet demand for such units.	Encourage rental developers to include units with three or more bedrooms, and to provide family-friendly common areas, open space and amenities such as on-site child care. Inform developers of the density bonus incentives for qualifying projects with child care facilities.	Department Budget	CDD, Housing and Planning Divisions	Ongoing: 2015-2023
<b>Neighborhood Quality</b>						
27.	<b>Sustainability and Green Building</b>	Require new development to implement sustainable and green building practices.	Continue the City's comprehensive sustainability and green building programs.	Department Budget	CDD, Planning and Building Divisions	Ongoing: 2015-2023

Table 49: Summary of Quantified Objectives 2015-2023

Income Level	RHNA	Quantified Objectives			
		New Construction	Rehabilitation	Preservation	Total
Extremely Low	820	125	40	35	<b>200</b>
Very Low	820	125	35	40	<b>200</b>
Low	906	100	75	75	<b>250</b>
Moderate	932	700	0	0	<b>700</b>
Above Moderate	1,974	1,800	0	0	<b>1,800</b>
<b>Total</b>	<b>5,452</b>	<b>2,850</b>	<b>150</b>	<b>150</b>	<b>3,150</b>

# **APPENDICES**

<b>Appendix A:</b>	Public Participation
<b>Appendix B:</b>	Adequate Sites Inventory
<b>Appendix C:</b>	Review of Accomplishments Under 2007-2014 Housing Element
<b>Appendix D:</b>	Executive Summary of ABAG's Jobs-Housing Connection Strategy
<b>Appendix E:</b>	Glossary

PAGE INTENTIONALLY LEFT BLANK



## **Appendix A: Public Participation**

### **Housing and Human Services Commission Meeting**

**July 24, 2013 at 7:00 pm**

**City Hall, West Conference Room**

**456 W. Olive Avenue, Sunnyvale**

Background Presentation on the Housing Element Update and RHNA Process provided by Housing Officer Isé

The presentation included the following:

- Background on housing elements and the update process;
- An overview of the general plan and the housing element, and the state laws that require the City to create a housing element.
- The goals of the needs assessment phase of the update, and the outreach efforts that are underway.
- The public survey on housing issues being conducted by the City, which was available online and on paper in English and Spanish.

Paper versions of the public survey in English and Spanish were distributed at the meeting. Commissioners were encouraged to take it themselves and/or to share it with community members.

Commissioners asked various questions about the topic, which were answered by staff, and made some suggestions about outreach methods.

### **Community Outreach Meeting**

**August 28, 2013 at 6:30 pm**

**Senior Center, Laurel Room**

**550 E. Remington Drive, Sunnyvale**

Housing Officer Suzanne Isé provided a presentation on the topic similar to the one provided to the Housing Commission at its July meeting.

- 19 members of the public, including residents, non-profit agency staff, and other interested stakeholders attended the meeting and asked questions during and after the presentation.
- Public comments at this meeting focused mainly on the need for more housing for adults with developmental disabilities. Many of the attendees were people with such disabilities, or their family members, or staff of agencies that provide housing and services for people with developmental disabilities.

**Stakeholder Outreach Meeting  
October 9, 2013 at 10:30 am  
City Hall, West Conference Room  
456 W. Olive Avenue, Sunnyvale**

Staff provided a background presentation on the housing element process, similar to that provided at the earlier outreach meetings, but with slightly more focus on development-related issues. Presenters included Suzanne Isé, Housing Officer; Trudi Ryan, Planning Officer; and Hanson Hom, Director of Community Development. Several additional Housing and Planning staff members were also in attendance. Eleven members of the public signed in at the meeting, although more may have been present. Attendees included representatives of non-profit and for-profit developers, advocates, local residents, and other community members.

A roundtable discussion took place after the presentation. Public comments included the following:

- Even extremely-low income units (affordable to households at 30% of AMI) are not affordable for some residents on fixed income or SSI. There are very few units available at 20% of AMI or less.
- Review/reevaluate accessory living unit (second unit) policies to see if more could be permitted.
- Density bonus units should be provided at 15% AMI.
- Rezone larger lots into smaller lots to allow more units in single family neighborhoods.
- Focus on homeownership.
- Example given of Arlington County, VA which has inclusionary requirements on all home constructions, including single family home demolition/rebuilds.

**City Presentation at BIA South Bay Chapter, RPC Meeting  
October 30, 2013  
Shapell Homes Headquarters  
100 North Milpitas Blvd. Milpitas, CA 95035**

Hanson Hom, Community Development Director and Suzanne Isé, Housing Officer attended this meeting at the request of BIA. Approximately 20 building industry stakeholders attended, including then-BIA South Bay representative Crisand Giles and a number of market-rate developer representatives. Director Hom provided a background presentation on the Housing Element Update, focused primarily on issues of interest to developers such as available sites, constraints, land use policy developments, regional planning efforts such as Plan Bay Area and the Priority Development Areas, and local planning efforts such as the Lawrence Station Area Plan and the Grand Boulevard Initiative.

Attendees' questions concerned development processes, available sites, Plan Bay Area, the timeline for the Housing Element update, traffic study requirements, and impact fees. No major issues arose during the discussion.

**Joint Study Session of the Planning and Housing and Human Services Commissions**  
**May 12, 2014**  
**Human Resources Training Room**  
**505 W. Olive Avenue, Sunnyvale**

The Planning and Housing and Human Services Commissions met in joint study session for a presentation and brief discussion of the 2015-2023 Housing Element Update. The meeting was held on May 12, 2014 in the Human Resources Training Room at the Sunnyvale Office Center. Suzanne Isé, Housing Officer, presented an overview of the draft Housing Element, and provided information on City population growth, as well as demographic, housing cost, and income changes since the 2009 update. Planning Officer Trudi Ryan and Community Development Director Hanson Hom also participated in the presentation. Staff described recently approved and constructed affordable housing projects, current housing programs, future housing goals, and the public outreach efforts and public survey that was conducted in Summer/Fall of 2013. Commissioners asked questions during and after the presentation.

Following the presentation, Commissioners held a brief roundtable discussion and invited the public present to ask questions or provide comments. The discussion included the following:

- Availability of adequate sites for housing, and how the number of sites is determined based on zoning, general plan, allowable densities, the “default densities,” etc.;
- Whether or not there were any plans to increase density south of El Camino Real (answer: not as part of Housing Element);
- Whether or not single person households are considered special needs households (answer: no) but larger households are due, to less availability of large rental units;
- The challenge of creating significant numbers of new affordable rental units now that cities cannot impose inclusionary requirements on new rental projects, due to the Palmer court decision of 2009;
- The difficulty affordable housing developers face in trying to acquire new sites for affordable housing in the current very competitive real estate market;
- Possibility of charging impact fees on new rental housing to generate funds for affordable housing, and the required nexus study for any new fees;
- Potential options and strategies to address housing needs, such as secondary dwelling units or modifying BMR housing requirements, such as lowering project size threshold (like in Montgomery County, Maryland, which applies requirements to all new housing including those of single homes or home additions over a certain size), and/or increasing the percentage of BMR units required;
- Questions about how Sunnyvale’s housing programs and accomplishments compare with those of neighboring communities;
- Affordability concerns:
  - Rising rents have caused some residents to have to move out of town;
  - Households in middle income ranges are also struggling: they don’t qualify for assistance but can’t afford home prices
  - Possible anti-displacement policies to protect tenants of units to be demolished or renovated
- Impacts of growth on the community

- Questions about impacts of new development on schools in Sunnyvale
- School demographers continue to report that residents of single family homes, most of which are older homes, continue to enroll much higher numbers of children per home in local public schools (due largely to resale by elderly homeowners to younger families with children) than do residents of multi-family housing, whether rental or for-sale.
- Many buyers of new condominiums in north Sunnyvale are reportedly sending their children to private schools due to concerns about public school quality, and/or don't yet have children.

**Public Hearings on Draft 2015-2023 Housing Element:**

1. Housing and Human Services Commission: May 28, 2014
2. Planning Commission: June 9, 2014

Minutes are provided on the following pages.

## **Minutes of Public Hearings on Draft Housing Element**

### **Housing and Human Services Commission Meeting of May 28, 2014**

Approved Minutes (Excerpt)

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

##### **Agenda Item 2: 14-0262 Make Recommendation to Council on the Draft 2015-2023 Housing Element**

Housing Officer Suzanne Isé gave a short presentation that included a review of the Housing Element Update process, its requirements, and the progress made since the process started in early 2012. She also noted that the Draft Housing Element summarizes the initial public input received, and that there will be additional opportunities for the public and other interested parties to provide input in the next few months before a final draft is submitted to the Department of Housing and Community Development for approval in late August 2014. She encouraged the more than 20 members of the public present to take this opportunity to share their ideas or concerns.

Chair Chiu opened the public hearing at 7:40 p.m.

Non-Profit Housing Association of Northern California Regional Policy Manager Pilar F. Lorenzana-Campo asked if density was the only metric being used to identify sites, or are there any other land use or zoning mechanisms that are included in the Housing Element, such as affordable housing overlay zones. She also asked what financing mechanisms is the City considering, e.g. the use of boomerang funds or housing/commercial impact fees. Lastly she spoke in favor of mobile home park preservation efforts.

Pat Sausedo, representative of the Building Industry Association, provided a letter addressed to all Bay Area jurisdictions that includes a number of comments and issues that should be addressed in the Housing Elements.

Mark Sabin, a Sunnyvale resident, spoke about the burden that high rents are creating for many working people in Sunnyvale. If Sunnyvale is to remain a sustainable community, he suggested creating a mechanism where those who choose to buy and develop housing above the median affordable price pay a fee to offset the cost and provide incentives and subsidize funding for those who buy properties to develop housing below the median price to provide affordable housing, not low-income housing. Director of Community Development Hanson Hom noted that a similar proposal, a rental housing impact fee, is scheduled to be considered by Council later this year.

Sandra Murillo of the Housing Trust Silicon Valley thanked the City of Sunnyvale for its continued partnership and funding to provide services to the residents of Sunnyvale.

Chair Chiu closed the public hearing at 7:55 p.m.

After a short discussion and some questions of staff, Chair Chiu asked for a motion.

Vice Chair Gilbert moved and Commissioner Schmidt seconded the motion to approve Alternative 1: Recommend that Council approve the draft Housing Element as presented in Attachment 2 for submittal to HCD for review. The motion carried unanimously by the following vote:

Yes: 7 -

Chair Chiu

Vice Chair Gilbert

Commissioner Evans

Commissioner Jeong

Commissioner McCloud

Commissioner Schmidt

Commissioner Sidhu

No: 0

**Planning Commission Meeting of June 9, 2014**

Approved Minutes (Excerpt)

**PUBLIC HEARINGS/GENERAL BUSINESS**

Agenda Item 4: 14-0562 Make Recommendation to Council on the Draft 2015-2023 Housing Element  
Environmental Review: Negative Declaration

Suzanne Isé, Housing Officer, presented the draft Housing Element update.

Vice Chair Olevson and Ms. Isé discussed the policies that have been added to the draft Housing Element, and discussed the proposal for a relocation assistance program.

Comm. Klein confirmed with Ms. Isé that City Council decided not to increase the Below Market Rate (BMR) of 12.5% in 2012, and that lowering the threshold for the number of units triggering the BMR program could be an added recommendation to Council.

Comm. Durham confirmed with Ms. Isé that requests by applicants to only pay the in-lieu fee rather than build the BMR units would need to be heard by Council, and discussed a future program to develop the BMR units that would otherwise have been built with the in-lieu fees collected from different projects.

Comm. Harrison discussed with Ms. Isé current housing studies which include the adjustment of the linkage fee assessed on commercial properties and the rental housing impact fee.

Chair Melton confirmed with Ms. Isé that several recessions slowed housing growth between the years of 2000 and 2010. Trudi Ryan, Planning Officer, noted that during the 2008 recession, Planning permits were extended in preparation for construction when the economy improved.

Chair Melton commented on the gap between the needed number of very low income housing units determined by the Regional Housing Needs Assessment (RHNA) and those that City staff have determined will be built between 2015 and 2023, and discussed with Ms. Isé that money, land and a zoning code that allows density and height are needed to close this gap.

Vice Chair Olevson discussed with Ms. Isé the source of funding to build 72 BMR units over the next 20 years, and confirmed which agencies determine regional housing needs. Vice Chair Olevson commented on the North Bay appearing exempt from these housing requirements.

Comm. Harrison discussed with Ms. Isé the BMR ownership program and confirmed that there is no waiting list for these units. Comm. Harrison and Ms. Isé also discussed how a BMR property is subsidized.

Melissa Morris, with the Law Foundation of Silicon Valley, discussed her support of adopting the draft Housing Element and said that her organization believes it is important to have a rent stabilization program.

Julie Quinn, with the Housing Trust Silicon Valley, discussed her support of adopting the draft Housing Element and said that her organization believes funding programs should be included in the Housing Element.

Marie Bernard, Executive Director at Sunnyvale Community Services, discussed her support of adopting the Housing Element, the importance of having a rent stabilization program and of finding other sources of funding.

Wendee Crofoot, with the Silicon Valley Leadership Group and Friends of Caltrain, discussed her support of adopting the draft Housing Element and the need for housing to be built near transit.

Chair Melton closed the public hearing.

Comm. Harrison confirmed with Ms. Isé that there is no division of the BMR in-lieu fund for ownership versus rental properties, and confirmed that the housing mitigation fund supported the armory.

Vice Chair Olevson confirmed with Ms. Isé that staff is not recommending the adoption of the Association of Bay Area Governments (ABAG) job connection strategy, and that the ABAG recommendations were added to the draft Housing Element as a reference.

Comm. Harrison moved Alternative 2 to recommend that Council authorize staff to submit the draft Housing Element with modifications to HCD for review:

1) That all housing built for ownership be subject to the BMR requirement, regardless of the number of units.

Vice Chair Olevson seconded.

Comm. Harrison said that while she understands that rental housing in California is exempt from BMR requirements, she is aware of a program in Montgomery County, Maryland in which all ownership housing is subject to BMR requirements on a sliding scale so that there are no games played with an artificial limit. She said she thinks it could provide more money and not unduly affect people building single units and would provide a continuous stream without politics.

Vice Chair Olevson said that there are so many requirements, from Federal funding requirements to the State RHNA requirements, that the only means of survival seems to be spreading the pain around to everyone. He said he is generally not in favor of requiring a builder to support someone else, which looks to him like wealth transfer, but that at this point this is the only equitable way of doing this.

Comm. Klein offered a friendly amendment to consider increasing the BMR requirement from 12.5% to 15% of all units in the project.

Comm. Harrison and Vice Chair Olevson accepted.



Comm. Klein said he will be supporting the motion and that decreasing the number of units required before allocating funds to the BMR program makes sense, and that while he has a question about single-family versus more than one, he thinks staff will look more closely to determine what is fair. He said 12.5% has been the status quo for a long time and that ten years ago the issue was brought up to raise that percentage, and seeing that it remains as 12.5%, he thinks now raising it to 15% seems a more fair and easy calculation. He said it makes sense within this state of the housing environment in Sunnyvale, and he applauds the upgrades staff has made to the Housing Element, and thinks taking it a few steps further will improve the plan overall.

Comm. Durham said he will be supporting the motion, and in looking at the gap between those who can buy and those who cannot in the City and while trying to reduce travel and transit to work, he thinks we have to try to keep a balance for people working in the area and that this may be best way to do it. He said we cannot afford economically or environmentally to ship our housing out to the other side of the peninsula or to the Central Valley.

Chair Melton said he will be supporting the motion and that he implores staff and everybody in the City to continue to explore creative solutions to the problem. He said this is a real issue of great impact to the wellbeing of the city, to all its citizens and to the future of the City to continue exploring what we can do in Sunnyvale and on a regional basis. He said he gives a tip of the cap to City staff for a job well done in the creation of the Housing Element as there are a lot of moving parts and State requirements, and that there is a lot of subject matter and expertise that we are fortunate to have in City staff. He said he is looking forward to seeing City Council and the Housing and Human Services Commission take a shot at this.

MOTION: Comm. Harrison moved Alternative 2 to recommend that Council authorize staff to submit the draft Housing Element to HCD for review with modifications:

- 1) To add a program to consider expanding the Below Market Rate Ownership Housing Requirement to all ownership housing projects (i.e. those of fewer than eight new units); and
- 2) To consider increasing the BMR requirement to 15% of all units in the project.

Vice Chair Olevson seconded. The motion carried by the following vote:

Yes: 6 -

Chair Melton

Vice Chair Olevson

Commissioner Durham

Commissioner Harrison

Commissioner Klein

Commissioner Rheaume

No: 0

Absent: 1 - Commissioner Simons

## **Comment Letters Received**

Letters received during public outreach period, prior to publication of the initial draft:

1. Letter (via email) from Housing Choices Coalition dated October 25, 2013
2. Letter (via email) from Bay Area Business Coalition dated November 26, 2013

Comment letters submitted prior to the June 9, 2014 Planning Commission hearing on the Draft Housing Element:

3. A joint letter dated June 6, 2014 from representatives of five non-profit agencies: the Law Foundation of Silicon Valley; the Housing Trust of Silicon Valley; MidPen Housing; Downtown Streets Team; and the Non-Profit Housing Association of Northern California (NPH);
4. A letter from Sunnyvale Community Services dated June 9, 2014; and
5. A letter from the Silicon Valley Leadership Group dated June 9, 2014.

## **Response Letter**

1. City's response letter to the letter from the Bay Area Business Coalition dated November 26, 2013.

Letters are included on the following pages.



Suzanne Ise &lt;sise@sunnyvale.ca.gov&gt;

---

## Focus group recommendations--housing needs of people with developmental disabilities in Sunnyvale

1 message

---

**Jan Stokley** <hccstokley1@gmail.com>  
To: Suzanne Ise <Sise@ci.sunnyvale.ca.us>

Fri, Oct 25, 2013 at 5:23 PM

Dear Suzanne,

I am attaching recommendations from the focus group on the housing needs of people with developmental disabilities, which you recommended we convene after the public meeting on the Housing Element.

Please note that I was finally able to provide current Sunnyvale demographic data (on adults) from San Andreas Regional Center. I've been waiting on this for a while and hope this is still timely.

Please contact me with any questions or feedback you have.

Thanks so much.

Jan

—  
Jan Stokley  
Executive Director  
Housing Choices Coalition  
30 Las Colinas Lane  
San Jose, California 95119  
(408)284-0993 Direct Line  
(408)391-9869 Cell  
(408)284-4225 Fax  
jstokley@housingchoices.com  
www.housingchoices.com

Opening New Doors for People with Developmental Disabilities



---

**Sunnyvale Housing Element.docx**

19K

## Sunnyvale Housing Element

### Housing Needs of People with Developmental Disabilities

Submitted October 21, 2013

#### I. Demographic Information

According to the San Andreas Regional Center, there are currently 773 adults with developmental disabilities living in Sunnyvale. The zip code distribution of these residents is shown below:

Zip Code	Number of Adults with Developmental Disabilities October 2013
94085	98
94086	281
94087	271
94088	3
94089	120
TOTAL	773

This number is expected to continue to increase in the next decade, as a result of the dramatic increase in the number of children and youth diagnosed with autism.

#### II. Affordability Constraint

Only 10% of San Andreas Regional Center consumers who are 18 or older have paid employment. Most adults with developmental disabilities depend on Supplemental Security Income as their sole source of income. A typical monthly SSI check for a single adult is only \$850. In some cases, families can supplement this modest fixed income.

Affordable housing property managers impose a minimum qualifying income requirement of twice the monthly rent. This means that a single adult dependent on SSI can only qualify for an apartment with a rent of \$425/month unless the adult has a Housing Choice Voucher or the unit has a Project Based Voucher. There are currently very few apartments for rent in Sunnyvale at this level of affordability.

People with developmental disabilities benefit from project financing which includes Project Based Vouchers, limiting their rental obligation to 30% (or sometimes 35%) of their actual household income.

In addition, Housing Choices Coalition helps people with developmental disabilities overcome the affordability barrier by finding roommates and fostering informal or formal shared housing. Three consumers can more readily qualify for a three-bedroom apartment by pooling their income. In addition, Housing Choices Coalition's model of "cooperative" single-family homes makes it possible for people to share a home with three or four others, have a private bedroom, and pay rent of between \$300 and \$350/month.

#### III. Access Barriers

In addition to affordability constraints, people with developmental disabilities face other barriers to accessing affordable housing in Sunnyvale. The affordable housing market is extremely challenging for a person with developmental disabilities to navigate because:

- a. Each property administers its own application and wait list process.
- b. Each property manager may adopt additional unpublished practices and protocols beyond the minimum requirements of federal, state and local financing sources. They may impose additional pre-application requirements that lead to discrimination—for example, requiring a person to come to the property and request an application in person during certain restrictive hours.
- c. Each property has its own unique mix of income-restricted units, with different units available at different rents using different minimum income requirements and different maximum income requirements. This information is complex and difficult to understand. As a result, some property managers communicate the information in very general terms, or provide only some of the information, even though it is fundamental to the housing qualification process.
- d. While some property managers use the internet to provide critical tenant screening information to consumers, including rent levels, minimum and maximum income criteria and a copy of the application, most do not make this information readily available and it can difficult to acquire.
- e. Some property managers require the applicant to complete a highly detailed and invasive eight-page application simply to be placed on the wait list for a property. If the application is not 100% complete, or contains white-out or marked out information, the application will be rejected—even though, if and when the applicant is eventually called for an interview for a vacant unit, the application has to be completely updated.
- f. Many property managers are untrained in Fair Housing laws and unintentionally fail to meet their obligation to reasonable accommodate a disability.

Other Santa Clara County jurisdictions have addressed these access barriers by requiring the affordable housing developer to “set-aside” units specifically for people with developmental disabilities. The set-aside insures that the property is targeting a percentage of Sunnyvale’s supply of Extremely Low-Income units (affordable at 15% of AMI, 20% of AMI, 25% of AMI, or 30% of AMI) specifically to people with developmental disabilities. In addition, the set-aside helps people with developmental disabilities overcome the navigational barriers posed by the fragmented affordable housing system because Sunnyvale can utilize the services of Housing Choices Coalition to maintain a dedicated wait list for people with developmental disabilities at these affordable housing properties.

### **III. Housing Element Recommendations**

**To address the housing needs of residents of Sunnyvale with developmental disabilities, the City of Sunnyvale’s Housing Element should:**

1. Set a goal of creating at least 100 rental units in five or more new affordable housing developments which are set aside specifically for people with developmental disabilities.

(a) Studios and one bedroom apartments set aside for people with developmental disabilities should be affordable to households with incomes below 15% of area median income and below 20% of area median income.

(b) Two and three bedroom apartments set aside for people with developmental disabilities should be affordable to households with incomes below 25% of area median income and below 30% of area median income.

(c) To promote inclusive housing communities, the percentage of units set aside for people with developmental disabilities should not exceed 25% of the total units in each affordable housing development.

(d) Developers should be required to allow Housing Choices Coalition to maintain the wait list for the set-aside units in order to help people with developmental disabilities overcome the barriers posed by the affordable housing wait list and application process.

2. Set a goal of supporting at least two new properties (similar to Stoney Pines) which are financed with Section 811, Section 202, or other Project-based voucher funding mechanism specifically for people with developmental disabilities.

3. Provide support for people with developmental disabilities to live in shared housing by contributing to the development of the “cooperative” housing model developed by Housing Choices Coalition.



November 26, 2013

Housing/Planning Director  
Jurisdiction  
Via email



Re: Housing Element Update



The undersigned members of the Bay Area Business Coalition advocate for a vibrant regional economy and outstanding quality of life for existing and future residents of the San Francisco Bay Area. A necessary—though by no means sufficient—condition to achieve these goals is for the region to provide an adequate supply of housing within the region. State housing element law generally—and the governmental constraints component in particular—can be important tools to advance these goals. With Bay Area cities and counties currently updating their housing elements, our organizations respectfully request that your jurisdiction consider and address the following comments as part of the public review process.



We recognize that the housing element process can be resource intensive and sometimes difficult. We hope that by identifying certain priority issues and questions, this letter will assist in focusing resources on policies and practices that are of significant and recurring interest to the regulated community. We also would support incorporating these standardized issues into the framework for local jurisdictions to be able to take advantage of the housing element certification streamlining developed by the California Department of Housing and Community Development (HCD).



### **I. Overview of the statutory provisions.**

The California Department of Housing and Community Development (HCD) has prepared formal guidance interpreting the constraints analysis portion of housing element law ([http://www.hcd.ca.gov/hpd/housing\\_element2/CON\\_home.php](http://www.hcd.ca.gov/hpd/housing_element2/CON_home.php)).



HCD's overview of the requirements and their purpose provides: *The element must identify and analyze potential and actual governmental constraints to the maintenance, improvement, or development of housing for all income levels, including housing for persons with disabilities. The analysis should identify the specific standards and processes and evaluate their impact, including cumulatively, on the supply and affordability of housing. The analysis should determine whether local regulatory standards pose an actual constraint and must also demonstrate local efforts*



*to remove constraints that hinder a jurisdiction from meeting its housing needs.... The analysis of potential governmental constraints should describe past or current efforts to remove governmental constraints. Where the analyses identifies that constraints exist, the element should include program responses to mitigate the effects of the constraint. Each analysis should use specific objective data, quantified where possible. A determination should be made for each potential constraint as to whether it poses as an actual constraint. The analysis should identify the specific standards and processes and evaluate their impact, including cumulatively, on the supply and affordability of housing.*

## **II. Requested specific areas of focus**

We have identified certain policies that generally represent significant potential constraints in the Bay Area and we request that as you conduct the constraints portion of your housing element review, these issues in particular be addressed:

- **Did your jurisdiction commit to addressing specific constraints as a condition of HCD certification of the existing housing element?** If so, what was the constraint and what has been done to address it?
- **Does your jurisdiction have a mandatory inclusionary zoning policy?** If so, has an analysis been done that measures the economic impact? Does it contain meaningful and regularly available incentives, and is its implementation flexible so that there are alternatives to a “like for like must build requirement” such as payment of reasonable in lieu fees, land dedication, or acquisition and rehabilitation of existing units with provision affordability covenants? Are such alternatives available at the developer’s option or with staff approval—but without need for Council or Board approval on a project-by-project basis?
- **Has your jurisdiction adopted a density bonus ordinance consistent with governing state law (Gov’t Code Section 65915)?** Does the density bonus ordinance count mandatory inclusionary zoning units toward the density bonus threshold as required by the recent court of appeal decision in *Latinos Unidos del Valle de Napa y Solano v. County of Napa*, 217 Cal. App. 4th 1160 (2013)?
- **What is the cumulative fee and exaction burden on new housing in your jurisdiction?** This analysis should include not only development fees that are “formally” reflected in published fee schedules, but also include exactions imposed via housing allocation program/ “beauty contests,” community benefits/amenities agreements, CFD annexation requirements, and the like. The analysis should also include fees imposed by other agencies, for example school fees, sewer and water fees, and fees imposed pursuant to an applicable regional Habitat Conservation Plan. The analysis should determine the % of the sales of price of new housing in the jurisdiction is represented by the cumulative fee/exaction burden, as well as the % of costs for rental housing units represented by the cumulative fee/exaction burden.
- **Does your jurisdiction have any recently adopted, proposed, or under consideration new or increased fee or exaction, such as an affordable housing impact fee?**
- **Has your jurisdiction required new housing projects, including multifamily/attached projects, to pay a fee or special tax for ongoing general governmental services?**



- **Does your jurisdiction have a designated Priority Development Area (PDA)? Is it a “planned” or “potential” PDA?** Have the number of residential units and densities shown in the PDA application been incorporated into the General Plan? Has the CEQA process been completed for the PDA so that no additional CEQA review is necessary for a proposed project consistent with the PDA? Have development restrictions and processes been streamlined in the area covered by the PDA?
- **What were the sites relied on for the adequate sites compliance of the existing housing element?** What has been the entitlement/development activity for these sites during the prior planning period? Were any of the sites subject to “by right” development procedures?
- **Does your jurisdiction have any type of cap or limitation on the number or type of housing units that may be permitted or constructed jurisdiction wide or in specific areas of the jurisdiction—including a cap or limitation tied to a specified level of new job creation in the jurisdiction?**
- **Has your jurisdiction provided for “by right” housing development in any areas?**
- **Are there zoning or other development restrictions (such as voter approval requirements, density limits or building height restrictions) that have impeded infill and/or transit oriented development?**
- **Has your jurisdiction consistently demonstrated compliance with both the letter and spirit of the Permit Streamlining Act?**
- **What are your jurisdiction’s historic preservation policies and review procedures and have they had a significant impact on the permit and entitlement processes for new development projects?**
- **Has your jurisdiction adopted an ordinance pursuant to the Quimby Act that gives developers credit for private open space?**
- **In implementing the Quimby Act, does your jurisdiction provide for consistency between the calculation of the existing neighborhood and community park inventory, and the criteria and procedures for determining whether to accept land offered for parkland dedication or to give credit for private open space?** For example, has your jurisdiction refused to accept an area in whole or in partial satisfaction of the parkland dedication ordinance on the basis that it is unsuitable for park and recreational uses even though the area is substantially similar to areas included in the overall parkland inventory used to calculate the parkland dedication requirement and fee?
- **In the project review process, has your jurisdiction required developers to use the Bay Area Air Quality Management District’s CEQA Thresholds of Significance for Toxic Air Contaminants (TAC Receptor Thresholds)?** Has your jurisdiction explored alternative procedures for addressing project siting and air quality concerns, such as in the general plan or zoning code?

- **Has your jurisdiction adopted a Climate Adaptation Plan that is more stringent with respect to the per capita GHG reductions for the land use sector/transportation sector than the equivalent per capita targets established for the region by CARB pursuant to SB 375?**

Our organizations intend to monitor housing element updates throughout the region, and we respectfully request that your jurisdiction formally respond to these questions early in the update process. We also ask that you send a paper or electronic copy of the responses to:

BIA of the Bay Area  
Attn: Paul Campos  
101 Ygnacio Valley Road, Suite 210  
Walnut Creek, CA 94596  
[pcampos@biabayarea.org](mailto:pcampos@biabayarea.org)  
415-223-3775

Yours very truly,



John Coleman  
Bay Planning Coalition  
Council



Paul Campos  
BIA Bay Area



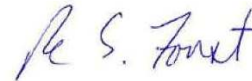
Tom Terrill  
East Bay Leadership



Gregory McConnell  
Jobs & Housing Coalition



Cynthia Murray  
North Bay Leadership Council



Rosanne Foust  
SAMCEDA



Jim Wunderman  
Bay Area Council



Joshua Howard  
California Apartment Association

**TO:** Suzanne Ise, City of Sunnyvale Department of Community Development; Members of the Planning Commission; Mayor Jim Griffith and Members of the City Council.

**FROM:** Melissa Morris, Law Foundation of Silicon Valley; Julie Quinn, Housing Trust Silicon Valley; Iman Novin, MidPen Housing; Pilar Lorenzana-Campo, Non-Profit Housing Association of Northern California; Chad Bojorquez, Downtown Streets Team

**RE:** City of Sunnyvale Housing Element Update, June 9, 2014, Planning Commission Agenda Item # 4.

**DATE:** June 6, 2014

**COMMENTS AND RECOMMENDATIONS REGARDING THE CITY OF  
SUNNYVALE’S DRAFT 2015-2022 HOUSING ELEMENT<sup>1</sup>**

These comments are submitted on behalf of the Law Foundation of Silicon Valley, Housing Trust Silicon Valley, MidPen Housing, the Non-Profit Housing Association of Northern California (NPH), and Downtown Streets Team. We are pleased that the City is taking its housing element update so seriously and welcome the opportunity to provide comments and suggestions regarding the current draft. We hope that the Planning Commission will adopt our recommendations, and we look forward to working with City staff to improve the analysis and recommendations contained in the draft housing element.

**PUBLIC PARTICIPATION**

- We appreciate that the City has made consistent efforts over the last 6 months to reach out to our organizations and other stakeholders, to solicit our feedback, and to encourage our participation in this process.

**REVIEW AND REVISE**

- Based on our review of Sunnyvale’s Annual Progress Reports, it appears that Sunnyvale’s performance during the 2007-2014 planning period fell well short of meeting the City’s housing need, especially with respect to lower-income households. Value is shown as % of total RHNA for each affordability level:
  - VLI – 12.3%
  - LI – 0%
  - Mod – 56.2%
  - Above Mod – 8%

---

<sup>1</sup> All citations to the draft housing element refer to the copy available at <http://sunnyvale.ca.gov/Portals/0/Sunnyvale/CDD/Housing/HousingElement/Final-approved-HE-file-5-23-14.pdf> as of June 6, 2014.

## **HOUSING NEEDS ASSESSMENT**

- Sunnyvale’s population grew 6% between 2000-2010 which is less than the 11% projected by ABAG. **Lack of affordable home options** may be contributing to the smaller-than-anticipated population growth.
- According to **jobs and housing fit** research recently conducted by the UC Davis Center for Regional Change, Sunnyvale has a ratio of 3.65 jobs for every affordable home.<sup>2</sup> The City should pursue policies and strategies to achieve a better fit between existing jobs and homes produced.
- The housing element should include a discussion of the impact of the closure of the Sunnyvale Armory on the community’s need for **emergency shelter**.

## **AT-RISK UNITS**

- Page 44 notes \$240-\$280K /unit to preserve. Please note this figure is low for new construction.
- With regards to replacement cost vs preservation. While it may be possible to purchase an existing market rate unit that’s in poor condition at \$240-\$280K/unit, it should be noted that replacement in the form of new construction would be much higher.
- Estimate of replacement versus preservation costs - Table 27 which is related to 150 units of at risk rental housing for seniors at Life’s garden uses 50% AMI to calculate required subsidy, while most tenants are on fixed income and probably earn less. Is there a reason why 50% AMI is used to calculate needed subsidy vs. say 30% AMI? Further, needed subsidy is only focused on loss of rental assistance. Additional subsidy is needed for rehabilitation to extend the useful life of the building.
- Identification of qualified entities – There is limited discussion about transfer of ownership.
- Identification of potential funding - Element discussed loss of BMR units due to 20 year restriction. Element notes cost is too great to preserve and that “there is essentially no cost-effective mechanism by which the City can preserve only a few BMR rental units within otherwise market-rate properties” More thought could be given to identification of potential funding sources to help in the preservation of new “moderate income” or “workforce” rental housing opportunities to replace expiring BMR units which is a segment typically not served by traditional affordable housing funding sources that target low and very low income units.

---

<sup>2</sup> Figures available at <http://bit.ly/1p40cws>.

## **POTENTIAL GOVERNMENTAL AND NON-GOVERNMENTAL CONSTRAINTS**

- A quick review of the Zoning Code reveals **constraints on the development of housing for people with disabilities** that are not identified in the draft housing element. For example, the City’s reasonable accommodation policy defines disability as “a medical condition, physical or mental impairment that *substantially* limits one or more of the individual’s major life activities.”<sup>3</sup> This definition is more restrictive than the definition of disability used in the Fair Employment and Housing Act<sup>4</sup> and other California anti-discrimination laws and could potentially lead to improper denials of reasonable accommodations. Additionally, the highly discretionary nature of the Miscellaneous Plan Permit process could lead to the improper denial of reasonable accommodations.<sup>5</sup>
- One of the most significant **non-governmental constraints** that a city must analyze in its housing element is “housing financing, including private financing and government assistance programs.”<sup>6</sup> However, the draft housing element provides little analysis regarding the loss of redevelopment funds on the City’s ability to facilitate the new development of new affordable homes. As noted in the discussion on page 93, the state dissolved the redevelopment agencies, including the Sunnyvale Redevelopment Agency, since the beginning of the last planning period, depriving the City of one of its primary affordable housing development tools and creating great uncertainty for the future. This loss of funding should be analyzed as a non-governmental constraint to the development of housing for lower-income households, and the City should consider programs to mitigate the funding gap caused by the loss of redevelopment funds.<sup>7</sup>
- Land Use Controls - Table 35: Parking standards for Affordable housing developments (not including senior affordable) are 1 space for 1 bedroom, 2 for two or three bedroom and 2.15 for 4 bedroom or greater. Further parking reduction should be considered for affordable housing.
- Fees and Other Exactions - An affordable housing impact fee should be implemented to help in the creation of affordable housing units pursuant to nexus study.  
Existing Nexus study for commercial linkage fee supports a higher per square foot fee than what is currently being assessed. Consider increasing the commercial linkage fee to support creation of more affordable housing.  
Consider increasing the in-lieu fee payment for ownership housing.
- The development of a variety of housing types for all income levels - As noted in the housing element, market competition and land cost are the biggest constraint to affordable housing development in Sunnyvale. Housing element notes land cost of \$3-\$4 Million per acre. Actual market cost is more like \$6-\$7 Million per acre

<sup>3</sup> Sunnyvale Mun. Code, § 19.65.020, subd. (b).

<sup>4</sup> See Gov. Code, § 12926.

<sup>5</sup> See Sunnyvale Mun. Code, § 19.82.

<sup>6</sup> HCD Building Blocks for Effective Housing Elements, “Non-Governmental Constraints,” <[http://www.hcd.ca.gov/hpd/housing\\_element2/CON\\_nongovconstraints.php](http://www.hcd.ca.gov/hpd/housing_element2/CON_nongovconstraints.php)>.

<sup>7</sup> See Quantified Objectives and Housing Programs, *infra*.

for parcels that are the right size, density and proximity to amenities. City could consider additional “carrots” and “stick” measures including land banking, transfer of development rights for affordable housing, affordable housing overlay zones and community benefit agreements, land value recapture etc. (i.e. requiring community benefits in exchange for up zoning of entire areas to a higher density, which may cause more speculation and put more upward pressure on already high land values)

## **SITES INVENTORY AND ANALYSIS**

- Property Listing - List meets requirements
- Unit determination - Mullin densities are used and a range between 75% to 85% max density used. 30+ DU/AC zoned sites are assumed as viable for low and very low, 15+ DU/AC sites are assumed for moderate households. Most opportunity parcels are less than ½ acre in size which is not ideal for multifamily development so there is a question as to whether actual density can be achieved without assemblage.
- Additional development potential of non-vacant sites - Extent to which existing uses may constitute an impediment to additional residential development is not sufficiently explored. Many of the sites listed as an opportunity for low and very low income housing include existing uses such as retail stores, self-storage facilities, religious institutions and offices that are economically sound businesses or that have deep roots in the community; making their redevelopment into affordable housing highly unlikely.

## **QUANTIFIED OBJECTIVES AND HOUSING PROGRAMS**

- Generally, the housing programs are **not sufficiently detailed**. As noted by HCD, effective housing element programs include the following: “[d]efinite time frames for implementation;” “[i]dentification of agencies and officials responsible for implementation;” “[d]escription of the local government’s specific role in program implementation;” “[d]escription of the specific action steps to implement the program;” “[p]roposed measurable outcomes;” “[d]emonstration of a firm commitment to implement;” and “[i]dentification of specific funding sources, where appropriate.”<sup>8</sup> However, the programs described at pages 124 to 129 provide very little detail, no concrete timelines, no prioritization, and few concrete actions on behalf of the City. For example, programs 24 and 25 state that the City will “encourage” certain types of development but do not set forth any actions that the City intends to take.<sup>9</sup> Notably, the time frame for *every program* is 2015-2023.<sup>10</sup> The City should amend this section to set forth specific plans, actions, and timeframes for each of its programs.

---

<sup>8</sup> HCD Building Blocks for Effective Housing Elements, “Program Overview and Quantified Objectives,” <[http://www.hcd.ca.gov/hpd/housing\\_element2/PRO\\_overview.php](http://www.hcd.ca.gov/hpd/housing_element2/PRO_overview.php)>.

<sup>9</sup> Draft Housing Element, p. 129.

<sup>10</sup> *Id.* at p. 124-129.

- Additionally, the housing element should include more robust programs for addressing the **shortfall of affordable housing funding** created by the loss of redevelopment. For example, the City is already considering a housing impact fee for new residential development, and the housing element should include a program for adoption of such a fee. Along the same lines, the housing element should include programs for the designation and use of former redevelopment “boomerang” funds for affordable housing development.
- Since the City’s **density bonus** program is new since 2012, it should consider a housing element program to analyze the efficacy of the density bonus formulas in promoting the development of new affordable homes.
- We applaud the City for including a program to consider some form of anti-displacement policy (Program 11)<sup>11</sup> and are very interested in working with the City to develop viable and effective policy options. However, it is our experience that unchecked increases in market-rate housing are one of the primary forces driving displacement in Sunnyvale and throughout Silicon Valley. As such, we encourage the City to specifically list **rent stabilization and just-cause eviction protections** as anti-displacement tools and to include these policies in its anti-displacement program.
- The housing element should include a program to address the loss of emergency shelter beds caused by the **closure of the Sunnyvale Armory**. While, as the draft housing element notes, the redevelopment of the Armory site is expected to yield 117 units of much-needed permanent affordable housing,<sup>12</sup> the need for emergency shelter has not disappeared. The City should make local efforts and participate in regional efforts to meet the area’s emergency shelter needs.
- We laud the City for identifying **preservation of mobile home parks** among its priorities for conserving and improving the existing housing stock.<sup>13</sup> We wonder if the City has identified any particular parks that are at risk of closure now—with the proposed closure of Buena Vista Mobile Home Park in Palo Alto and Winchester Ranch Mobile Home Park in San Jose, mobile home park conversions appear to be a growing trend that threatens one of the region’s most significant sources of affordable housing. Sunnyvale has a recently updated and relatively protective mobile home park conversion ordinance, but it could also consider other proactive strategies for helping to preserve at-risk parks, such as the investment of City affordable housing funds to assist in resident or non-profit purchases where such purchase may be effective in preventing the displacement of mobile home park residents.
- The draft housing element identifies **Section 8 housing choice vouchers** as an important component of meeting the housing needs of very low-income households and includes a program to work with the Housing Authority of Santa Clara County (HACSC) and landlords.<sup>14</sup> Especially after the cuts to the Section 8 program prompted by the federal budget sequester, finding landlords who will rent to Section 8 voucher-holders creates a significant barrier to housing choice

---

<sup>11</sup> Draft Housing Element, pp. 116, 125.

<sup>12</sup> Draft housing element, p. 103.

<sup>13</sup> Draft housing element, pp. 106, 117, 126.

<sup>14</sup> Draft housing element, pp. 115-116.

for these members of the community. State law does not explicitly prohibit landlords from discriminating against Section 8 voucher-holders, and the outright refusal of private landlords to accept Section 8 vouchers is a widespread problem affecting housing choice throughout California.<sup>15</sup> This climate of discrimination is compounded by the disconnect between HACSC's payment standard and existing market-rate rents, as well as its implementation of across-the-board subsidy cuts in 2013.<sup>16</sup> In addition to working with HACSC to lobby to maintain or increase funding for the Section 8 program, the City should consider other local ways to create viable housing choice for Section 8 voucher-holders. For example, the housing element should include a program for considering an ordinance to prohibit discrimination against Section 8 voucher-holders. East Palo Alto and several other cities have successfully implemented such ordinances.

- The housing element should include a program to address **the constraints to the development of housing for people with disabilities** discussed above.

## **OTHER REQUIREMENTS**

- While the draft housing element does indicate that the City will deliver a copy of the adopted housing element to relevant **water and sewer** service providers,<sup>17</sup> it does not indicate whether or not those providers grant priority to housing developments for lower-income households consistent with AB 1087.<sup>18</sup>

---

<sup>15</sup> HCD, *Analysis of Impediments to Fair Housing* (2012), p. 13-2

<[http://www.hcd.ca.gov/hpd/hrc/rep/fed/state\\_of\\_ca\\_analysis\\_of\\_impediments\\_full%20report0912.pdf](http://www.hcd.ca.gov/hpd/hrc/rep/fed/state_of_ca_analysis_of_impediments_full%20report0912.pdf)>.

<sup>16</sup> HACSC's payments standards are available here: [http://www.hacsc.org/p\\_VPS.php](http://www.hacsc.org/p_VPS.php). As an example, the payment standard for a two-bedroom unit is \$1581 per month, whereas the average market-rate rent for a two-bedroom unit in Sunnyvale is listed at page 36 of the draft housing element as \$2550 per month.

<sup>17</sup> Draft housing element, p. 92.

<sup>18</sup> See Memo from HCD to Planning Directors, et al. (May 22, 2006) <[http://www.hcd.ca.gov/hpd/memo\\_sb1087.pdf](http://www.hcd.ca.gov/hpd/memo_sb1087.pdf)>.





## **Sunnyvale Community Services**

725 Kifer Road, Sunnyvale, CA 94086 408.738.4321

**Working to Prevent Homelessness and Hunger**

June 9, 2014

To: Suzanne Ise, City of Sunnyvale Department of Community Development  
Members of the Planning Commission  
Mayor Jim Griffith and Members of the City Council  
City of Sunnyvale  
456 West Olive Avenue  
Sunnyvale, CA 94086

RE: City of Sunnyvale Housing Element Update  
June 9, 2014 Planning Commission Agenda Item # 4.

### **THE FOLLOWING ARE COMMENTS AND RECOMMENDATIONS REGARDING THE CITY OF SUNNYVALE'S DRAFT 2015-2022 HOUSING ELEMENT.**

I represent Sunnyvale Community Services. As the core safety net non-profit agency in the City of Sunnyvale, we served 6,643 unduplicated low-income individuals last year with food and/or financial aid. Our slogan for many years has never been more true: "Our business is booming and that's not good." The amount of financial aid we distributed in just one year increased by 5%, and the number of visits to our food program increased by 16%. But there are people behind the statistics:

One senior couple came to us desperate after they received a notice that their rent was increasing \$700. The husband was in ill and in hospice care. The wife was his caretaker. The husband subsequently passed away and she faces homelessness. Where can she go?

A hardworking mom received the following notice rent increase notice: She could sign a 12-month lease for \$2,174 per month for her apartment – an increase of 61% in 18 months. Or, she could sign an 8-month lease for \$2,565, or a month-to-month lease for \$6,909 a month. How high can it go?

The same economic boom that is bringing in new revenue to our City is squeezing out the middle income and low-income residents - the people we need to work in our City's businesses and services.

Our City's cost of living is one of the highest in Silicon Valley, which leads the country in housing costs. Fair market rents in Sunnyvale now equal \$2,129 (similar to \$2,153 for Santa Clara County) according to RealFacts Online as of December, 2013. *Rents in Sunnyvale went up 40% in just three years!*

Unfortunately, Sunnyvale is losing its competitive edge and quality of life because of the lack of TRULY affordable housing. Workers in the service industry can't afford to live where they work. Long commutes means clogged streets and freeways. If Sunnyvale wants to be friendly to business, that means we need service workers living close to service jobs that support all the businesses coming to town. We know that for every high tech worker, there are four or more service industry jobs created. Truly affordable housing for low-income and middle-income workers is a wise investment and needs to be a core part of our City's plans for the future.). *If Sunnyvale wants to attract talent, we need affordable housing for all workers.*

We see Sunnyvale residents when they are at the end of their rope, when they get an unexpected rent increase and they have no place to turn. We can't fix the long-term problem if their incomes can't sustain their monthly rent. We need to invest in programs and policies that will help the growing number of families and seniors who are one bill away from homelessness.

In the same way, Sunnyvale's affordability is at the end of its rope. We are quickly becoming a City of haves and have-nots and it is changing our City in negative ways that will impact us for decades to come.

*On behalf of the nearly 7,000 individuals who come to Sunnyvale Community Services each year, I ask that you strengthen your Housing Element recommendations to include the following:*

- The City can prioritize specific investments in more robust programs for addressing the **shortfall of affordable housing funding** created by the loss of redevelopment. This may include a housing impact fee for new residential development, and the housing element should include a program for adoption of such a fee.
- The City can take the lead to grow more **partnerships** with non-profit agencies and business partners to raise new funds and use innovative approaches for truly affordable housing in Sunnyvale and north county. An alliance of civic and nonprofit and business partners can bring combined strengths to tackle this urgent and growing crisis.
- Since the City's **density bonus** program is new since 2012, it should consider a housing element program to analyze the efficacy of the density bonus formulas in promoting the development of new affordable homes.
- The City can specifically list **rent stabilization and just-cause eviction protection** as tools in the anti-displacement program. Since we see evictions and rent increases every day, we are very interested in working with the City to develop viable and effective policy options. It is our experience that unchecked increases in market-rate housing are one of the primary forces driving displacement in Sunnyvale and throughout Silicon Valley.
- In light of the closing of the Sunnyvale Armory, we want to continue working with the City and Santa Clara County and neighboring cities on **regional efforts to meet the area's emergency shelter needs**.
- Sunnyvale can be proactive in **preservation of mobile home parks** among its priorities for conserving and improving the existing housing stock. For example, Sunnyvale can consider strategies for helping to preserve at-risk parks, such as the investment of City affordable housing funds to assist in resident or non-profit purchases where such purchase may be effective in preventing the displacement of mobile home park residents.
- Our City can do specific **outreach to landlords to accept Section 8 vouchers** and TBRA

vouchers. Last year, the 15 TBRA vouchers for the City of Sunnyvale resulted in 13 families moving OUT of Sunnyvale because they could not afford the ongoing rent after the 2-year subsidy period was over.

- Finally, with the growing number of disabled and senior residents in Sunnyvale, we feel that the Sunnyvale Housing Element must include a program to address the needs of housing for people with disabilities.

Sincerely,

A handwritten signature in cursive script, appearing to read "Marie Bernard", written in black ink on a light-colored background.

Marie Bernard

Executive Director

cc: Board of Directors, Sunnyvale Community Services



June 9<sup>th</sup>, 2014

Sunnyvale Planning Commission  
456 W. Olive Ave.  
Sunnyvale, CA 94086

On behalf of the Silicon Valley Leadership Group, I am writing to support the City of Sunnyvale's Draft Housing Element Update for 2015.

The Silicon Valley Leadership Group, founded in 1978 by David Packard of Hewlett-Packard, represents more than 380 of Silicon Valley's most respected employers on issues, programs and campaigns that affect the economic health and quality of life in Silicon Valley, including energy, transportation, education, housing, health care, tax policies, economic vitality and the environment. Leadership Group members collectively provide more than 300,000 local jobs, or one of every four private sector jobs in Silicon Valley.

Each year, the Leadership Group surveys Silicon Valley CEOs on various benefits and barriers to conducting business in the Valley. In 2014, 90% of respondents cited high housing costs as the biggest hindrance to the quality of life of their employees. As a non-profit association representing the private sector in Silicon Valley, we seek to strike a balance between jobs creation and the availability and affordability of housing here in the Valley.

As housing advocates, the Leadership Group is pleased to see that Sunnyvale's draft Housing Element seeks to increase the supply of housing within the city by: 1) preserving and improving housing and neighborhoods; 2) providing adequate housing sites; 3) assisting in the provision of affordable housing; 4) removing governmental and other constraints to housing investment; and 5) promoting fair and equal housing opportunities.

Over the past year, the Leadership Group has been working with other local non-profits to promote commercial and residential development around the Sunnyvale Lawrence Caltrain station. While approving the Housing Element update, we encourage the planning commission to explore sites near the Lawrence station in order to promote sustainable communities and transit oriented development in Sunnyvale.

For the above reasons, the Leadership Group supports Sunnyvale's Draft Housing Element 2015 and hopes the Commission will incorporate proximity to transit and services strategies when selecting housing sites.

Thank you,

Zoe Mullendore  
Associate, Housing and Transportation Policy  
Silicon Valley Leadership Group

2001 Gateway Place, Suite 101E  
(408)501-7864 svlg.org  
CARL GUARDINO  
President & CEO  
**Board Officers:**  
STEVE BERGLUND, Chair  
Trimble Navigation  
GREG BECKER, Vice Chair  
SVB Financial Group  
JOHN ADAMS, Secretary/Treasurer  
Wells Fargo Bank  
TOM WERNER, Former Chair  
SunPower  
AART DE GEUS, Former Chair  
Synopsis  
MICHAEL SPLINTER, Former Chair  
Applied Materials, Inc.  
**Board Members:**  
MARTIN ANSTICE  
Lam Research  
SHELLY ARCHAMBEAU  
MetricStream, Inc.  
ANDY BALL  
Suffolk Construction  
GEORGE BLUMENTHAL  
University of California, Santa Cruz  
JOHN BOLAND  
KQED  
TOM BOTTORFF  
Pacific Gas & Electric  
CHRIS BOYD  
Kaiser Permanente  
TORY BRUNO  
Lockheed Martin Space Systems  
BRADLEY J. BULLINGTON  
Bridgelux  
DAVID CUSH  
Virgin America  
CLAUDE DARTIGUELONGUE  
BD Biosciences  
MICHAEL ENGH, S.J.  
BRANT FISH  
Chevron Corporation  
Santa Clara University  
TOM FALLON  
Infirera Corp.  
TOM GEORGENS  
NetApp, Inc.  
KEN GOLDMAN  
Yahoo!  
RAQUEL GONZALEZ  
Bank of America  
LAURA GUIO  
IBM  
KEN KANNAPPAN  
Plantronics  
GARY LAUER  
eHealth  
ENRIQUE LORES  
HP  
MATT MAHAN  
Causes  
KEN MCNEELY  
AT&T  
KEVIN MURAI  
Synnex  
JES PEDERSEN  
Webcor  
KIM POLESE  
ClearStreet  
VIVEK RANADIVE  
TIBCO  
STEVE ROSSI  
Bay Area News Group  
ALAN SALZMAN  
VantagePoint Capital Partners  
RON SEGE  
Echelon Corporation  
ROSEMARY TURNER  
UPS  
RICK WALLACE  
KLA-Tencor  
JED YORK  
DAN WARMENHOVEN  
NetApp, Inc.  
San Francisco 49ers  
Established in 1978 by  
DAVID PACKARD



September 11, 2014

Paul Campos  
BIA Bay Area  
Via email to:  
[Pcampos@biabayarea.org](mailto:Pcampos@biabayarea.org)

**Re: Response to Letter to "Housing/Planning Director, Jurisdiction, Via Email" dated November 26, 2013**

Dear Mr. Campos,

Ms. Pat Sausedo of your organization delivered the above-referenced letter to the City on May 28, 2014 during a public hearing held by the City's Housing and Human Services Commission on the City's Draft 2015-2023 Housing Element (the "Draft"), and requested that the City respond in writing. The Draft was approved by Council on August 12, 2014 for purposes of submittal to HCD for review. The references herein refer to the page numbers in the Draft approved by Council.

This is the written response to your letter, as requested by Ms. Sausedo.

Following receipt of HCD comments, the City will hold additional hearings on the final Housing Element prior to adoption by Council as part of a General Plan amendment. Those hearings will occur several weeks after the City receives HCD's comments, and are tentatively planned to occur in November and December 2014, subject to change in case of any unanticipated delays.

**To see the dates of any scheduled hearings or meetings on this topic at any time, please see the City's web page:**

***[HousingElement.inSunnyvale.com](http://HousingElement.inSunnyvale.com)***

City staff attended a BIA South Bay Chapter meeting on October 30, 2013 hosted by Crisand Giles, former BIA South Bay staff member, to present an overview of the City's streamlined housing element update process and to discuss members' concerns and interest in the City's housing element, some of which relate to some of the topics noted below. Staff had a productive and informative discussion with that group, as summarized in Appendix A of the City's Draft.


**I. Overview of the statutory provisions**

The City's current Housing Element was approved by HCD in September 2009, which verifies that it is compliant with the statutory provisions.

**II. Requested specific areas of focus**

All of the specific areas of focus applicable to the City are addressed in its current Draft, which will be submitted to HCD for review shortly after the date of this letter. Please see below for specific pages and sections of the Draft which address your suggested areas

**ADDRESS ALL MAIL TO: P.O. BOX 3707 SUNNYVALE, CALIFORNIA 94088-3707  
TDD (408) 730-7500**

 Printed on Recycled Paper



of focus. The un-numbered bullets in your letter are numbered below in the same order in which they were listed in your letter, for easier reference. "N/A" indicates that the questioned item does not exist in the City. The Draft is available online at: [HousingElement.inSunnyvale.com](http://HousingElement.inSunnyvale.com)

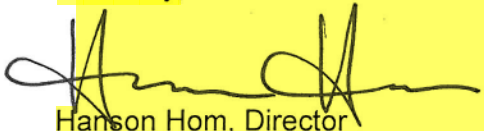
1. *Addressing constraints:*  
Please see pp. 47-78, 99-101, and Appendix C of the Draft.
2. *Mandatory inclusionary zoning:*  
Please see pp. 55-56, 107 of the Draft and Chapter 19.67 of the Sunnyvale Municipal Code (SMC), adopted in July 2012.
3. *Density Bonus:*  
Please see pp. 56, 108-109, and C-1 of the Draft.
4. *Fee and Exaction Burden:*  
Please see pp. 68-72 of the Draft.
5. *Present or potential future fees:*  
Please see pp. 4, 68-74, Appendix A, and Appendix C.
6. *Tax on housing for general services:*  
N/A
7. *PDAs:*  
The City has five ABAG-approved PDAs. Please see pp. 54, 117, A-4, and Appendices B and D for more information.
8. *Adequate Sites:* Please see Appendix B of the adopted 2009-2014 Housing Element; and pp. 79-88, 99-101, and Appendices B and C of the Draft.
9. *Housing unit caps or limits:*  
N/A
10. *"By right" development:*  
Please see pp. 57-61 of the Draft.
11. *Impediments to infill or transit-oriented development:*  
No (N/A). Please see Appendix B of the Draft for a list of recent and pending infill projects.
12. *Permit Streamlining Act compliance:*  
Yes. Please see pp. 65-67 of the Draft.
13. *Historic Preservation Policies:*  
Please see p. 106 of the Draft and Chapter 19.96 of the Sunnyvale Municipal Code.
14. *Quimby Act/credit for private open space:*  
N/A
15. *Consistency related to Quimby Act:*

Question unclear.

16. *BAAQMD's CEQA Thresholds for TACs:*  
N/A. The City's CEQA thresholds have not proven to be a constraint to meeting the City's RHNA requirements.
17. *Climate Adaptation Plan:*  
No.

Thank you for your interest in the City's 2015 Housing Element Update.

Sincerely,

A handwritten signature in black ink, appearing to read 'Hanson Hom', is written over a yellow rectangular background.

Hanson Hom, Director  
Community Development Department

### **List of Invitees to Outreach Meetings**

Notice of the May 28, 2014 Housing and Human Services Commission public hearing on the Draft Housing Element was sent by email to 2,359 individuals subscribed to the City's Housing e-Newsletter and/or the BMR Housing Interest List, and to 191 organizations listed below. Similar lists were used for noticing for all Housing Element Update outreach meetings in 2013 and early 2014. Organizations listed with an asterisk \* are Sunnyvale neighborhood associations, mobile home park resident associations, and home owners' associations.

1. ABHOW
2. Abilities United
3. Adobe Wells Mobilehome Community \*
4. Advocates for Affordable Housing (Mountain View community group)
5. Alberta Court Maintenance Association \*
6. Asian Americans for Community Involvement
7. Asian Law Alliance
8. Avenidas Senior Day Health Center
9. BalCal Financial Corp.
10. Bank of America
11. Barry Swenson Builder
12. Bay Area Cultural Connections
13. Bellomo Avenue Townhomes Association \*
14. Building Industry Association, Bay Area
15. Bill Wilson Center
16. Billy DeFrank LGBT Community Center
17. Birdland Neighborhood Association \*
18. BKF
19. Braly Corners Neighborhood Association \*
20. BRE Properties
21. Bridge Housing
22. BRIDGE Housing
23. Builders Land Group
24. California Apartment Association (Tri-Counties chapter)
25. Campus Property
26. Canary Drive Neighborhood Association \*
27. Catholic Charities of Santa Clara County, Day Break III
28. Center for Training and Careers, Inc.
29. Charities Housing
30. Charles Street 100 Neighborhood Association \*
31. Cherry Orchard Neighbors Association \*
32. Cherryhill Neighborhood Association \*
33. Cherrywood HOA \*
34. Cheyenne North Homeowners Association \*
35. Chinese American Cultural Center
36. Christian Church Homes of Northern CA
37. City Ventures
38. Community Action Agency, Weatherization Program
39. Community Housing Development
40. Community Partners for Youth, Inc. (CCPY)
41. Community Services Agency of Mountain View and Los Altos
42. Community Technology Alliance (CTA)
43. Community Working Group



44. Corte Madera Court Common HOA \*
45. Countrywide Home Loans
46. Crestview Association (Massingham Management, Inc.) \*
47. CSA-Alpha Omega Program and Emergency Services Program
48. Cumberland South Neighborhood Association \*
49. Cypress Investment Real Estate
50. D R Horton American Builder
51. Danbury Place (Merit Property Management) \*
52. Dayworker Center of Mountain View
53. Deaf Counseling, Advocacy & Referral Agency (DCARA)
54. Distancia
55. Eastern European Service Agency
56. ECHO Housing
57. Essex Property Trust
58. Ethiopian Community Services, Inc.
59. Family and Children Services (County of Santa Clara)
60. Family Supportive Housing, Inc.
61. Filipino Youth Coalition
62. First Community Housing
63. Fresh Lifelines for Youth, Inc. ("FLY")
64. Friends for Youth
65. Gavello Glen Neighborhood Association \*
66. Global Premier Development
67. Gorilla Sites
68. Greater Opportunities
69. GRID Alternatives
70. Habitat for Humanity
71. HBA of Northern CA, Southern Division
72. Health Trust
73. Healthier Kids Foundation
74. Heritage District Neighborhood Assoc. (HDNA) \*
75. Hollenbeck Condominium Association \*
76. HomeFirst Services of Santa Clara County (formerly EHC LifeBuilders)
77. Housing Authority of the County of Santa Clara
78. Housing Choices Coalition
79. Housing for Independent People, Inc.
80. Housing Trust of Silicon Valley
81. Indian Health Center of Santa Clara Valley
82. InnVision Shelter Network
83. Irvine Company
84. Junior Achievement of Silicon Valley and Monterey Bay
85. KB Homes
86. KMA-Architects
87. Korean-American Community Services (KACS)
88. Lakewood Village Neighborhood Association \*
89. Latina Coalition
90. Legal Aid of Santa Clara County
91. Lenders for Community Development
92. Live Oak Adult Day Services
93. Loaves & Fishes Family Kitchen
94. Loral Space and Communications

95. Lowlanders Neighborhood Association \*
96. Lytton Gardens
97. MAITRI
98. MayView Community Health Center
99. MCA Islamic Center
100. Meriwest Mortgage
101. Mexican American Community Services Agency, Inc. (MACSA)
102. MidPen Housing Corp.
103. Mission Valley Homes
104. Moffett Park Business and Transportation Assoc.
105. Momentum for Mental Health
106. Morse Park Neighborhood Association \*
107. Mozart Development
108. National Association of Hispanic Real Estate Professionals
109. Neighborhood Housing Services Silicon Valley
110. Next Door Solutions to Domestic Violence
111. Nimitz Neighborhood Community Communications and Advocacy Association \*
112. North County Homeless Coalition
113. NOVA (WIB)
114. O'Brien Homes
115. Opportunity Fund Northern California
116. Orchard Valley
117. Ortega Park Neighborhood Association \*
118. Outreach Escort and Transportation
119. Pacific Autism Center for Education (PACE)
120. Palo Alto Housing Corporation
121. Panama Park Neighborhood Association \*
122. Parents Helping Parents
123. Polish American Engineers Club
124. Ponderosa Park Neighborhood Association \*
125. Portuguese Org. for Social Services & Opportunities (POSSO)
126. Project Sentinel
127. Prometheus Real Estate Group
128. Province Group
129. Pulte Group
130. Raintree Partners
131. Raynor Park Neighborhood Association \*
132. Reach Potential Movement
133. Rebuilding Together Silicon Valley
134. Respite & Research Alzheimer's Disease
135. Rhonda Village III Homeowner's Association \*
136. ROEM Development Corporation
137. San Benito County Health and Human Services Agency
138. San Jose Conservation Corps & Charter School
139. San Miguel Neighbors Association \*
140. Sand Hill Property Company
141. Santa Clara County Black Chamber of Commerce
142. Santa Clara University
143. Santa Clara Valley Blind Center
144. SARES Regis Group of Northern California, LLC
145. Santa Clara County Collaborative on Housing and Homelessness (Continuum of Care)

146. Second Harvest Food Bank
147. Self-Help for the Elderly
148. Senior Adults Legal Assistance
149. Senior Housing Solutions
150. Senior Nutrition Program
151. Shelter Network of San Mateo County
152. Silicon Sage
153. Silicon Valley Association of Realtors
154. Silicon Valley Independent Living Center
155. Silicon Valley Leadership Group
156. South India Fine Arts
157. St. Anton Partners
158. St. Elizabeth's Day Home
159. St. Thomas Episcopal Church
160. Standard Pacific Homes
161. Stevens Creek Neighbors \*
162. Stevenson House
163. Stowell Orchard
164. Stratford Gardens Neighborhood Association \*
165. Struthers Dias Architects
166. SummerHill Housing Group
167. SunnyArts Neighborhood Association \*
168. Sunnyvale Chamber of Commerce
169. Sunnyvale City Staff
170. Sunnyvale Community Services
171. Sunnyvale Neighbors of Arbor Including La Linda (SNAIL) \*
172. Sunnyvale West Neighborhood Association \*
173. Taylor Morrison
174. The Nicholson Company
175. The Sobrato Organization
176. Traditions of Sunnyvale Homeowners Association \*
177. Trumark Companies
178. Unity Care Group, Inc.
179. Urban Housing Communities
180. USA Properties Fund
181. Valley Oak Partners
182. Verona at Sunnyvale (The Helsing Group, Inc)
183. Vietnamese Voluntary Foundation (VIVO)
184. Villas at Cortez (Baranca Terrace)
185. West Valley Community Services
186. West Valley Neighborhood Association
187. Wisteria Terrace Neighborhood Association \*
188. Woodgate Townhouses HOA \*
189. Wrightmont Corners Neighborhood Association \*
190. YU-AI-KAI
191. YWCA / Domestic Violence Support Network

PAGE INTENTIONALLY LEFT BLANK



PAGE INTENTIONALLY LEFT BLANK

## Appendix B: Residential Sites Inventory and Maps

As discussed earlier in the Housing Resources chapter of the Housing Element, the tables in Appendix B provide parcel-specific detail on Sunnyvale’s inventory of residential sites suitable for development within the 2015-2023 planning period. In addition, Table B-5 provides a list of recent residential infill projects approved in recent years.

Table B-1:	Vacant and Underutilized Residentially Zoned Sites
Table B-2:	Industrial to Residential (ITR) Sites
Table B-3:	Downtown and Lakeside Specific Plan Area Sites
Table B-4:	El Camino Real Precise Plan Sites
Table B-5:	Recent Residential Infill Projects (2010-2014)
Table B-6:	Part One: Sample of Recent Residential Projects Involving Redevelopment of Underutilized Sites and/or Demolition of Existing Dwelling Units
Table B-6:	Part Two: Sample of Recent Residential Projects Involving Redevelopment of Underutilized Sites and Demolition of Existing Commercial Structures

In order to assess the development potential on identified vacant, underutilized and ITR parcels, the sites inventory utilizes a “realistic density” of between 75 to 85 percent of the maximum zoning density. Sunnyvale’s General Plan states all new residential development should be built to at least 75 percent of permitted zoning density as a means of achieving the development form envisioned under the General Plan. Following the City’s density policy, realistic densities have been assumed at 75 percent of maximum density for sites with low to medium density residential zoning designations (R-1, R-2, and R-3). Within high-density residential areas (R-4 and R-5 zones), the City encourages the greatest residential densities. Development trends evidence projects being developed at close to the maximum zoned densities or occasionally even higher through use of the state density bonus. Therefore, the realistic densities for these higher density zones have been increased and assumed at 85 percent of maximum density.

Following the tables, a map is also provided for Tables B-1 through B-4.

### Maps

Figure B-1:	Vacant and Underutilized Residentially Zoned Sites
Figure B-2:	Industrial to Residential (ITR) Sites
Figure B-3:	Downtown and Lakeside Specific Plan Area Sites
Figure B-4:	El Camino Real Precise Plan Sites



Table B-1: Residential Vacant or Underutilized Sites

APN	Street Address	Acres	Zone	Gen Plan	Existing Use	Net New Units
21123019	500 E Remington Dr	2.19	R4	R Hi	Office	98
21346003	939 El Camino Real	1.02	R4	R Hi	Retail	46
21125034	1538 S. Wolfe Rd.	1.82	R3	R Hi	SFD	36
21120047	693 E Remington Dr	0.71	R4	R Hi	Office	32
21125011	1538 S. Wolfe Rd.	1.53	R3	R Hi	Resid/Ag	31
21125038	871 E. Fremont Ave.	0.99	R3	R Hi	Resid/Ag	20
21368046	975 El Camino Real	0.49	R4	R Hi	Auto Repair	17
21120045	697 E Remington Dr	0.47	R4	R Hi	Office	16
21101031	444 Old San Fran Rd	0.42	R4	R Hi	SFD	13
21120046	689 E Remington Dr	0.38	R4	R Hi	Office	12
21345030	999 El Camino Real	0.31	R4	R Hi	Retail	9
21135003	1118 Sunnyvale- Saratoga	0.29	R4	R Hi	SFD	8
21135033	1110 Sunnyvale-Saratoga	0.27	R4	R Hi	Office	7
11012077	105 W Weddell Dr	0.24	R4	R Hi	Auto Repair	6
21312001	1150 Dahlia Ct	9.27	R1.5	R LM	Resid/Ag	96
21125039	871 E. Fremont Ave.	0.89	R3	R Med	Triplex	16
20204004	516 W Remington Dr	1.11	R2	R LM	Office	11
20204011	1055 S'valeSaratoga Rd	1.01	R2	R LM	Office	10
20438006	582 E Maude Ave	0.73	R3	R Med	Triplex	10
20131001	525 W Remington r	0.90	R2	R Low	Office	9
20448036	174 N. Sunnyvale Av	0.81	R2	R LM	Commerc	8
21107022	697 Iris Ave	0.38	R3	R Med	Duplex	6
21107023	691 Iris Ave	0.38	R3	R Med	Duplex	6
30946063	725 E Homestead Rd	0.48	R3	R Med	Apts.	6
20204013	1054 Tilton Dr	0.53	R2	R LM	SFD	5
20421006	527 Morse Ave	0.59	R3	R Med	Apts.	5
20902002	208 S Fair Oaks Av	0.28	R3	R Med	Retail	5
20920031	415 Firloch Av	0.32	R3	R Med	SFD	5
20930052	542 S. Murphy Av	0.52	R2	Off	Retail	5
21116012	850 Maria Ln	0.32	R3	R Med	SFD	5
21116013	856 Maria Ln	0.32	R3	R Med	SFD	5
21116042	1001 S. Wolfe Rd	0.32	R3	R Med	SFD	5
21135030	434 Crescent Ave	0.26	R3	R Med	SFD	5
31341070	18771 Homestead Rd	0.90	R0	R Low	SFD	5
32335003	633 W Homestead	0.29	R3	R Med	Office	5
16511005	395 Pastoria Ave	0.39	R2	R LM	SFD	4
16516034	836 Muender St	0.44	R2	R LM	SFD	4
20438005	560 E Maude Ave	0.24	R3	R Med	SFD	4
20448025	184 N. Sunnyvale Av	0.43	R2	R LM	SFD	4
30943009	1658 Blue Jay Dr	0.26	R3	R Med	Duplex	4
20204008	1050 Tilton Dr	0.42	R2	R LM	Duplex	3
20216008	784 Edale Dr	0.37	R2	R LM	SFD	3
20438004	552 E Maude Ave	0.21	R3	R Med	SFD	3
20518026	560 N Fair Oaks Ave	0.21	R3	R Med	SFD	3
20920021	355 Britton Ave	0.26	R3	R Med	Duplex	3
20924073	460 Carroll St	0.65	R0	R Low	SFD	3
21105009	781 S. Wolfe Rd	0.69	R0	R Low	SFD	3
21116004	985 Bellomo Ave	0.23	R3	R Med	Duplex	3
21132008	560 Mozart Ct	0.40	R2	R LM	Duplex	3
21133004	1247 Klee Ct	0.41	R2	R LM	Duplex	3
21344017	1246 Valerian Ct	0.23	R3	R Med	Duplex	3



Table B-1: Residential Vacant or Underutilized Sites

APN	Street Address	Acres	Zone	Gen Plan	Existing Use	Net New Units
21344018	1238 Valerian Ct	0.24	R3	R Med	Duplex	3
32336006	586 La Conner Dr	0.25	R3	R Med	Duplex	3
32336007	578 La Conner Dr	0.25	R3	R Med	Duplex	3
32336008	572 La Conner Dr	0.25	R3	R Med	Duplex	3
32336009	566 La Conner Dr	0.25	R3	R Med	Duplex	3
32336010	560 La Conner Dr	0.25	R3	R Med	Duplex	3
32336011	554 La Conner Dr	0.25	R3	R Med	Duplex	3
32336012	546 La Conner Dr	0.25	R3	R Med	Duplex	3
32336013	540 La Conner Dr	0.25	R3	R Med	Duplex	3
20103012	1035 Rangpur Ct	0.51	R0	R Low	SFD	2
20204010	529 Westside Av	0.32	R2	R LM	SFD	2
20209019	1158 Hollenbeck Av	0.73	R1	R Low	SFD	2
20212029	1130 Prunella Ct	0.75	R1	R Low	SFD	2
20239005	1121 Remington Ct	0.34	R2	R LM	SFD	2
20416055	688 Morse Ave	0.19	R3	R Med	SFD	2
20438011	577 Columbia Ave	0.18	R3	R Med	SFD	2
20438021	516 E Maude Ave	0.20	R3	R Med	Office	2
20449010	155 N. Sunnyvale Av	0.30	R2	R LM	SFD	2
20449044	116 N. Frances St	0.30	R2	R LM	SFD	2
20930007	555 S Murphy Av	0.31	R2	Off	Retail	2
20930058	558 S. Murphy Av	0.34	R2	Off	Retail	2
21119009	150 Cumulus Ave	0.61	R0	R Low	SFD	2
21150025	845 Maria Ln	0.19	R3	R Med	SFD	2
21325036	960 S Wolfe Rd	0.19	R3	R Med	SFD	2
21343037	965 Henderson Ave	0.20	R3	R Med	SFD	2
30951026	841 Homestead Rd	0.60	R0	R Low	SFD	2
32006038	1467 Barton Dr	0.67	R1	R Low	SFD	2
32330026	1540 Richelieu Pl	0.33	R2	R LM	SFD	2
32006056	1401 Bedford Ave	0.46	R1	R Low	SFD	1
<b>Total</b>		<b>47.5</b>				<b>703</b>
<b>Subtotal: LI/VLI Sites Only</b>		<b>11.1</b>				<b>351</b>

Note: Shaded rows meet Mullin densities (30+ DU/Ac)

Table B-1: Residential Vacant or Underutilized Sites

**LEGEND**

Existing Uses	
Code	Meaning
SFD	Single Family Dwelling
APT	Apartments
ALU	Accessory Living Unit
*	City Owned Parcel
Resid/Ag	Residential & Agricultural Uses
Relig	Religious Institution
Comm/Ind	Commercial, Industrial Uses
Ind/Office	Industrial, Office Uses

Zoning Categories		
Zone	Uses	Max Units/Acre
R0	SFD Low	7
R1	SFD Low	7
R1.5	SFD LowMed	10
R1.7/PD	SFD LowMed	14
R2	SFD/MFD Low	12
R3	MFD Med	24
R4	MFD High	36
R5	MFD Very High	45

General Plan Land Use Designations		
Designation	Allowable Uses	Units/Acre
RLO	Residential, Low	17
RLM	Residential, LowMed	714
O	Office	Offices
RMED	Residential, Medium	1427
RHI	Residential, High	2745

**Sites Inventory**

Table B-2: Redevelopment Opportunity Sites  
"Industrial to Residential" Areas

APN	Street Address	Acres	Zone	Gen Plan	Existing Use	Net New Units
20522024	1 AMD Pl.	18.61	MS/R-3	ITR Med	Industrial	337
	1090 E. Duane Ave.	11.32	MS/R-4	ITR High	Industrial	308
11014190	550 E. Weddell Dr.	6.93	MS/R-3	ITR Mix	Industrial	234
11014191	520 E. Weddell Dr.	5.11	R-4	RH	Industrial	231
11028001	610 E Weddell Dr.	4.04	R-4	RH	Industrial	205
11014197	1139 Karlstad Dr.	4.97	R-4	ITR Mix	Industrial	153
11029008	420 Persian Dr.	3.15	R-4	ITR Mix	Relig	121
11029040	1161 N. Fair Oaks Ave.	3.21	C2	ITR Mix	Industrial	87
11014200	444 Toyama Dr.	2.26	MS/R-3	ITR Mix	Ind/Office	77
11029028	460 Persian Dr.	1.32	R-4	ITR Mix	Industrial	50
11029005	425 Tasman Dr.	1.21	R-4	ITR Mix	Relig	46
11029006	413 Tasman Dr.	1.21	R-4	ITR Mix	Industrial	46
11014199	1111 Karlstad Dr.	0.99	MS/R-3	ITR Mix	Industrial	34
11014169	1023 N. Fair Oaks Ave.	0.81	MS/R-3	ITR Mix	Dining	27
11028008	1096 N. Fair Oaks Ave.	0.79	MS/R-3	ITR Mix	Storage	14
21301034	1155 Aster Ave.	16.26	M3/R-3	ITR Med	Industrial	297
20901029	701 E. Evelyn Ave	9.94	M3/R-3	ITR Med	Office	201
21302004	895 E. Evelyn Ave	7.00	M3/R-3	ITR Med	Industrial	142
20522014 (ptn)	975 Stewart Dr.	2.03	MS/R-3	ITR Med	Industrial	57
21301003	1155 Reed Ave	1.54	M3/R-3	ITR Med	Comm/Ind	29
20901023	755-761 E. Evelyn Ave	1.06	M3/R-3	ITR Med	Industrial	22
20913058	610 E. Evelyn Ave	1.01	C1/R-3	ITR Med	Retail	20
20529003	475 N. Wolfe Rd.	0.88	MS/R-3	ITR Med	Storage	17
21301002	1165 Reed Ave.	0.96	MS/R-3	ITR Med	Comm/Ind	17
21301001	1170 Willow Ave	0.91	MS/R-3	ITR Med	Comm/Ind	16
20529004	675 E. Taylor Ave.	0.68	MS/R-3	ITR Med	Relig	12
20530022	680 E. Taylor Ave.	0.71	MS/R-3	ITR Med	Industrial	12
20901018	777-785 E. Evelyn Ave	0.58	MS/R-3	ITR Med	Industrial	12
20529002	695 E. Taylor Ave.	0.56	MS/R-3	ITR Med	Industrial	11
20914010	848 E. Evelyn Ave	0.51	MS/R-3	ITR Med	Retail	11
20529006	627 E. Taylor Ave.	0.50	MS/R-3	ITR Med	Industrial	9
20529007	625 E. Taylor Ave.	0.41	MS/R-3	ITR Med	Industrial	8
20901024	755-761 E. Evelyn Ave	0.39	M3/R-3	ITR Med	Industrial	8
21301023	1159 Willow Ave	0.48	MS/R-3	ITR Med	Comm/Ind	8
20901009	729 E. Evelyn Ave	0.33	M3/R-3	ITR Med	Industrial	7
20901010	729 E. Evelyn Ave	0.33	M3/R-3	ITR Med	Industrial	7
20913057	604 E. Evelyn Ave	0.29	C1/R-3	ITR Med	Office	6
21301004	1164 Willow Ave	0.34	MS/R-3	ITR Med	Comm/Ind	6
20529001	465 N. Wolfe Rd.	0.28	M3/R-3	ITR Med	Comm/Ind	5
20901012	717 E. Evelyn Ave	0.28	M3/R-3	ITR Med	Industrial	5
20901013	709 E. Evelyn Ave	0.28	M3/R-3	ITR Med	Industrial	5
20901011	717 E. Evelyn Ave	0.18	M3/R-3	ITR Med	Industrial	4
20901014	711 E. Evelyn Ave	0.09	M3/R-3	ITR Med	Auto Serv	2
<b>Total</b>		<b>115</b>				<b>2,926</b>
<b>Subtotal: LI/VLI Sites Only</b>		<b>66</b>				<b>1,970</b>

Note: Shaded rows meet Mullin densities (30+ DU/Ac)

### Sites Inventory

Table B-3: Non-Residential / Mixed Use Zones with Capacity for Additional Residential Uses  
Downtown Specific Plan (DSP) and Lakeside Specific Plan (LSP) Areas

APN	Street Address	Acres	Zone	Gen Plan / Block #	Existing Use	Net New Units
21643036	1250 Lakeside Dr.	5.50	LSP	LSP	Vacant	250
20907007	143 S Taaffe St	0.51	DSP	DSP 1A	Mixed Use	23
20905017	360 E. Evelyn Ave.	0.46	DSP	DSP 4	Office	22
20905018	380 E. Evelyn Ave.	0.26	DSP	DSP 4	Commerc	12
20905029	357 E. Washington Ave.	0.09	DSP	DSP 4	SFD	1
20905033	305 E. Washington Ave.	0.11	DSP	DSP 4	Relig	2
20905036	116-124 Carroll St.	0.51	DSP	DSP 4	Commerc	24
20904036	152 S. Bayview Ave.	0.14	DSP	DSP 5	SFD	44
20904037	140 S. Bayview Ave	0.14	DSP	DSP 5	SFD	
20904052	404 E. Evelyn Ave.	0.24	DSP	DSP 5	Retail	
20910053	306 E Washington Ave	0.10	DSP	DSP 6	SFD	69
20910021	316 E. Washington Ave	0.09	DSP	DSP 6	SFD	
20910022	324 E. Washington Ave	0.09	DSP	DSP 6	SFD	
20910023	336 E. Washington Ave	0.09	DSP	DSP 6	SFD	
20910024	346 E. Washington Ave	0.09	DSP	DSP 6	SFD	
20910025	356 E. Washington Ave	0.09	DSP	DSP 6	SFD	
20910047	296-98 Carroll St	0.09	DSP	DSP 6	Duplex	
20910050	234 Carroll St	0.87	DSP	DSP 6	Office	
20910051	228 Carroll St	0.29	DSP	DSP 6	SFD	
20910052	220 Carroll St	0.29	DSP	DSP 6	SFD	
20910064	238-44 Carroll St	0.87	DSP	DSP 6	Office	
20926022	414 S. Murphy Ave	0.15	DSP	DSP 10	SFD	17
20926023	404 S. Murphy Ave	0.09	DSP	DSP 10	SFD	
20926024	146 E. Iowa Ave	0.06	DSP	DSP 10	Mixed Use	
20926025	405 S. Sunnyvale Ave	0.14	DSP	DSP 10	SFD	
20926026	415 S. Sunnyvale Ave	0.14	DSP	DSP 10	Apts.	
20926027	421 S. Sunnyvale Ave	0.14	DSP	DSP 10	Office	
20926028	431 S. Sunnyvale Ave	0.14	DSP	DSP 10	Duplex	
20926029	441 S. Sunnyvale Ave	0.14	DSP	DSP 10	SFD	
20926030	449 S. Sunnyvale Ave	0.14	DSP	DSP 10	SFD	
20926031	461 S. Sunnyvale Ave	0.14	DSP	DSP 10	SFD	
20926034	175 E. Olive Ave	0.15	DSP	DSP 10	Apts.	
20926041	422 S. Murphy Ave	0.15	DSP	DSP 10	Office	
20926063	438 S. Murphy Ave	0.52	DSP	DSP 10	Office	
20926064	499 S. Sunnyvale Ave	0.25	DSP	DSP 10	Office	
20926072	496 S. Murphy Ave	0.08	DSP	DSP 10	SFD	
20926073	135 E. Olive Ave	0.06	DSP	DSP 10	SFD	
20926074	155 E. Olive Ave	0.06	DSP	DSP 10	SFD	

**Sites Inventory**

Table B-3: Non-Residential / Mixed Use Zones with Capacity for Additional Residential Uses  
Downtown Specific Plan (DSP) and Lakeside Specific Plan (LSP) Areas

APN	Street Address	Acres	Zone	Gen Plan / Block #	Existing Use	Net New Units
20926001	405 S. Murphy Ave	0.15	DSP	DSP 11	Mixed Use	18
20926002	415 S. Murphy Ave	0.30	DSP	DSP 11	Office	
20926003	433 S. Murphy Ave	0.22	DSP	DSP 11	Office	
20926004	445 S. Murphy Ave	0.15	DSP	DSP 11	SFD	
20926005	453 S. Murphy Ave	0.22	DSP	DSP 11	Apts.	
20926008	481 S. Murphy Ave	0.15	DSP	DSP 11	Office	
20926009	489 S. Murphy Ave	0.15	DSP	DSP 11	SFD	
20926010	101 W. Olive Ave	0.10	DSP	DSP 11	Office	
20926011	498 S. Frances Street	0.24	DSP	DSP 11	SFD	
20926015	464 S. Frances Street	0.15	DSP	DSP 11	SFD	
20926016	454 S. Frances Street	0.15	DSP	DSP 11	SFD	
20926017	446 S. Frances Street	0.15	DSP	DSP 11	Duplex	
20926018	432 S. Frances Street	0.22	DSP	DSP 11	SFD	
20926019	428 S. Frances Street	0.22	DSP	DSP 11	Apts.	
20926066	150 W. Iowa Ave	0.29	DSP	DSP 11	Office	
20926067	482 S. Frances Street	0.11	DSP	DSP 11	SFD+ALU	
20926068	478 S. Frances Street	0.11	DSP	DSP 11	SFD+ALU	
20926069	474 S. Frances Street	0.11	DSP	DSP 11	SFD+ALU	
20926070	468 S. Frances Street	0.11	DSP	DSP 11	SFD+ALU	
20928005	598 S. Mathilda Ave	0.13	DSP	DSP 13	SFD	19
20928006	584 S. Mathilda Ave	0.15	DSP	DSP 13	Apts.	
20928007	562 S. Mathilda Ave	0.13	DSP	DSP 13	SFD	
20928008	560 S. Mathilda Ave	0.54	DSP	DSP 13	Office	
20928051	538 S. Mathilda Ave	1.47	DSP	DSP 13	Commerc	
20928052	528 S. Mathilda Ave	0.69	DSP	DSP 13	Commerc	
20928055	510 S. Mathilda Ave	2.43	DSP	DSP 13	Commerc	
20928095	566 S. Mathilda Ave	1.16	DSP	DSP 13	Recreation	
16503001	414 Charles St	0.15	DSP	DSP 14	SFD	171
16503002	410 Charles St	0.15	DSP	DSP 14	SFD	
16503003	425 S Mathilda Ave	0.68	DSP	DSP 14	Commerc	
16503006	495 S Mathilda Ave	0.58	DSP	DSP 14	Commerc	

### Sites Inventory

Table B-3: Non-Residential / Mixed Use Zones with Capacity for Additional Residential Uses  
Downtown Specific Plan (DSP) and Lakeside Specific Plan (LSP) Areas

APN	Street Address	Acres	Zone	Gen Plan / Block #	Existing Use	Net New Units
16513045	402 Charles St	0.22	DSP	DSP 15	SFD	143
16513046	396 Charles St	0.22	DSP	DSP 15	SFD	
16513048	374 Charles St	0.15	DSP	DSP 15	SFD	
16513049	344 Charles St	0.15	DSP	DSP 15	SFD	
16513050	311 S Mathilda Ave	1.01	DSP	DSP 15	Retail	
16513068	397 S Mathilda Ave	0.17	DSP	DSP 15	Vacant	
16513069	403 S Mathilda Ave	0.16	DSP	DSP 15	Vacant	
16513073	407 S Mathilda Ave	0.30	DSP	DSP 15	SFD*	
16513074	379 S Mathilda Ave	0.31	DSP	DSP 15	Duplex*	
16513064	295 S Mathilda Ave	0.32	DSP	DSP 16	Commerc	165
16513051	495 W McKinley Ave	0.10	DSP	DSP 16		
16513052	479 W McKinley Ave	0.45	DSP	DSP 16		
16513053	260 Charles St	0.17	DSP	DSP 16		
16513054	254 Charles St	0.11	DSP	DSP 16	SFD	
16513055	244 Charles St	0.11	DSP	DSP 16	SFD	
16513056	238 Charles St	0.18	DSP	DSP 16	SFD	
16513057	226 Charles St	0.15	DSP	DSP 16	SFD	
16513058	214 Charles St	0.15	DSP	DSP 16	Duplex	
16513059	205 S Mathilda Ave	0.60	DSP	DSP 16	Relig	
16513060	225 S Mathilda Ave	0.12	DSP	DSP 16	Office	
16513061	235 S Mathilda Ave	0.14	DSP	DSP 16	SFD	
16513062	255 S Mathilda Ave	0.44	DSP	DSP 16	Office	
16513063	259 S Mathilda Ave	0.10	DSP	DSP 16	SFD	
16513065	345 S Mathilda Ave	0.17	DSP	DSP 16	Duplex	
20929053	598 S. Mathilda Ave	0.56	DSP	DSP 20	Commerc	39
20929054	584 S. Mathilda Ave	0.37	DSP	DSP 20	Office	
20929057	562 S. Mathilda Ave	0.15	DSP	DSP 20	SFD	
20929058	560 S. Mathilda Ave	0.22	DSP	DSP 20	SFD	
20929059	538 S. Mathilda Ave	0.15	DSP	DSP 20	SFD	
20929060	528 S. Mathilda Ave	0.42	DSP	DSP 20	Apts.	
20929061	510 S. Mathilda Ave	0.33	DSP	DSP 20	Office	
20929076	566 S. Mathilda Ave	0.29	DSP	DSP 20	Office	
<b>Total</b>		<b>28</b>				<b>1,019</b>
<b>Subtotal: LI/VLI Sites Only</b>		<b>13</b>				<b>729</b>

Note: Shaded rows meet Mullin densities (30+ DU/Ac)

**Sites Inventory**

Table B-4: Underutilized or Redevelopable Commercial/Mixed Use Zones  
El Camino Real Precise Plan Area

APN	Street Address	Acres	Zone	Gen Plan	Existing Use	Net New Units	NODE (in ECRPP)
16111008	1285 W El Camino Real	1.12	C2	GB	Retail	239	Western
16111009	1291 W El Camino Real	0.37	C2	GB	Retail		Western
16111010	1297 W El Camino Real	0.75	C2	GB	Retail		Western
16122004	1205 W El Camino Real	0.48	C2	GB	Retail		Western
16122005	1213 W El Camino Real	0.32	C2	GB	Lodging		Western
16122006	1241 W El Camino Real	0.29	C2	GB	Retail		Western
16122007	1253 W El Camino Real	2.23	C2	GB	Retail		Western
16122008	1255 W El Camino Real	0.86	C2	GB	Retail		Western
16122009	1265 W El Camino Real	0.48	C2	GB	Retail		Western
16122010	1283 W El Camino Real	0.93	C2	GB	Office		Western
16123002	1169 W El Camino Real	0.44	C2	GB	Retail		Western
16123003	1171 W El Camino Real	1.98	C2	GB	Retail		Western
16123004	1195 W El Camino Real	0.47	C2	GB	Retail		Western
19808003	1240 W El Camino Real	0.35	C2	GB	Retail		Western
19808004	607 S Knickerbocker Dr	0.30	C2	GB	Retail		Western
19816002	601 S Bernardo Av	0.45	C2	GB	Retail		Western
19816003	601 S Bernardo Av	0.04	C2	GB	Retail		Western
19816004	629 S Bernardo Av	6.93	C2	GB	Retail		Western
19816007	1236 W El Camino Real	1.59	C2	GB	Retail		Western
19816008	1238 W El Camino Real	0.27	C2	GB	Retail		Western
19817016	602 S Bernardo Av	0.37	C2	GB	Auto Repair		Western
19817026	1176 W El Camino Real	2.75	C2	GB	Auto Sales		Western
19817027	1146 W El Camino Real	0.68	C2	GB	Auto Sales		Western
20122001	616 Hollenbeck Ave	0.68	C2	GB	Retail	484	Downtown
20122002	696 W El Camino Real	0.85	C2	GB	Auto Repair		Downtown
20122003	680 W El Camino Real	0.49	C2	GB	Retail		Downtown
20122006	590 W El Camino Real	0.55	C2	GB	Retail		Downtown
20122007	550 W El Camino Real	0.97	C2	GB	Retail		Downtown
20122008	500 W El Camino Real	0.52	C2	GB	Auto Sales		Downtown
20136002	777 Sunnyvale-Saratoga Rd	5.22	C2	GB	Retail		Downtown
20137011	156 W El Camino Real	0.29	C2	GB	Retail		Downtown
20137012	721 Sunnyvale-Saratoga Rd.	5.09	C2	GB	Retail		Downtown
20929015	587 S Frances St	0.15	C2	GB	SFD		Downtown
20929018	275 W. El Camino Real	0.09	C2	GB	Retail		Downtown
20929020	201 W. El Camino Real	0.15	C2	GB	Retail		Downtown
20929075	274 W El Camino Real	0.14	C2	GB	Mixed Use		Downtown
20930012	591 S Murphy Ave	0.15	C2	GB	SFD		Downtown
20930013	597 S Murphy Ave	0.24	C2	GB	Retail		Downtown
20930014	157 W El Camino Real	0.10	C2	GB	Retail		Downtown
20930047	105 E El Camino Real	0.34	C2	GB	Retail		Downtown
20930048	103 E El Camino Real	0.89	C2	GB	Retail		Downtown
20930057	189 W El Camino Real	0.31	C2	GB	Retail		Downtown
21101035	119 E El Camino Real	1.99	C2	GB	Retail		Downtown
21101036	151 E El Camino Real	1.03	C2	GB	Retail		Downtown
21101038	107 E El Camino Real	1.24	C2	GB	Commerc		Downtown
21101044	121 E El Camino Real	6.90	C2	GB	Retail		Downtown
21101045	111 E El Camino Real	2.62	C2	GB	Retail		Downtown
21117001	108 E El Camino Real	6.08	C2	GB	Retail		Downtown

**Sites Inventory**

Table B-4: Underutilized or Redevelopable Commercial/Mixed Use Zones  
EI Camino Real Precise Plan Area

APN	Street Address	Acres	Zone	Gen Plan	Existing Use	Net New Units	NODE (in ECRPP)
21101039	595 E El Camino Real	0.66	C2	GB	Retail	152	Community Center
21101040	561 E El Camino Real	2.19	C2	GB	Retail		Community Center
21101046	725 S Fair Oaks Ave	1.25	C2	GB	Dining		Community Center
21108007	605 E El Camino Real	0.38	C2	GB	Retail		Community Center
21108008	734 S Fair Oaks Ave	0.35	C2	GB	Retail		Community Center
21120029	556 E El Camino Real	1.79	C2	GB	Retail		Community Center
21120032	598 E El Camino Real	1.04	C2	GB	Commerc		Community Center
21120033	596 E El Camino Real	0.65	C2	GB	Commerc		Community Center
21120036	576 E El Camino Real	1.75	C2	GB	Retail		Community Center
21120039	592 E El Camino Real	3.76	C2	GB	Retail		Community Center
21124040	860 E Remington Dr	0.99	C2	GB	Office		Community Center
21124041	604 E El Camino Real	0.78	C2	GB	Office		Community Center
21124043	650 E El Camino Real	5.23	C2	GB	Auto Sales		Community Center
21116021	861 E El Camino Real	1.56	C2	GB	Retail	170	Eastern
21116027	855 E El Camino Real	2.42	C2	GB	Commerc		Eastern
21116029	899 E El Camino Real	0.86	C2	GB	Retail		Eastern
21346010	1248 S Wolfe Rd	0.82	C2	GB	Retail		Eastern
21346014	905 E El Camino Real	0.64	C2	GB	Auto Repair		Eastern
31301054	910 E Fremont Ave	3.53	C2	GB	Lodging		Eastern
31301055	924 E Fremont Ave	0.27	C2	GB	Retail		Eastern
31301056	926 E Fremont Ave	0.27	C2	GB	Retail		Eastern
31302001	928 E El Camino Real	0.28	C2	GB	Retail		Eastern
31302004	950 E El Camino Real	0.18	C2	GB	Retail		Eastern
31302005	952 E El Camino Real	0.20	C2	GB	Retail		Eastern
31302006	954 E El Camino Real	0.30	C2	GB	Retail		Eastern
31302032	932 E El Camino Real	0.19	C2	GB	Retail		Eastern
31302033	938 E El Camino Real	0.28	C2	GB	Retail		Eastern
16141008	1095 W El Camino Real	3.75	C2	GB	Auto Sales	156	Not in node
<b>Total</b>		<b>98</b>				<b>1,201</b>	
<b>Subtotal: LI/VLI Sites Only</b>		<b>0</b>				<b>156</b>	



**Sites Inventory Summary**

Category	Residential	ITR	DSP/LSP	ECR	Total
LI/VLI Sites	351	1,970	729	156	<b>3,206</b>
Mod/Above Mod	352	956	290	1,045	<b>2,643</b>
<b>Total</b>	<b>703</b>	<b>2,926</b>	<b>1,019</b>	<b>1,201</b>	<b>5,849</b>

	RHNA	Available Sites	Min DU/Ac	Zones
<b>Very Low</b>	1,640	1,640	30	R-4, R-5
<b>Low</b>	906	1,052	30	R-4, R-5
<b>Moderate</b>	932	1,183	15	R-2, R-3, R-4
<b>Above Moderate</b>	1,974	1,974	1	All Resid
<b>Total</b>	<b>5,452</b>	<b>5,849</b>		

**LEGEND**

<b>Zoning Categories</b>		
<b>Zone</b>		<b>Maximum Densities (Dwelling Units per Acre) and Other Allowable Uses</b>
R-0	Single-family, Low Density	7 DU/acre
R-1	Single-family, Low Density	7 DU/acre
R-1.5	Single-family, Low-Med Density	10 DU/acre
R-1.7/PD	Single-family, Low-Med Density	14 DU/acre
R-2	Single or Multi-family, Low-Med Density	12 DU/acre
R-3	Multi-family, Medium Density	24 DU/acre
R-4	Multi-family, High Density	36 DU/acre
R-5	Multi-family, Very High Density	45 DU/acre
C1	Neighborhood Business	Neighborhood commercial *
C2	Highway Business	Highway-oriented commercial *
MS	Industrial and Service	Offices, R&D, light industrial, commercial uses (Residential if ITR overlay)
M3	General Industrial	Offices, R&D, manufacturing/industrial
DSP	Downtown Specific Plan	Commercial, office, residential, and mixed use. Maximum # of dwelling units designated by city block, not by acre.
ITR	Industrial to Residential (Overlay Zone)	Combined with MS zone to allow for transition to residential uses over time. Residential densities indicated following ITR designation, e.g. MS-ITR-R4.
ECR	El Camino Real Precise Plan	Specific Plan covering El Camino Real corridor (mixed use/highway commercial, some residential)
LSP	Lakeside Specific Plan	Residential (35-47 DU/ac), hotel, ancillary commercial

\* Residential uses allowed in C1 and C2 with a use permit.

<b>General Plan Land Use Designations</b>		
<b>Designation</b>		<b>Allowed Uses/Density Ranges</b>
RLO	Residential, Low Density	1-7 DU/acre
RLM	Residential, Low-Medium Density	7-14 DU/acre
O	Office	Offices
RMED	Residential, Medium Density	14-27 DU/acre
RHI	Residential, High Density	27-45 DU/acre
ITRMIX	Industrial to Residential, Medium to High Density	14-45 DU/acre
ITRMED	Industrial to Residential, Medium Density	14-27 DU/acre
ITRLM	Industrial to Residential, Low-Medium Density	7-14 DU/acre
DSP	Downtown Specific Plan	Office, Retail, Mixed Use, and Low to Very High Density Residential (1-45 DU/acre)
LSP	Lakeside Specific Plan	Hotel and High Density Residential (27-45 DU/acre)
GB	General Business	Local/Regional Commercial, Mixed Use

<b>Existing Uses</b>	
<b>Code</b>	<b>Meaning</b>
SFD	Single Family Dwelling
APT	Apartments
ALU	Accessory Living Unit
*	City Owned Parcel
Resid/Ag	Residential & Agricultural Uses
Relig	Religious Institution
Comm/Ind	Commercial & Industrial Uses
Ind/Office	Industrial & Office Uses

**Table B-5: Recently Approved Residential Infill Projects**

Project Number	Address	Zone	Lot Size (Acres)	Approved Density	Total Units Approved	Approval Date	Construction Status
2010-7493	311 Capella (Olson) Way	DSP	3.8	73	280	9/27/2010	Partially Completed
2010-7738	1044 E. Duane Ave	R-3/PD	7.3	18	132	3/29/2011	Partially Completed
2011-7102	1330 Sunnyvale Saratoga	R-2/PD	1.3	11	14	4/25/2011	Completed
2010-7672	700 Timberpine Ave	R-0/PD	10.0	5	51	9/20/2011	Completed
2011-7661	704 Town and Country	DSP	1.6	85	133	11/14/2011	Partially Completed
2011-7829	425 N. Fair Oaks Ave	R-3/PD	0.4	20	8	4/24/2012	Completed
2012-7450	1101 Fair Oaks Ave	R-4	2.6	38	97	10/16/2012	Under Construction
2012-7646	1175 Willow Ave	R-3/PD	0.8	21	16	11/26/2012	Under Construction
2012-7531	636 W. Fremont Ave	R-0 and R-2/PD	2.3	8	18	12/4/2012	Under Construction
2012-7460	388 E. Evelyn Ave	DSP	1.0	68	67	3/19/2013	Under Construction
2013-7112	620 E. Maude Ave	R-4	2.3	52	121	4/30/2013	Under Construction
2012-7461	538 S. Mathilda	DSP	0.4	36	16	5/13/2013	Under Construction
2012-7879	470 Persian Ave	R-4	1.7	27	47	6/10/2013	Under Construction
2012-7462	457 E. Evelyn Ave	DSP	2.3	51	117	7/9/2013	Bldg Permit Pending
2013-7272	698 E. Taylor	R-3/PD	2.7	18	49	8/26/2013	Bldg Permit Pending
2013-7468	822 E. Evelyn Ave	R-3/PD	1.7	18	31	8/26/2013	Bldg Permit Pending
2012-7381	955 Stewart Dr *	R-3/PD	10.0	26	259	9/23/2013	Under Construction
2013-7522	435 Toyama Dr	R-3/PD	0.9	20	17	9/23/2013	Bldg Permit Pending
2013-7171	455 S. Mathilda Ave	DSP	1.6	65	105	12/3/2013	Bldg Permit Pending
2013-7645	617 E. Arques Ave	R-3/PD	4.0	21	85	12/17/2013	Bldg Permit Pending
2013-7132	550 E. Weddell Dr	R-3	6.9	34	234	4/28/2014	Bldg Permit Pending
2013-7132	520 E. Weddell Dr	R-4	5.1	45	231	4/28/2014	Bldg Permit Pending
2013-7081	610 E. Weddell Dr	R-4	4.0	51	205	4/28/2014	Bldg Permit Pending
<b>Total Units in Recent Infill Projects</b>					<b>2,333</b>		

\* Project includes several parcels with several project numbers. All units are included above.

**Table B-6, Part One: Sample of Recent Residential Projects  
Involving Redevelopment of Underutilized Sites and/or Demolition of Existing Dwelling Units**

**ATTACHMENT 2**

Site Address	Existing Zoning	Project Description	Planning Permit File No.	Application Date	Planning Permit Status	Afford. Units	Existing Units	Existing Land Use	Proposed Units	Proposed Unit Type	Site Area (Acres)	Existing Density	Proposed Density	Net Increase in Units
963 S. Wolfe Rd.	R-3/PD	Redevelop w/ 6 new townhomes	2005-0105	2/10/2005	Approved	0	1	Single-Family	6	Townhomes	0.3	3.2	18.9	5
585 Old San Francisco Rd.	R-3/PD	Redevelop w/ 6 new townhomes	2008-1259	11/26/2008	Approved	0	1	Single-Family	6	Townhomes	0.4	2.3	13.6	5
388-394 E Evelyn Ave	DSP Block 4	Redevelop w/ 67-unit apartment bldg.	2012-7460	6/13/2012	Approved	5	36	Single-Family & Studios	67	Apartments	1.0	36.6	68.1	31
523 E. Homestead Rd.	R-2/PD	Redevelop w/ 7 SFDs and subdivide 3 lots into 7.	2013-8029	12/17/2013	Approved	0	5	1 single-family & 2 duplexes (5 units total)	7	Single-family	0.9	5.5	7.7	2
441 S Sunnyvale Avenue	DSP Block 10	Subdivide 2 lots into 4 and redevelop with 4 SFDs	2014-7043	1/14/2014	Approved	0	2	Single-Family	4	Single-family	0.3	7.2	14.4	2
871 E Fremont Ave	County island (pre-zone: R3-PD)	Rezone & map to redevelop with 41 townhomes & 115 apartments (total 156 units), with surface and underground parking (after annexation)	2014-7373	7/16/2014	Comments Provided (PR)	5	2	Single-Family	156	Townhomes & apartments	5.0	0.4	31.2	154
1050 Helen Av.	C-2/ECR	7-unit single family home subdivision	2014-7226	3/19/2014	Pending Review	0	2	Single Family	7	Single-family	0.6	3.4	11.8	5
199 N. Sunnyvale Ave.	R-2/PD	Subdivide one lot into 2, and build new SFD (retain existing)	2014-7361	4/30/2014	Pending Review	0	1	Single-Family	2	Single-family	0.2	5.2	10.4	1
845 Maria Lane	R-3/PD	Redevelop w/ 5 townhomes	2014-7360	4/30/2014	Pending Review	0	1	Single-Family	5	Townhomes	0.2	5.4	26.9	4
688 Morse Ave	R-3	Redevelop w/ 3 townhomes	2014-7602	7/9/2014	Pending Review	0	1	Single-Family	3	Townhomes	0.2	5.3	16.0	2
1130 Prunelle Ct.	R-1	4-lot split and build 4 new SFDs (retain existing)	2014-7840	9/26/2014	Pending Review	0	1	Single-Family	5	Single-family	0.7	1.3	6.7	4
669 Old San Francisco Rd.	R-3/PD	Redevelop w/ 8 townhomes on 2 parcels	2014-7858	10/2/2014	Pending Review	1	2	Single-Family	8	Townhomes	0.3	5.8	23.3	6
<b>Total</b>						<b>11</b>	<b>55</b>		<b>276</b>		<b>10.2</b>	<b>7</b>	<b>21</b>	<b>221</b>
Total Net Increase in Units											Total	Avg	Avg	Total
														221

Table B-6, Part Two: Sample of Recent Residential Projects  
Involving Redevelopment of Underutilized Sites and Demolition of Existing Commercial Structures

ATTACHMENT 2

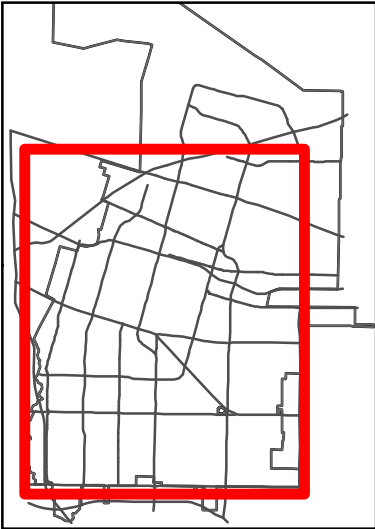
Status	Zone	Project No.	Approval Date	Address	Project Description	Existing Uses Demolished or to be Demolished	Site Acreage
Approved	MS-POA	2013-7132	4/28/2014	520 E. Weddell Dr.	465 new rental apts	15 single-story light manufacturing & office bldgs built between 1976-1978, total of 183,000 SF, occupied by 70 small businesses.	9.1
Approved	R4-PD	2013-7081	4/28/2014	610 E. Weddell Dr.	205 new rental apartments	Single-story tilt-up industrial bldg formerly used for semi-conductor industrial uses.	4.0
Approved	ITR-R3	2013-7645	12/17/2013	617-641 E. Arques Ave, 302-318 N. Fair Oaks Ave, & 612-622 E. Taylor Ave	85 new townhomes	54,240 SF of structures including light manufacturing, warehouse, a restaurant & a 9-unit apt. bldg	4.6
Approved	DSP Block 14	2013-7171	12/3/2013	455 S. Mathilda Ave.	105 new rental apartments	One 3-story office bldg and two single-story office/commercial bldgs and paved parking lots on two parcels	1.6
Approved	ITR-R3	2013-7468	8/26/2013	822 E. Evelyn Ave.	31 new townhomes	Two single-story light industrial bldgs with total area of 28,775 SF, partially occupied by light industrial and commercial businesses.	1.7
Under Construction	DSP Block 23	2013-7313	7/9/2013	457 E. Evelyn Ave.	117 new rental apartments	Two single-story, occupied multi-tenant commercial bldgs w/ total of 31,000 SF on two parcels in DSP area.	2.3
Under Construction	DSP Block 20	2012-7461	5/13/2013	538 S. Mathilda	15 new condominiums and 5,000 SF office unit over parking structure	Two single-family homes and accessory structures	0.4
Approved	R4-PD	2012-7450	10/16/2012	1101 N Fair Oaks Ave.	97 new rental apartments	40,680 SF, R&D structure to be demolished on 1 parcel	2.6
Completed	DSP	2011-7661	11/14/2011	704 Town & Country Way (new address 150 S. Taaffe St.)	133 new rental apartments, 8,131 SF of retail space, and below-grade parking (Carmel Lofts)	Portion of 5-acre Town & Country Village Mall (single-story, multi-tenant retail structures) (other portion demolished/redeveloped by Solstice Apts project)	1.6
Completed	R3-PD	2010-7738	3/29/2011	1044 E. Duane Ave.	Build 132 new town home/condo units	Variety of light industrial bldgs occupied by various industrial and recycling businesses.	7.3

PAGE INTENTIONALLY LEFT BLANK

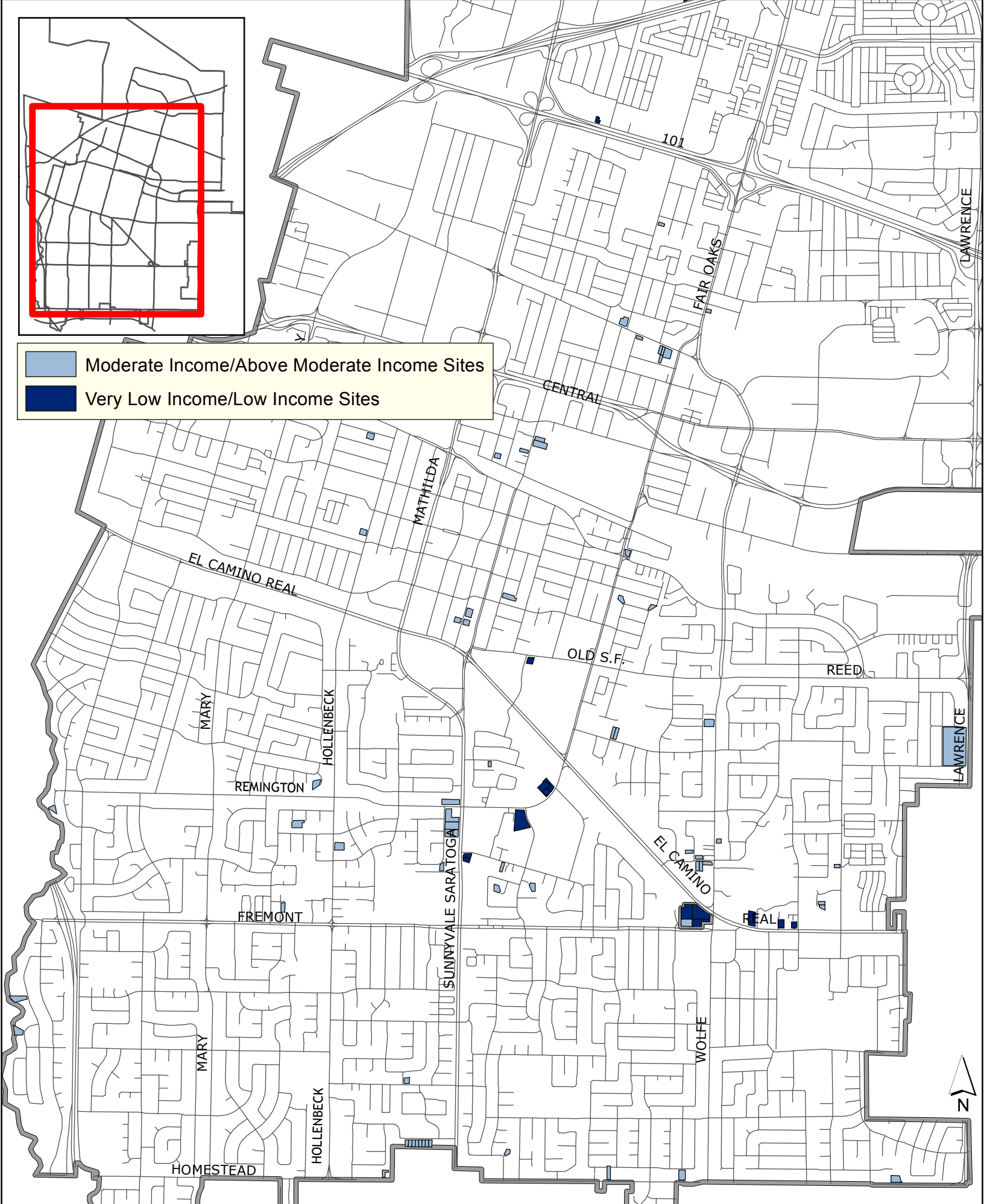


# 2015 Housing Element Sites Inventory Vacant & Underutilized Residential Sites

## ATTACHMENT 2



- Moderate Income/Above Moderate Income Sites
- Very Low Income/Low Income Sites



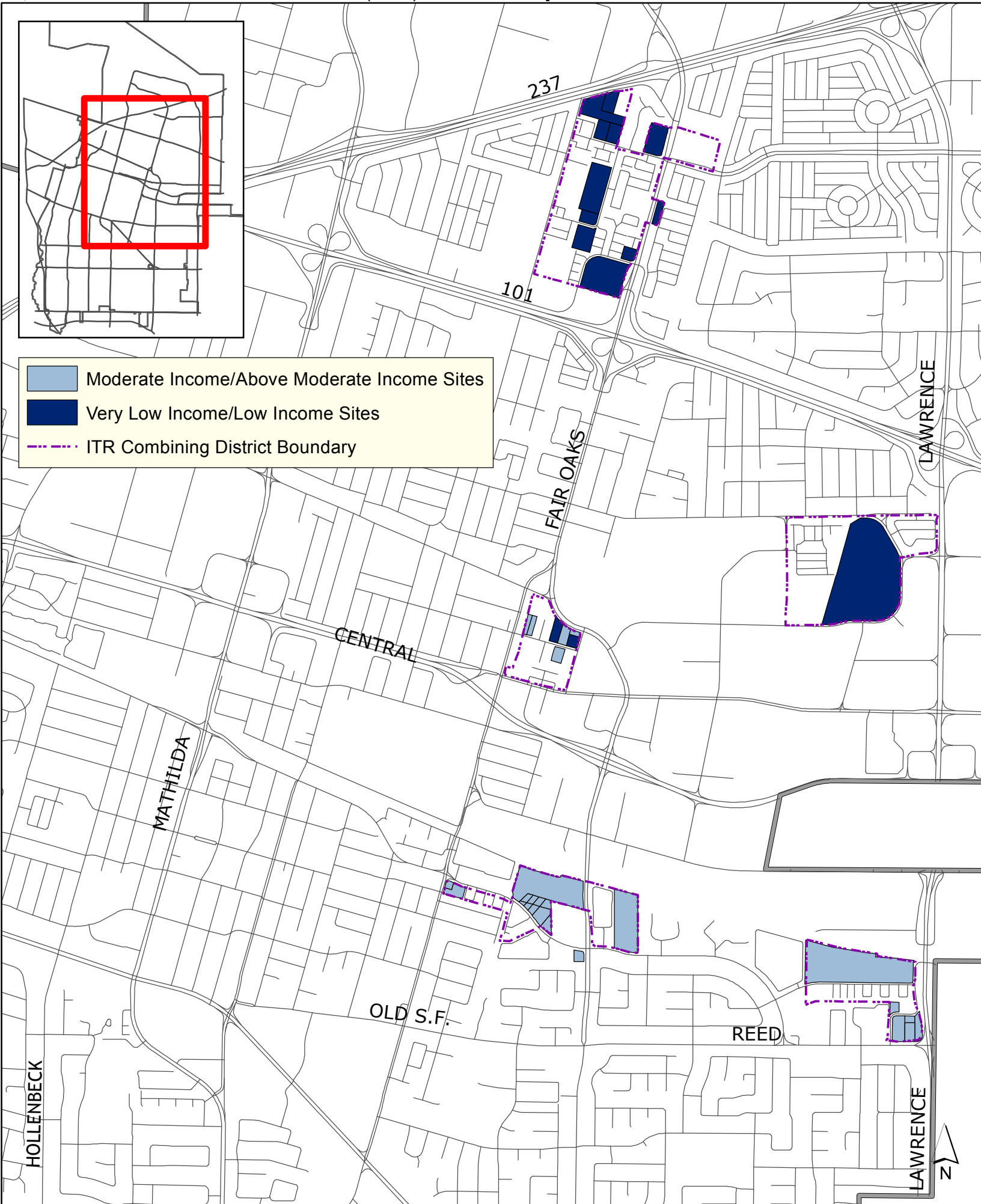


# 2015 Housing Element Sites Inventory

## Industrial to Residential (ITR) Redevelopment Sites

Appendices

### ATTACHMENT 2

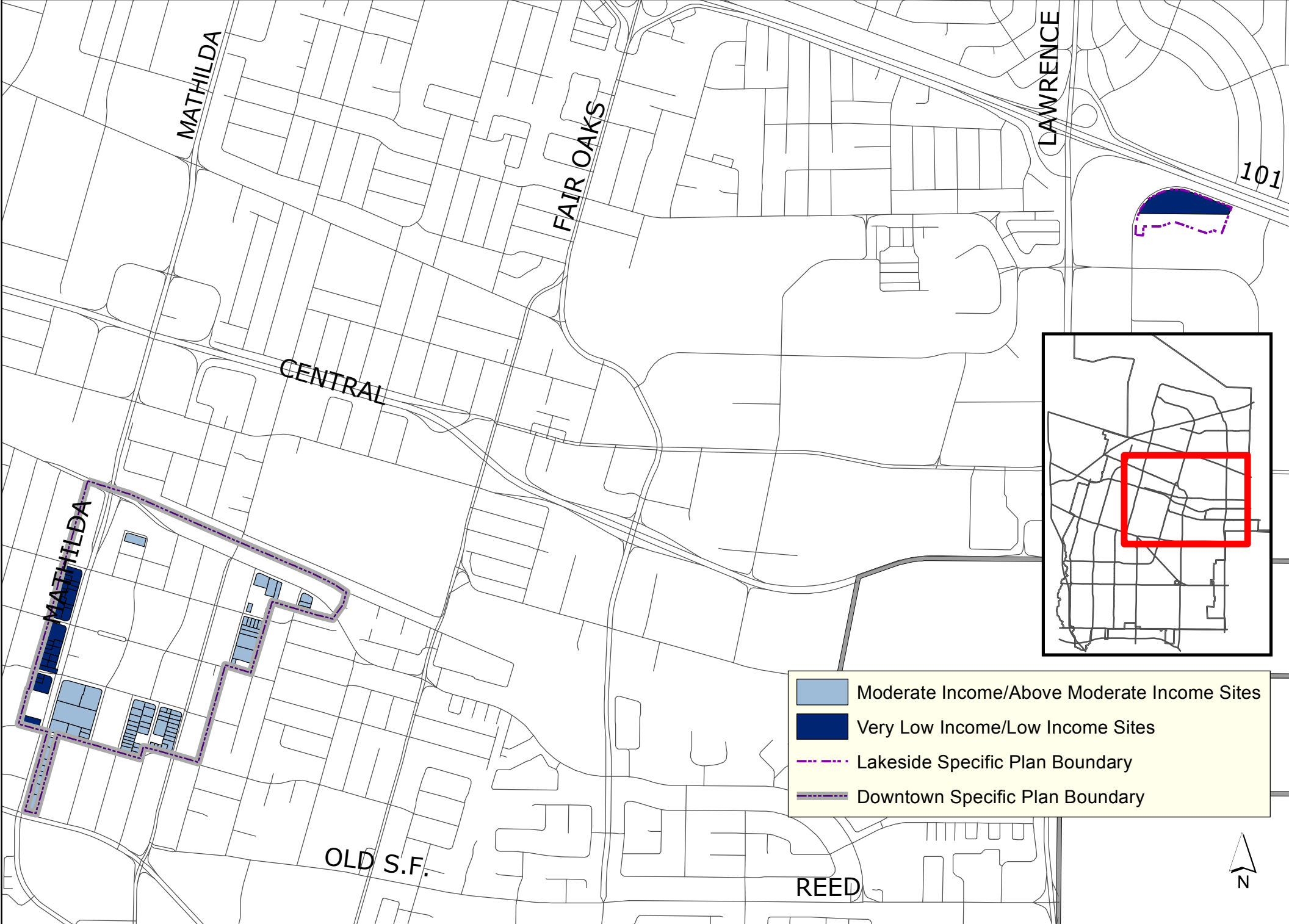






# 2015 Housing Element Sites Inventory

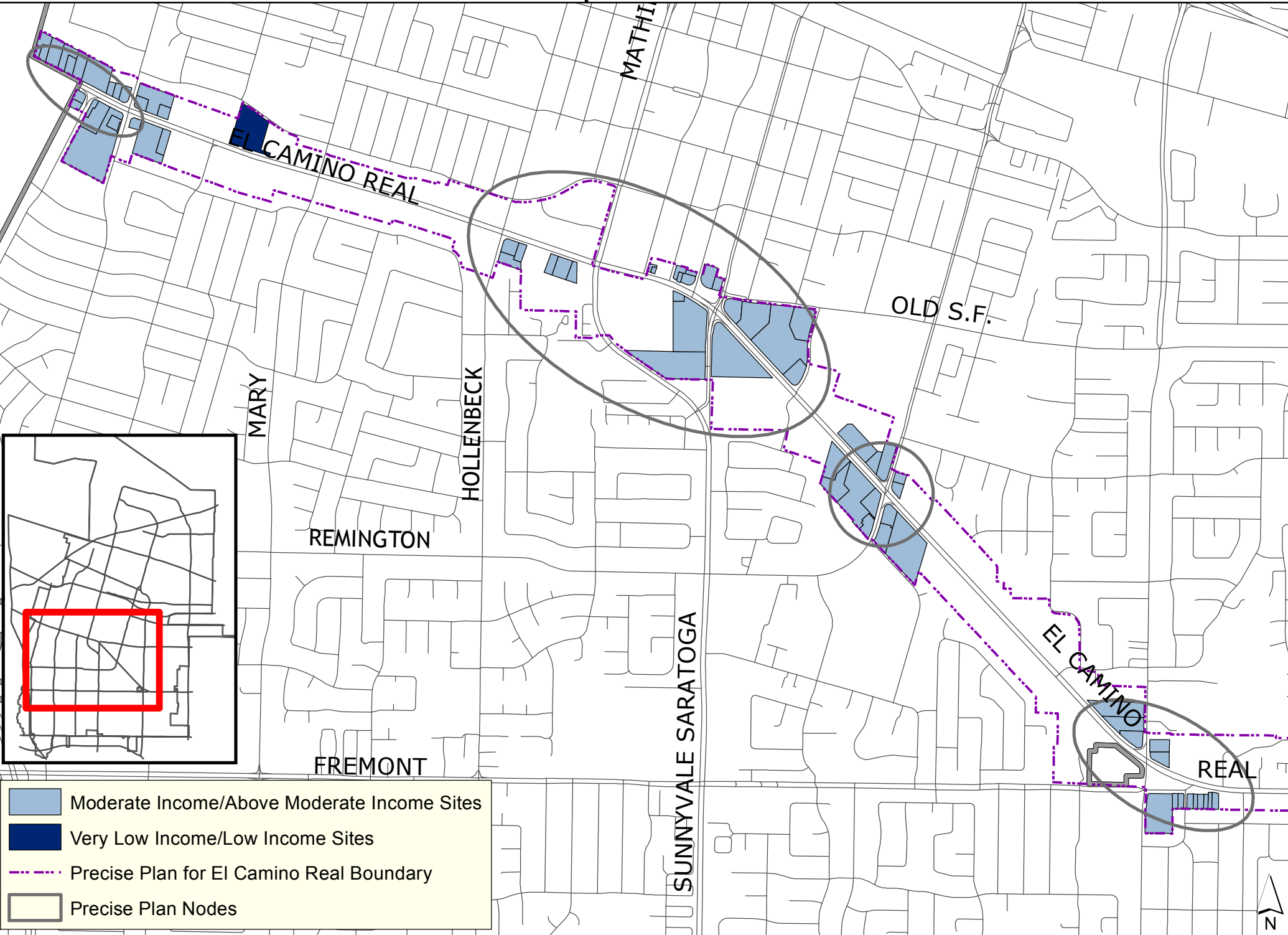
## Downtown & Lakeside Specific Plan Area Redevelopment Sites





# 2015 Housing Element Sites Inventory

## Precise Plan for El Camino Real Redevelopment/Infill Sites



## Appendix C: Review of Accomplishments under 2007-2014 Housing Element

Table C - 1: Review of Accomplishments under 2007-2014 Housing Element

Name of Program	Objective	Timeframe	Status of Program Implementation
1. Below Market Rate (BMR) Program	Review and refine BMR guidelines and codes to add program flexibility, accommodate current market conditions, and improve overall effectiveness.	2009-2014. Complete program modifications in 2009.	Objective completed in July 2012: Council repealed Sunnyvale Municipal Code (SMC) 19.66 and adopted SMC 19.67, Below Market Rate Ownership Housing and SMC 19.69, Existing Below Market Rate Rental Housing. BMR Program continued.
2. Homeownership Programs -First Time Homebuyer (FTHB) -Housing for Public Sector, Teachers, Child Care Workers (HPCC) -Mortgage Credit Certificate (MCC)	Revise program guidelines to improve effectiveness and adjust to market conditions. Assist 20 homebuyers per year with FTHB/HPCC and 8 with MCC.	2009-2014. Revise FTHB and HPCC program guidelines in 2009.	Objective completed: Council approved revised FTHB Program in July 2009. During the current cycle, 36 FTHB loans were provided. Level of need was not as high as projected, as most eligible buyers had adequate down-payment funds or accessed other down-payment assistance programs. FTHB Program continued with revised projections.
3. Affordable Housing Development Assistance	Provide financial and regulatory assistance for new affordable housing development, using available funds. Identify new sources of funding.	2009-2014. Evaluate expansion of Housing Mitigation Fee (HMF) in 2011.	Objective partially completed: City provided over \$16M for 3 major new housing projects during cycle. Evaluation of the HMF expansion was delayed due to the recession, but is now nearly complete, and Council consideration is expected in 2015. Program continued with minor revisions.
4. Density Bonus Provisions	Update density bonus provisions; coordinate and publicize with BMR program.	Adopt ordinance updates in 2010.	Objective completed: density bonus provisions updated in July 2012. Revised provisions in SMC Chapter 19.18. Several projects have received density bonus recently, and developer interest is strong. Program continued with minor revisions.
5. Homeowner Rehab Programs 5a. Rehab Loans 5b. Energy Loans 5c. Paint Loans/ Grants 5d. Accessibility Grants 5e. Emergency Loans	Implement program modifications to enhance effectiveness. Assist 40 households /year under all 5 rehab programs.	2009-2014. Complete program modifications in 2009.	Objective completed. Program is ongoing. During 2007-2014 cycle, 153 loans/grants were funded. Program continued with minor revisions.

<b>Name of Program</b>	<b>Objective</b>	<b>Timeframe</b>	<b>Status of Program Implementation</b>
6. Multi-Family Rental Rehabilitation	Reconsider feasibility and demand for program, and recommend alternatives for program modifications.	Recommend revisions to Multi-Family Rental Rehab Program to City Council in 2010.	Objective (program modifications) determined unnecessary. Since 2009, a number of large multi-family rehabilitation projects have been funded: Aster Park, Homestead Park, Garland Plaza, Morse Court, several group homes, etc. and affordable rental property owner interest is strong. Program continued without 2009 objective.
7. Multi-Family Rental Property Acquisition/ Preservation/ Rehabilitation	Assist at least one large multi-family rental project (60-100 units)	2009-2014	Objective completed. The City assisted Aster Park (95 units); Garland Plaza (20 units); Homestead Park (211 units); and two new projects were awarded funds in 2014: Morse Court (35 units) and Stoney Pine (22 units) and are in progress. Program is ongoing.
8. Neighborhood Enhancement Program	Target one new neighborhood per year for comprehensive neighborhood improvements, enhancing approximately 200 homes annually.	Complete one enhancement area annually.	Objective completed. Program continued in slightly revised form.
9. Preservation of Assisted Rental Housing	Monitor affordability controls in 245 at-risk units. If Section 8 expires, conduct tenant education and support in search of alternative housing.	Annually contact non-profit owners to confirm status of Section 8 contract.	Objective completed. One at-risk project identified: Aster Park (95 units); City preserved by providing rehabilitation loan attached to new 40-year restriction. Garland Plaza term of affordability also extended for 55 years. Program continued in slightly revised form.
10. Section 8 Rental Assistance	Seek to maintain current levels of Section 8; encourage landlords to register units.	2009-2014	Ongoing. Program continued.
11. Mobile Home Park Preservation	Implement current mobile home park protections. Evaluate ordinance modifications to enhance tenant protections.	2009-2014. Recommend revisions to Mobile Home Park Ordinance to City Council in 2011.	Objective completed in November 2012 with Council revisions to SMC 19.72, Conversion of Mobile Home Parks to Other Uses. Program continued.
12. Foreclosure Prevention	Promote foreclosure counseling services through the City's website and newsletter. Coordinate with the Santa Clara County Board of Realtors.	Initiate foreclosure outreach in 2009.	Objective completed; program continued.

<b>Name of Program</b>	<b>Objective</b>	<b>Timeframe</b>	<b>Status of Program Implementation</b>
13. Condominium Conversion Regulations	Implement tenant protections under current ordinance.	2009-2014	Ongoing. Program continued.
14. Zoning Text Amendments	Amend Zoning Code to make explicit provisions for a variety of special needs housing. Develop objective standards to regulate emergency shelters.	Complete ordinance revisions in 2010.	Objective and program completed. Zoning code updated in 2011 with provisions for emergency shelters, transitional housing and supportive housing consistent with SB 2. Program not continued (code amendments no longer necessary).
15. Multi-family and Mixed-Use Processing Procedures	Amend Zoning Code to replace multi-family use permit with an administrative hearing process in multi-family and mixed use zones for projects up to 50 units. For residential projects still subject to use permit, annually evaluate processing times and conditions.	Amend the Zoning Code in 2010. Annually evaluate processing times and conditions on residential projects subject to a CUP.	Objective completed. Zoning amendments adopted in December 2011, therefore program is no longer necessary. City has standard operating practice to evaluate all permit processing times annually and adjust operations/processes as needed.
16. Modified Parking Standards	Amend the Zoning Code to specify reduced parking standards for senior housing, housing for persons with disabilities, and housing in close proximity to transit.	Amend the Zoning Code in 2010.	Objective completed. Zoning amendments were adopted in December 2011. Program no longer necessary as a Housing Element program, although parking requirements may be evaluated as part of numerous upcoming land use planning efforts, including various specific plan updates and station area plans.
17. Residential Sites Inventory	Maintain current inventory of potential residential and mixed use sites; provide to developers in conjunction with information on incentives.	2009-2014	Objective completed; program ongoing.
18. Minimum Densities	Inform developers of policy to develop to at least 75% of General Plan density.	2009-2014	Objective completed; program ongoing.

Name of Program	Objective	Timeframe	Status of Program Implementation
19. Downtown Specific Plan	Facilitate site assembly through marketing and purchase of strategic parcels. Encourage provision of affordable housing by requiring BMR units to be provided on-site or within the boundaries of the Specific Plan, and by promoting density bonus and development incentives available in conjunction with the BMR program.	2009-2014	Objective Completed. Program continued without site assembly component as this objective has been completed to the extent necessary/feasible. Several downtown projects have recently received a state density bonus and will be under construction shortly. Additional developers are building residential properties downtown, and other have expressed interest in the density bonus program. See Table B-5 in Appendix B for details of recent development projects in the Downtown.
20. Accessory Living Units (ALUs)	Implement City's ordinance to accommodate ALUs, and place information on the City's website.	2009-2014. Add ALU information to CDD page on City's website in 2009.	Objective completed; Program ongoing.
21. Fair Housing Program	Contract with qualified agencies for comprehensive fair housing services and tenant/landlord mediation.	Annually review Fair Housing reports to assess any trends and develop appropriate actions.	Objective completed; Program ongoing.
22. Shared Housing Program	Contact cities and service providers about re-establishing a senior shared housing program.	Contact service agencies in 2010.	Objective completed; program discontinued. Catholic Charities discontinued this service due to lack of interest from prospective clients. Online roommate-finding / home sharing sites such as Craig's List and others have made this service unnecessary; many seniors reportedly are hesitant to rent out rooms or live in shared housing situations.
23. Accessible Housing	Develop and adopt Reasonable Accommodations procedures and disseminate info on City's website and at City Hall. Provide grants for accessibility improvements.	Adopt reasonable accommodation procedures in 2010.	Objective completed. Reasonable accommodations procedures were adopted through zoning amendments in December 2011. The City provided 90 accessibility grants during the 2007-2014 period. Program ongoing.

Name of Program	Objective	Timeframe	Status of Program Implementation
24. Emergency Shelter and Emergency Services	Financially support area homeless shelter and service providers. Facilitate provision of approx. 100 units of homeless housing in association with Onizuka base conversion.	2009-2014. Provide 100 units of homeless housing by 2012.	Objective in progress: Two affordable housing projects with a total of 117 affordable units are under development as a result of the Onizuka Air Force Base conversion, including 47 units for homeless applicants, with project-based rental assistance, and the rest of the units will be affordable to very low or extremely low income households (which may include homeless households). Program continued with revisions/updates.
25. Sustainability and Green Building	Continue sustainability program. Adopt a local green building program.	Adopt Green Building Program in 2009.	Objective completed in 2010 with adoption of Green Building ordinance, which was amended again in 2013. Program ongoing.

PAGE INTENTIONALLY LEFT BLANK



## **Appendix D: Executive Summary of the ABAG Jobs-Housing Connection Strategy**



# Executive Summary **Jobs-Housing Connection Strategy**

May 2012

**BayArea  
Plan**



ASSOCIATION OF BAY AREA GOVERNMENTS



METROPOLITAN  
TRANSPORTATION  
COMMISSION

The diverse population of the San Francisco Bay Area, home to one of the most impressive and productive estuaries in the world, has access to vibrant cities and towns, spectacular scenic and natural resources, and world-class cultural and recreational amenities.

The more than seven million of us who call this nine-county region home must work together to retain and enhance its great qualities for our children and grandchildren.

## Regional Trends

The region is expected to experience more modest growth than in past decades. Still, we project healthy economic growth of 1.1 million jobs and 2 million people by 2040 as the Bay Area continues to attract cutting-edge, high technology companies, talent, and investment from around the world.

This assumes a full-employment economy with unemployment rates returning to normal levels within a successful national economy. The forecast also recognizes the challenges with building new

housing in the region that is largely multi-family and in infill locations, and the impact that has on our ability to capture potential job growth. Achieving this growth will require that the region respond to an aging and diversifying population, polarizing wages, high housing and transportation costs, and other issues affecting our quality of life.

Prior generations in the Bay Area built the infrastructure to accommodate our current economy. Preparing the Bay Area for future job growth will require ever greater efficiency and creativity in the allocation of our public resources to improve communities and the livelihood of households earning low incomes.

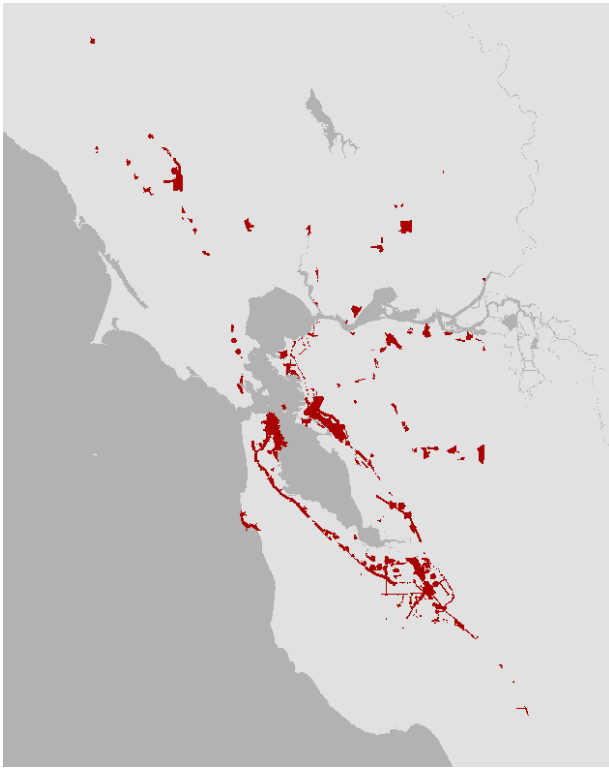
## Approach

Envisioning a strong economy, vital communities, protected open space, air, and water resources, and a high quality of life in the year 2040 requires that we maximize existing infrastructure investments and recognize where new investments are needed.

### Regional Trends Snapshot

	Challenges	Opportunities
Employment	<ul style="list-style-type: none"> <li>Decentralization of jobs</li> <li>Declines in manufacturing employment</li> <li>Lag between GDP and employment growth</li> <li>Average K-12 educational levels</li> <li>Funding cuts in higher education</li> <li>Loss of 200,000 acres of agricultural land</li> </ul>	<ul style="list-style-type: none"> <li>Global innovation hub</li> <li>Concentration of venture capital</li> <li>Research institutions</li> <li>High growth knowledge-sector industries and companies</li> <li>1.8 billion in agricultural products produced each year by Bay Area farmers</li> </ul>
Housing	<ul style="list-style-type: none"> <li>Loss of redevelopment</li> <li>High cost of living</li> <li>Foreclosure and delinquency rates</li> <li>Infill development</li> </ul>	<ul style="list-style-type: none"> <li>Aging population and expected changes in housing type demand</li> <li>Changing preferences of younger workers</li> <li>Infill development</li> </ul>

## Priority Development Areas



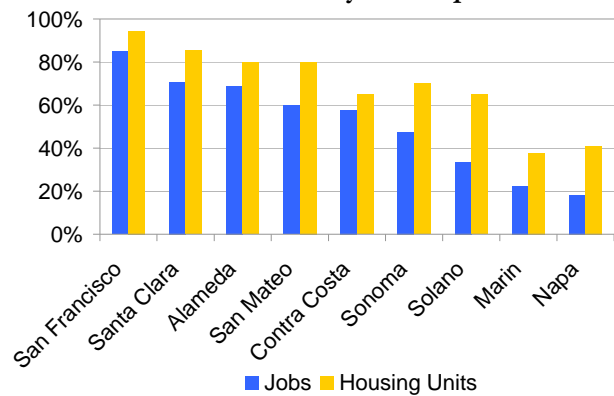
The Jobs-Housing Connection Strategy addresses these challenges by focusing planning efforts and investments in Priority Development Areas (PDAs) and Priority Conservation Areas (PCAs). PDAs provide an array of housing types and transportation choices and promote a pattern of growth and investment where transit, jobs, schools, services, and recreation are located nearby.

In contrast to previous trends that saw rural lands consumed for development, this Strategy acknowledges the choices the Bay Area has already made to retain these lands by directing development to PDAs and supporting the continuation of agricultural activities in rural communities through PCAs. This allows the region to reduce the emission of greenhouse gases, house our population in a wide range of neighborhoods, preserve our natural resources, and support the creation of and greater access to new employment opportunities.

These areas are proposed by local jurisdictions and approved by regional agencies. Additional planning and investments are directed to these priority areas. The Jobs-Housing Connection Strategy is based on a collaborative planning approach that builds upon ongoing efforts by local and regional agencies, special districts, and stakeholders.

The Strategy is also designed to support the housing production system in meeting the growing demand for housing in PDAs. It calls for expanded resources and public investment in PDA locations and provides planning support to help local governments work through the entitlement process.

### Share of Growth in Priority Development Areas



### Growth Strategy

PDAs are proposed to absorb about 80 percent of new housing and 66 percent of new jobs on about five percent of our total regional land area.

Regional centers in Oakland, San Francisco, and San Jose account for about 14 percent of new housing and 17 percent of job growth. Medium size cities also play an important role by adding a mix of new housing, employment, and services in strategic locations.

As a result of this focused growth, about 99 percent of our open space and agricultural land can be retained and north bay counties take a very small share of growth. Napa and Marin counties account for about 1 percent each of the total regional housing growth and Sonoma and Solano, 5 and 3 percent, respectively.

## Implementation

In order for this long term growth pattern to be realized, ABAG and MTC propose a set of implementation actions for discussion. These are based on input received from local jurisdictions, regional agencies, health and education agencies, business organizations, housing and equity groups, and environmental groups among others. Actions include planning tasks and investments, analysis of identified issues, and dialogue with appropriate organizations to define specific strategies. Highlights of this approach include:

### *Comprehensive infill development in PDAs:*

Efficiency and creativity in the allocation of our public resources, maximizing existing urban infrastructure investments and recognizing new planning and investments needed to support the PDAs that are assuming major growth responsibilities.

### *Creation and diversification of jobs:*

Investments in PDA infrastructure, workforce training and access to transit, amenities, and services to support knowledge-based jobs and businesses at major urban centers; local serving businesses and jobs close to housing in a wide range of downtown areas, transit corridors, and office parks; and retention of agricultural and industrial land.

### Current Components of Plan Bay Area



### *Retention and production of affordable housing:*

Focused investments and planning in PDAs with major housing responsibilities and challenges through streamlining regulations among local, regional, and state agencies; coordination with developers; and supporting major expansion of state and federal funding.

### *Strengthening complete communities:*

Work with regional agencies and special districts to support improvements to public schools, expansion of parks and recreation facilities, neighborhood safety and reducing crime, neighborhood resilience to natural disasters, appropriate provision of water, and air quality improvements.

### *Protection of open space and agricultural land:*

Regional coordination around PCAs focused on critical habitats, extension of conservation land deadlines, development of farmland protection plan, and completion of the Coastal, Ridge, and Bay Trails that link natural habitats and landscapes.

## Just the Beginning

This is the first Sustainable Communities Strategy (SCS) to be developed in the Bay Area. This is our first attempt to directly connect our local and regional land use planning efforts with our transportation investments. We expect to further strengthen our efforts in the subsequent cycles.

Still, we are very committed to establishing a solid platform of planning and development for the SCS that has traction today. Towards this end, under the umbrella of Plan Bay Area, we closely link the long term land use strategy (Jobs-Housing Connection Strategy by 2040), the long term transportation strategy (Draft Transportation Investment Strategy by 2040), the medium term housing planning targets (Regional Housing Need Allocation by 2022), short term funding (One Bay Area Grant by 2017), and programs supporting air quality, resilience to natural disasters, and sea level rise.

The integration of these efforts supports local jurisdictions to enhance the quality of life of the diverse communities in the Bay Area of tomorrow.

PAGE INTENTIONALLY LEFT BLANK

## Appendix E: Glossary

### Glossary of Housing-related Terms

(Excerpted primarily from *The California General Plan Glossary, 1999*)

#### Abbreviations

AMI:	Area Median (Household) Income
BMR:	Below-market-rate dwelling unit
CASA:	Community Assisted Shared Appreciation second mortgage loan
CDBG:	Community Development Block Grant
CEQA:	California Environmental Quality Act
CHFA:	California Housing Finance Agency
CIP:	Capital Improvements Program
EIR:	Environmental Impact Report
FAR:	Floor Area Ratio
GMI:	Gross Monthly Income
HCD:	Housing and Community Development Department of the State of California
HTSV:	Housing Trust of Silicon Valley
HUD:	U.S. Dept. of Housing and Urban Development
MCC:	Mortgage Credit Certificate
MRB:	Mortgage Revenue Bond
PDA:	Priority Development Area
PUD:	Planned Unit Development
RDA:	Redevelopment Agency
SRO:	Single Room Occupancy

#### Definitions

**Acres, Gross:** The entire acreage of a site. Most communities calculate gross acreage to the centerline of proposed bounding streets and to the edge of the right-of-way of existing or dedicated streets.

**Acres, Net:** The portion of a site that can actually be built upon. The following generally are not included in the net acreage of a site: public or private road right-of-way, public open space, and flood ways.

**Action Statement:** An action, activity, or strategy carried out in response to adopted policy to achieve a specific goal or objective. Policies and action statements establish the “who,” “how” and “when” for carrying out the “what” and “where” of goals and objectives.

**Adaptive Reuse:** The conversion of obsolescent or historic buildings from their original or most recent use to a new use. For example, the conversion of former hospital or school buildings to residential use, or the conversion of a historic single-family home to office use.

**Adverse Impact:** A negative consequence for the physical, social, or economic environment resulting from an action or project.

**Affordability Requirements:** Provisions established by a public agency to require that a specific percentage of housing units in a project or development remain affordable to very low- and low-income households for a specified period.

**Affordable Housing:** Housing capable of being purchased or rented by a household with very low, low, or moderate income, based on a household's ability to make monthly payments necessary to obtain housing. Housing is considered affordable when a household pays less than 30 percent of its gross monthly income (GMI) for housing including utilities.

**Agency:** The governmental entity, department, office, or administrative unit responsible for carrying out regulations.

**Air Rights:** The right granted by a property owner to a buyer to use space above an existing right-of-way or other site, usually for development.

**Alley:** A narrow service way, either public or private, which provides a permanently reserved but secondary means of public access not intended for general traffic circulation. Alleys typically are located along rear property lines.

**Annex, v:** To incorporate a land area into an existing district or municipality, with a resulting change in the boundaries of the annexing jurisdiction.

**Apartment:** (1) One or more rooms of a building used as a place to live, in a building containing at least one other unit used for the same purpose. (2) A separate suite, not owner occupied, which includes kitchen facilities and is designed for and rented as the home, residence, or sleeping place of one or more persons living as a single housekeeping unit.

**Appropriate:** An act, condition, or state that is considered suitable.

**Architectural Control; Architectural Review:** Regulations and procedures requiring the exterior design of structures to be suitable, harmonious, and in keeping with the general appearance, historic character, and/or style of surrounding areas. A process used to exercise control over the design of buildings and their settings. (See "Design Review.")

**Area; Area Median Income:** As used in State of California housing law with respect to income eligibility limits established by the U.S. Department of Housing and Urban Development (HUD), "area" means metropolitan area or non-metropolitan county. In non-metropolitan areas, the "area median income" is the higher of the county median family income or the statewide non-metropolitan median family income.

**Article 34 Referendum:** Article 34 of the Constitution of the State of California requires passage of a referendum within a city or county for approval of the development or acquisition of a publicly financed housing project where more than 49 percent of the units are set aside for low-income households.

**Assisted Housing:** Generally multifamily rental housing, but sometimes single-family ownership units, whose construction, financing, sales prices, or rents have been subsidized by federal, state, or local housing programs including, but not limited to Federal Section 8 (new construction, substantial rehabilitation, and loan management set-asides), Federal Sections 213, 236, and 202, Federal Section 221(d)(3) (below-market interest rate program), Federal Section 101 (rent supplement assistance), CDBG, FHA Section 515, multifamily mortgage revenue bond programs, local redevelopment and in lieu fee programs, and units developed pursuant to local inclusionary housing and density bonus programs. All California Housing elements are required to address the preservation or replacement of assisted housing that is eligible to change to market rate housing within 10 years.

**Bed and Breakfast:** Usually a dwelling unit, but sometimes a small hotel, which provides lodging and breakfast for temporary overnight occupants, for compensation.

**Below-market-rate (BMR) Housing Unit:** (1) Any housing unit specifically priced to be sold or rented to low- or moderate-income households for an amount less than the fair-market value of the unit. Both the State of California and the U.S. Department of Housing and Urban Development set standards for determining which households qualify as "low income" or "moderate income." (2) The financing of housing at less than prevailing interest rates.



**Blight:** A condition of a site, structure, or area that may cause nearby buildings and/or areas to decline in attractiveness and/or utility. The Community Redevelopment Law (Health and Safety Code, Sections 33031 and 33032) contains a definition of blight used to determine eligibility of proposed redevelopment project areas.

**Buffer Zone:** An area of land separating two distinct land uses that acts to soften or mitigate the effects of one land use on the other.

**Building:** Any structure used or intended for supporting or sheltering any use or occupancy.

**Building Height:** The vertical distance from the average contact ground level of a building to the highest point of the coping of a flat roof or to the deck line of a mansard roof or to the mean height level between eaves and ridge for a gable, hip, or gambrel roof. The exact definition varies by community. For example, in some communities building height is measured to the highest point of the roof, not including elevator and cooling towers.

**Buildout; Build-out:** Development of land to its full potential or theoretical capacity as permitted under current or proposed planning or zoning designations.

**California Environmental Quality Act (CEQA):** A State law requiring State and local agencies to regulate activities with consideration for environmental protection. If a proposed activity has the potential for a significant adverse environmental impact, an Environmental Impact Report (EIR) must be prepared and certified as to its adequacy before taking action on the proposed project. An Environmental Assessment may be prepared for housing elements, leading to a Declaration of No Environmental Impact.

**California Housing Finance Agency (CHFA):** A State agency, established by the Housing and Home Finance Act of 1975, which is authorized to sell revenue bonds and generate funds for the development, rehabilitation, and conservation of low-and moderate-income housing.

**Capital Improvements Program (CIP) :** A program, administered by a city or county government and reviewed by its planning commission, which schedules permanent improvements, usually for a minimum of five years in the future, to fit the projected fiscal capability of the local jurisdiction. The program generally is reviewed annually, for conformance to and consistency with the general plan.

**Census:** The official decennial enumeration of the population conducted by the federal government.

**Character:** Special physical characteristics of a structure or area that set it apart from its surroundings and contribute to its individuality.

**City:** City with a capital “C” generally refers to the government or administration of a city. City with a lower case “c” may mean any city or may refer to the geographical area of a city (e.g., the properties in the city.)

**Clustered Development:** Development in which a number of dwelling units are placed in closer proximity than usual, or are attached, with the purpose of retaining an open space area.

**Community Care Facility:** Elderly housing licensed by the State Health and Welfare Agency, Department of Social Services, typically for residents who are frail and need supervision. Services normally include three meals daily, housekeeping, security and emergency response, a full activities program, supervision in the dispensing of medicine, personal services such as assistance in grooming and bathing, but no nursing care. Sometimes referred to as residential care or personal care. (See “Congregate Care.”)

**Community Development Block Grant (CDBG):** A grant program administered by the U.S. Department of Housing and Urban Development (HUD) on a formula basis for entitlement communities, and by the State Department of Housing and Community Development (HCD) for non-entitled jurisdictions. This grant allots money to cities and counties for housing rehabilitation and community development, including public facilities and economic development. Sunnyvale is an Entitlement City.

**Community Redevelopment Agency (RDA):** A local agency created under California Redevelopment Law, or a local legislative body that has elected to exercise the powers granted to such an agency, for the purpose of planning, developing, re-planning, redesigning, clearing, reconstructing, and/or rehabilitating all or part of a specified area with residential, commercial, industrial, and/or public (including recreational) structures and facilities. The redevelopment agency's plans must be compatible with the adopted community general plan, including the housing element.

**Compatible:** Capable of existing together without conflict or ill effects.

**Condominium:** A structure of two or more units, the interior spaces of which are individually owned; the balance of the property (both land and building) is owned in common by the owners of the individual units. (See "Townhouse.")

**Congregate Care:** Apartment housing, usually for seniors, in a group setting that includes independent living and sleeping accommodations in conjunction with shared dining and recreational facilities. (See "Community Care Facility.")

**Consistent:** Free from variation or contradiction. Programs in the General Plan are to be consistent, not contradictory or preferential. State law requires consistency between a general plan and implementation measures such as the zoning code.

**County:** County with a capital "C" generally refers to the government or administration of a county. County with a lower case "c" may mean any county or may refer to the geographical area of a county (e.g., the county's 15 cities).

**Covenants, Conditions, and Restrictions (CC&Rs):** A term used to describe restrictive limitations that may be placed on property and its use, and which usually are made a condition of holding title or lease.

**Criterion:** A standard upon which a judgment or decision may be based. (See "Standards.")

**Density, Residential:** The number of permanent residential dwelling units per acre of land. Densities specified in the General Plan may be expressed in units per gross acre or per net developable acre. (See "Acres, Gross," and "Developable Acres, Net.")

**Density Bonus:** The allocation of development rights that allow a parcel to accommodate additional square footage or additional residential units beyond the maximum for which the parcel is zoned, usually in exchange for the provision or preservation of an amenity at the same site or at another location. Under California law, a housing development that provides 20 percent of its units for lower income households, or 10 percent of its units for very low-income households, or 50 percent of its units for seniors, is entitled to a density bonus.

**Density, Control of:** A limitation on the occupancy of land. Density can be controlled through zoning in the following ways: use restrictions, minimum lot-size requirements, floor area ratios, land use-intensity ratios, setback and yard requirements, minimum house-size requirements, ratios comparing number and types of housing units to land area, limits on units per acre, and other means. Allowable density often serves as the major distinction between residential districts.

**Design Review; Design Control:** The comprehensive evaluation of a development and its impact on neighboring properties and the community as a whole, from the standpoint of site and landscape design, architecture, materials, colors, lighting, and signs, in accordance with a set of adopted criteria and standards. "Design Control" requires that certain specific things be done and that other things not be done. Design Control language is most often found within a zoning code. "Design Review" usually refers to a system set up outside of the zoning ordinance, whereby projects are reviewed against certain standards and criteria by a specially established design review board or committee. (See "Architectural Control.")

**Developable Acres, Net:** The portion of a site that can be used for density calculations. Some communities calculate density based on gross acreage. Public or private road rights-of-way are not included in the net developable acreage of a site.

**Developable Land:** Land that is suitable as a location for structures and that can be developed free of hazards to, and without disruption of, or significant impact on, natural resource areas.

**Developer:** An individual who or business that prepares raw land for the construction of buildings or causes to be built physical building space for use primarily by others, and in which the preparation of the land or the creation of the building space is in itself a business and is not incidental to another business or activity.

**Development:** The physical extension and/or construction of urban land uses. Development activities include subdivision of land; construction or alteration of structures, roads, utilities, and other facilities; installation of septic systems; grading; deposit of refuse, debris, or fill materials; and clearing of natural vegetative cover (with the exception of agricultural activities). Routine repair and maintenance activities are exempted.

**Development Fee:** (See “Impact Fee.”)

**Development Rights:** The right to develop land by a land owner who maintains fee-simple ownership over the land or by a party other than the owner who has obtained the rights to develop. Such rights usually are expressed in terms of density allowed under existing zoning. For example, one development right may equal one unit of housing or may equal a specific number of square feet of gross floor area in one or more specified zone districts. (See “Interest, Fee.”)

**District:** (1) An area of a city or county that has a unique character identifiable as different from surrounding areas because of distinctive architecture, streets, geographic features, culture, landmarks, activities, or land uses. (2) A portion of the territory of a city or county within which uniform zoning regulations and requirements apply; a zone.

**Diversity:** Differences among otherwise similar elements that give them unique forms and qualities. E.g., housing diversity can be achieved by differences in unit size, tenure, or cost.

**Duet:** A detached building designed for occupation as the residence of two families living independently of each other, with each family living area defined by separate fee title ownership.

**Duplex:** A detached building under single ownership that is designed for occupation as the residence of two families living independently of each other.

**Dwelling Unit:** A room or group of rooms (including sleeping, eating, cooking, and sanitation facilities, but not more than one kitchen), which constitutes an independent housekeeping unit, occupied or intended for occupancy by one household on a long-term basis.

**Elderly Housing:** Typically one- and two-bedroom apartments or condominiums designed to meet the needs of persons 62 years of age and older or, if more than 150 units, persons 55 years of age and older, and restricted to occupancy by them. (See “Congregate Care.”)

**Emergency Shelter:** A facility that provides immediate and short-term housing and supplemental services for the homeless. Shelters come in many sizes, but an optimum size is considered to be 20 to 40 beds. Supplemental services may include food, counseling, and access to other social programs. (See “Homeless” and “Transitional Housing.”)

**Encourage, v:** To stimulate or foster a particular condition through direct or indirect action by the private sector or government agencies.

**Enhance, v:** To improve existing conditions by increasing the quantity or quality of beneficial uses or features.

**Environmental Impact Report (EIR):** A report required of general plans by the California Environmental Quality Act and which assesses all the environmental characteristics of an area and determines what effects or impacts will result if the area is altered or disturbed by a proposed action. (See “California Environmental Quality Act.”)

**Exaction:** A contribution or payment required as an authorized precondition for receiving a development permit; usually refers to mandatory dedication (or fee in lieu of dedication) requirements found in many subdivision regulations.

**Fair Market Rent:** The rent, including utility allowances, determined by the United States Department of Housing and Urban Development for purposes of administering the Section 8 Existing Housing Program.

**Family:** (1) Two or more persons related by birth, marriage, or adoption [U.S. Bureau of the Census]. (2) An individual or a group of persons living together who constitute a *bona fide* single-family housekeeping unit in a dwelling unit, not including a fraternity, sorority, club, or other group of persons occupying a hotel, lodging house or institution of any kind [California].

**Feasible:** Capable of being done, executed, or managed successfully from the standpoint of the physical and/or financial abilities of the implementer(s).

**Feasible, Technically:** Capable of being implemented because the industrial, mechanical, or application technology exists.

**Finding(s):** The result(s) of an investigation and the basis upon which decisions are made. Findings are used by government agents and bodies to justify action taken by the entity.

**Floor Area Ratio (FAR):** The gross floor area permitted on a site divided by the total net area of the site, expressed in percent. For example, on a site with 10,000 net sq. ft. of land area, a Floor Area Ratio of 100 percent will allow a maximum of 10,000 gross sq. ft. of building floor area to be built. On the same site, an FAR of 150 percent would allow 15,000 sq. ft. of floor area; an FAR of 200 percent would allow 20,000 sq. ft.; and an FAR of 50 percent would allow only 5,000 sq. ft. Also commonly used in zoning, FARs typically are applied on a parcel-by-parcel basis as opposed to an average FAR for an entire land use or zoning district.

**Footprint; Building Footprint:** The outline of a building at all of those points where it meets the ground.

**General Plan:** A compendium of city or county policies regarding its long-term development, in the form of maps and accompanying text. The General Plan is a legal document required of each local agency by the State of California Government Code Section 65301 and adopted by the City Council or Board of Supervisors. In California, the General Plan has 7 mandatory elements (Circulation, Conservation, Housing, Land Use, Noise, Open Space, Safety and Seismic Safety) and may include any number of optional elements (such as Air Quality, Economic Development, Hazardous Waste, and Parks and Recreation). The General Plan may also be called a “City Plan,” “Comprehensive Plan,” or “Master Plan.”

**Granny Flat:** (See “Second Unit.”)

**Group Quarters:** A residential living arrangement, other than the usual house, apartment, or mobile home, in which two or more unrelated persons share living quarters and cooking facilities. Institutional group quarters include nursing homes, orphanages, and prisons. Non-institutional group quarters include dormitories, shelters, and large boarding houses.

**Guidelines:** General statements of policy direction around which specific details may be later established.

**Handicapped:** A person determined to have a physical impairment or mental disorder expected to be of long or indefinite duration. Many such impairments or disorders are of such a nature that a person’s ability to live independently can be improved by appropriate housing conditions.

**Historic; Historical:** A historic building or site is one that is noteworthy for its significance in local, state, or national history or culture, its architecture or design, or its works of art, memorabilia, or artifacts.

**Historic Preservation:** The preservation of historically significant structures and neighborhoods until such time as, and in order to facilitate, restoration and rehabilitation of the building(s) to a former condition.

**Home Occupation:** A commercial activity conducted solely by the occupants of a particular dwelling unit in a manner incidental to residential occupancy.

**Homeless:** Persons and families who lack a fixed, regular, and adequate nighttime residence. Includes those staying in temporary or emergency shelters or who are accommodated with friends or others with the understanding that shelter is being provided as a last resort. California Housing element law, Section 65583(c)(1), requires all cities and counties to address the housing needs of the homeless. (See “Emergency Shelter” and “Transitional Housing.”)

**Household:** All those persons—related or unrelated—who occupy a single housing unit. (See “Family.”)

**Householder:** The head of a household.

**Households, Number of:** The count of all year-round housing units occupied by one or more persons. The concept of household is important because the formation of new households generates the demand for housing. Each new household formed creates the need for one additional housing unit or requires that one existing housing unit be shared by two households. Thus, household formation can continue to take place even without an increase in population, thereby increasing the demand for housing.

**Housing and Community Development Department of the State of California (HCD):** The State agency that has principal responsibility for assessing, planning for, and assisting communities to meet the needs of low- and moderate-income households.

**Housing Authority, Local (LHA):** Local housing agency established in State law, subject to local activation and operation. Originally intended to manage certain federal subsidies, but vested with broad powers to develop and manage other forms of affordable housing. In Sunnyvale, the LHA is the Housing Authority of Santa Clara County.

**Housing element:** One of the seven State-mandated elements of a local general plan, it assesses the existing and projected housing needs of all economic segments of the community, identifies potential sites adequate to provide the amount and kind of housing needed, and contains adopted goals, policies, and implementation programs for the preservation, improvement, and development of housing. Under State law, Housing elements must be updated every five years.

**Housing and Urban Development, U.S. Department of (HUD):** A cabinet-level department of the federal government that administers housing and community development programs.

**Housing Unit:** The place of permanent or customary abode of a person or family. A housing unit may be a single-family dwelling, a multifamily dwelling, a condominium, a modular home, a mobile home, a cooperative, or any other residential unit considered real property under State law. A housing unit has, at least, cooking facilities, a bathroom, and a place to sleep. It also is a dwelling that cannot be moved without substantial damage or unreasonable cost. (See “Dwelling Unit,” “Family,” and “Household.”)

**Impact:** The effect of any direct man-made actions or indirect repercussions of man-made actions on existing physical, social, or economic conditions.

**Impact Fee:** A fee, often called a development fee, levied on the developer of a project by a city, county, or other public agency as compensation for otherwise-unmitigated impacts the project will produce. California Government Code Section 66000 et seq. specifies that development fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged. To lawfully impose a development fee, the public agency must verify its method of calculation and document proper restrictions on use of the fund.

**Impacted Areas:** Census tracts where more than 50 percent of the dwelling units house low- and very low-income households.

**Implementation:** Actions, procedures, programs, or techniques that carry out policies.

**Improvement:** The addition of one or more structures or utilities on a parcel of land.

**Infill Development:** Development of vacant land (usually individual lots or left-over properties) within areas that are already largely developed.

**Infrastructure:** Public services and facilities, such as sewage-disposal systems, water-supply systems, other utility systems, and roads.

**In Lieu Fee:** Cash payments that may be required of an owner or developer as a substitute for a dedication of land or construction of below-market-rate housing, and referred to as in lieu fees or in lieu contributions.

**Institutional Use:** (1) Publicly or privately owned and operated activities that are institutional in nature, such as hospitals, museums, and schools; (2) churches and other religious organizations; and (3) other nonprofit activities of a welfare, educational, or philanthropic nature that cannot be considered a residential, commercial, or industrial activity.

**Interest, Fee:** Entitles a land owner to exercise complete control over use of land, subject only to government land use regulations.

**Issues:** Important unsettled community matters or problems that are identified in a community's general plan and are dealt with by the plan's goals, policies, and implementation programs.

**Jobs/Housing Balance; Jobs/Housing Ratio:** The availability of affordable housing for employees. The jobs/housing ratio divides the number of jobs in an area by the number of employed residents. A ratio of 1.0 indicates a balance. A ratio greater than 1.0 indicates a net in-commute; less than 1.0 indicates a net out-commute.

**Land Banking:** The purchase of land by a local government for use or resale at a later date. "Banked lands" have been used for development of low- and moderate-income housing, expansion of parks, and development of industrial and commercial centers. Federal rail-banking law allows railroads to bank unused rail corridors for future rail use while allowing interim use as trails.

**Land Use Classification:** A system for classifying and designating the appropriate use of properties.

**Land Use Regulation:** A term encompassing the regulation of land in general and often used to mean those regulations incorporated in the General Plan, as distinct from zoning regulations (which are more specific).

**Lease:** A contractual agreement by which an owner of real property (the lessor) gives the right of possession to another (a lessee) for a specified period of time (term) and for a specified consideration (rent).

**Leasehold Interest:** (1) The interest that the lessee has in the value of the lease itself in condemnation award determination. (2) The difference between the total remaining rent under the lease and the rent the lessee would currently pay for similar space for the same time period.

**Linkage:** With respect to jobs/housing balance, a program designed to offset the impact of employment on housing need within a community, whereby project approval is conditioned on the provision of housing units or the payment of an equivalent in-lieu fee. The linkage program must establish the cause-and-effect relationship between a new commercial or industrial development and the increased demand for housing.

**Lot:** (See "Site.")

**Lot of Record:** A lot that is part of a recorded subdivision or a parcel of land that has been recorded at the County Recorder's office containing property tax records.

**Low-income Household:** A household with an annual income usually no greater than 80 percent of the area median income for a household of four persons and based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 Housing Program. (See “Area.”)

**Low-income Housing Tax Credits (LIHTC):** Tax reductions provided by the federal and State governments for investors in housing for low-income households.

**Maintain, v:** To keep in an existing state. (See “Preserve, v.”)

**Mandatory element:** A component of the General Plan mandated by State Law. California State law requires that a General Plan include elements dealing with seven subjects—circulation, conservation, housing, land use, noise, open space and safety—and specifies to various degrees the information to be incorporated in each element.

**Manufactured Housing:** Residential structures that are constructed entirely in the factory, and that since June 15, 1976, have been regulated by the federal Manufactured Home Construction and Safety Standards Act of 1974 under the administration of the U.S. Department of Housing and Urban Development (HUD). (See “Mobile Home” and “Modular Unit.”)

**May:** That which is permissible.

**Minimize, v :** To reduce or lessen, but not necessarily to eliminate.

**Ministerial (Administrative) Decision:** An action taken by a governmental agency that follows established procedures and rules and does not call for the exercise of judgment in deciding whether to approve a project.

**Mitigate, v :** To ameliorate, alleviate, or avoid to the extent reasonably feasible.

**Mixed-use:** Properties on which various uses, such as office, commercial, institutional, and residential, are combined in a single building or on a single site in an integrated development project with significant functional interrelationships and a coherent physical design. A “single site” may include contiguous properties.

**Mobile Home:** A structure, transportable in one or more sections, built on a permanent chassis and designed for use as a single-family dwelling unit and which (1) has a minimum of 400 square feet of living space; (2) has a minimum width in excess of 102 inches; (3) is connected to all available permanent utilities; and (4) is tied down (a) to a permanent foundation on a lot either owned or leased by the homeowner or (b) is set on piers, with wheels removed and skirted, in a mobile home park. (See “Manufactured Housing” and “Modular Unit.”)

**Moderate-income Household:** A household with an annual income between the lower income eligibility limits (usually 80 percent of the area median family income) and 120 percent of the area median family income, usually as established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 housing program. (See “Area” and “Low-income Household.”)

**Modular Unit:** A factory-fabricated, transportable building or major component designed for use by itself or for incorporation with similar units on-site into a structure for residential, commercial, educational, or industrial use. Differs from mobile homes and manufactured housing by (in addition to lacking an integral chassis or permanent hitch to allow future movement) being subject to California housing law design standards. California standards are more restrictive than federal standards in some respects (e.g., plumbing and energy conservation). Also called Factory-built Housing and regulated by State law of that title. (See “Mobile Home” and “Manufactured Housing.”)

**Mortgage Credit Certificate:** Under a County-operated program, gives a first-time homebuyer a federal income tax credit of up to 20 percent of the mortgage interest paid on the first mortgage loan, for each year the buyer keeps the same mortgage loan and lives in the same house. Maximum initial household income limits and maximum initial home purchase prices apply and are adjusted annually.

**Multifamily Building:** A detached building designed and used exclusively as a dwelling by three or more families occupying separate suites.

**Municipal Code:** place holder

**Must:** That which is mandatory.

**Necessary:** Essential or required.

**Need:** A condition requiring supply or relief. The City or County may act upon findings of need within or on behalf of the community.

**Non-conforming Use:** A use that was valid when brought into existence, but by subsequent regulation becomes no longer conforming. “Non-conforming use” is a generic term and includes (1) non-conforming structures (by virtue of size, type of construction, location on land, or proximity to other structures), (2) non-conforming use of a conforming building, (3) non-conforming use of a non-conforming building, and (4) non-conforming use of land. Thus, any use lawfully existing on any piece of property that is inconsistent with a new or amended General Plan, and that in turn is a violation of a zoning code amendment subsequently adopted in conformance with the General Plan, will be a non-conforming use. Typically, non-conforming uses are permitted to continue for a designated period of time, subject to certain restrictions.

**Notice (of Hearing):** A legal document announcing the opportunity for the public to present their views to an official representative or board of a public agency concerning an official action pending before the agency.

**Objective:** A specific statement of desired future condition toward which the City or County will expend effort in the context of striving to achieve a broader goal. An objective should be achievable and, where possible, should be measurable and time-specific. The State Government Code (Section 65302) requires that general plans spell out the “objectives,” principles, standards, and proposals of the general plan. “The addition of 100 units of affordable housing by 2005” is an example of an objective.

**Ordinance:** A law or regulation set forth and adopted by a governmental authority, usually a city or county.

**Overlay:** A land use designation on the Land Use Map, or a zoning designation on a zoning map, that modifies the basic underlying designation in some specific manner.

**Parcel:** A lot, or contiguous group of lots, in single ownership or under single control, usually considered a unit for purposes of development.

**Parking, Shared:** A public or private parking area used jointly by two or more uses.

**Patio Unit:** A detached single family unit, typically situated on a reduced-sized lot, that orients outdoor activity within rear or side yard patio areas for better utilization of the site for outdoor living space.

**Planned Community:** A large-scale development whose essential features are a definable boundary; a consistent, but not necessarily uniform, character; overall control during the development process by a single development entity; private ownership of recreation amenities; and enforcement of covenants, conditions, and restrictions by a master community association.

**Planned Unit Development (PUD):** A description of a proposed unified development, consisting at a minimum of a map and adopted ordinance setting forth the regulations governing, and the location and phasing of all proposed uses and improvements to be included in the development.

**Planning and Research, Office of (OPR):** A governmental division of the State of California that has among its responsibilities the preparation of a set of guidelines for use by local jurisdictions in drafting General Plans.



**Planning Area:** The Planning Area is the land area addressed by the General Plan (and hence, by the Housing element). For a city, the Planning Area boundary typically coincides with the Sphere of Influence that encompasses land both within the City Limits and potentially annexable land.

**Planning Commission:** A body, usually having five or seven members, created by a city or county in compliance with California law (Section 65100) that requires the assignment of the planning functions of the city or county to a planning department, planning commission, hearing officers, and/or the legislative body itself, as deemed appropriate by the legislative body.

**Policy:** A specific statement of principle or of guiding actions that implies clear commitment but is not mandatory. A general direction that a governmental agency sets to follow, in order to meet its goals and objectives before undertaking an action program. (See “Action Statement.”)

**Poverty Level:** As used by the U.S. Census, families and unrelated individuals are classified as being above or below the poverty level based on a poverty index that provides a range of income cutoffs or “poverty thresholds” varying by size of family, number of children, and age of householder. The income cutoffs are updated each year to reflect the change in the Consumer Price Index.

**Preserve, v:** To keep safe from destruction or decay; to maintain or keep intact. (See “Maintain.”)

**Principle:** An assumption, fundamental rule, or doctrine that will guide general plan policies, proposals, standards, and implementation measures. The State Government Code (Section 65302) requires that general plans spell out the objectives, “principles,” standards, and proposals of the general plan. “Adjacent land uses should be compatible with one another” is an example of a principle.

**Protect, v:** To maintain and preserve beneficial uses in their present condition as nearly as possible. (See “Enhance.”)

**Recognize, v:** To officially (or by official action) identify or perceive a given situation.

**Redevelop, v:** To demolish existing buildings; or to increase the overall floor area existing on a property; or both; irrespective of whether a change occurs in land use.

**Regional:** Pertaining to activities or economies at a scale greater than that of a single jurisdiction, and affecting a broad geographic area.

**Regional Housing Needs:** A quantification by a COG or by HCD of existing and projected housing need, by household income group, for all localities within a region.

**Regulation:** A rule or order prescribed for managing government.

**Rehabilitation:** The repair, preservation, and/or improvement of substandard housing.

**Residential:** Land designated in the City or County General Plan and zoning code for buildings consisting only of dwelling units. May be improved, vacant, or unimproved. (See “Dwelling Unit.”)

**Residential, Multifamily:** Usually three or more dwelling units on a single site, which may be in the same or separate buildings.

**Residential, Single-family:** A single dwelling unit on a building site.

**Restore, v:** To renew, rebuild, or reconstruct to a former state.

**Restrict, v:** To check, bound, or decrease the range, scope, or incidence of a particular condition.

**Retrofit, v:** To add materials and/or devices to an existing building or system to improve its operation, safety, or efficiency. Buildings have been retrofitted to use solar energy and to strengthen their ability to withstand earthquakes, for example.

**Reverse Annuity Mortgages:** A home financing mechanism that enables a homeowner who a senior citizen to release equity from his or her home. The senior receives periodic payments that can be put to immediate use. Loans are fixed term and are paid when the house is sold or when the term expires.

**Rezoning:** An amendment to the map and/or text of a zoning code to effect a change in the nature, density, or intensity of uses allowed in a zoning district and/or on a designated parcel or land area.

**Second Mortgage Program:** The lending by a public or private agency of a portion of a required down payment to a developer or first-time homebuyer, usually with restrictions requiring that the units assisted through the program remain affordable to very low- and low-income households.

**Second Unit:** A Self-contained living unit, either attached to or detached from, and in addition to, the primary residential unit on a single lot. Sometimes called “Granny Flat.”

**Section 8 Rental Assistance Program:** A federal (HUD) rent-subsidy program that is one of the main sources of federal housing assistance for low-income households. The program operates by providing “housing assistance payments” to owners, developers, and public housing agencies to make up the difference between the “Fair Market Rent” of a unit (set by HUD) and the household’s contribution toward the rent, which is calculated at 30 percent of the household’s adjusted gross monthly income (GMI). “Section 8” includes programs for new construction, existing housing, and substantial or moderate housing rehabilitation.

**Senior Housing:** (See “Elderly Housing.”)

**Seniors:** Persons age 62 and older.

**Shall:** That which is obligatory or necessary.

**Shared Living:** The occupancy of a dwelling unit by persons of more than one family in order to reduce housing expenses and provide social contact, mutual support, and assistance. Shared living facilities serving six or fewer persons are permitted in all residential districts by Section 1566.3 of the California Health and Safety Code.

**Should:** Signifies a directive to be honored if at all possible.

**Significant Effect:** A beneficial or detrimental impact on the environment. May include, but is not limited to, significant changes in an area’s air, water, and land resources.

**Single-family Dwelling, Attached:** A dwelling unit occupied or intended for occupancy by only one household that is structurally connected with at least one other such dwelling unit. (See “Townhouse.”)

**Single-family Dwelling, Detached:** A dwelling unit occupied or intended for occupancy by only one household that is structurally independent from any other such dwelling unit or structure intended for residential or other use. (See “Family.”)

**Single Room Occupancy (SRO):** A single room, typically 80-250 square feet, with a sink and closet, but that requires the occupant to share a communal bathroom, shower, and kitchen.

**Site:** A parcel of land used or intended for one use or a group of uses and having frontage on a public or an approved private street. A lot.

**Specific Plan:** Under Article 8 of the Government Code (Section 65450 et seq.), a legal tool for detailed design and implementation of a defined portion of the area covered by a General Plan. A specific plan may include all detailed

regulations, conditions, programs, and/or proposed legislation that may be necessary or convenient for the systematic implementation of any General Plan element(s).

**Sphere of Influence:** The probable ultimate physical boundaries and service area of a local agency (city or district) as determined by the Local Agency Formation Commission of the County.

**Standards:** (1) A rule or measure establishing a level of quality or quantity that must be complied with or satisfied. The State Government Code (Section 65302) requires that general plans spell out the objectives, principles, “standards,” and proposals of the general plan. Examples of standards might include the number of acres of park land per 1,000 population that the community will attempt to acquire and improve, or the “traffic Level of Service” (LOS) that the plan hopes to attain. (2) Requirements in a zoning code that govern building and development as distinguished from use restrictions—for example, site-design regulations such as lot area, height limit, frontage, landscaping, and floor area ratio.

**Stock Cooperative Housing:** Multiple-family ownership housing in which the occupant of a unit holds a share of stock in a corporation that owns the structure in which the unit is located.

**Structure:** Anything constructed or erected that requires location on the ground (excluding swimming pools, fences, and walls used as fences).

**Subdivision:** The division of a tract of land into defined lots, either improved or unimproved, which can be separately conveyed by sale or lease, and which can be altered or developed. “Subdivision” includes a condominium project as defined in Section 1350 of the California Civil Code and a community apartment project as defined in Section 11004 of the Business and Professions Code.

**Subdivision Map Act:** Division 2 (Sections 66410 et seq.) of the California Government code, this act vests in local legislative bodies the regulation and control of the design and improvement of subdivisions, including the requirement for tentative and final maps. (See “Subdivision.”)

**Subregional:** Pertaining to a portion of a region. The Golden Triangle was a subregional task force.

**Subsidize:** To assist by payment of a sum of money or by the granting of terms or favors that reduce the need for monetary expenditures. Housing subsidies may take the forms of mortgage interest deductions or tax credits from federal and/or state income taxes, sale or lease at less than market value of land to be used for the construction of housing, payments to supplement a minimum affordable rent, and the like.

**Substandard Housing:** Residential dwellings that, because of their physical condition, do not provide safe and sanitary housing.

**Substantial:** Considerable in importance, value, degree, or amount.

**Target Areas:** Specifically designated sections of the community where loans and grants are made to bring about a specific outcome, such as the rehabilitation of housing affordable by very low- and low-income households.

**Tax Credit:** A dollar amount that may be subtracted from the amount of taxes owed.

**Tax Increment:** Additional tax revenues that result from increases in property values within a redevelopment area. State law permits the tax increment to be earmarked for redevelopment purposes but requires at least 20 percent to be used to increase and improve the community’s supply of very low-and low-income housing.

**Townhouse; Townhome:** A one-family dwelling in a row of at least three such units in which each unit has its own front and rear access to the outside, no unit is located over another unit, and each unit is separated from any other unit by one or more common and fire-resistant walls. Townhouses usually have separate utilities; however, in some condominium situations, common areas are serviced by utilities purchased by a homeowners association on behalf of all townhouse members of the association. (See “Condominium.”)

**Transitional Housing:** Shelter provided to the homeless for an extended period, often as long as 18 months, and generally integrated with other social services and counseling programs to assist in the transition to self-sufficiency through the acquisition of a stable income and permanent housing. (See “Homeless” and “Emergency Shelter.”)

**Undue:** Improper, or more than necessary.

**Uniform Building Code (UBC):** A national, standard building code that sets forth minimum standards for construction.

**Uniform Housing Code (UHC):** State housing regulations governing the condition of habitable structures with regard to health and safety standards, and which provide for the conservation and rehabilitation of housing in accordance with the Uniform Building Code (UBC).

**Urban Services:** Utilities (such as water, gas, electricity, and sewer) and public services (such as police, fire, schools, parks, and recreation) provided to an urbanized or urbanizing area.

**Use:** The purpose for which a lot or structure is or may be leased, occupied, maintained, arranged, designed, intended, constructed, erected, moved, altered, and/or enlarged in accordance with the City or County zoning code and General Plan land use designations.

**Use, Non-conforming:** (See “Non-conforming Use.”)

**Use Permit:** The discretionary and conditional review of an activity or function or operation on a site or in a building or facility.

**Vacant:** Lands or buildings that are not actively used for any purpose.

**Very Low-income Household:** A household with an annual income usually no greater than 50 percent of the area median family income, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 Housing Program. (See “Area.”)

**Zero Lot Line:** A detached single family unit distinguished by the location of one exterior wall on a side property line.

**Zone, Combining:** A special purpose zone that is superimposed over the regular zoning map. Combining zones are used for a variety of purposes, such as airport compatibility, flood plain or wetlands protection, historic designation, or special parking regulations. Also called “overlay zone.”

**Zone, Interim:** A zoning designation that temporarily reduces or freezes allowable development in an area until a permanent classification can be fixed; generally assigned during General Plan preparation to provide a basis for permanent zoning.

**Zone, Study:** (See “Zone, Interim.”)

**Zoning:** The division of a city or county by legislative regulations into areas, or zones, which specify allowable uses for real property and size restrictions for buildings within these areas; a program that implements policies of the General Plan.

**Zoning Bonus:** (See “Zoning, Incentive.”)

**Zoning Code:** a collection of organized and numbered local (ordinances) that provide regulations for land use and development. [or something like this]

**Zoning District:** A designated section of a city or county for which prescribed land use requirements and building and development standards are uniform.

**Zoning, Exclusionary:** Development regulations that result in the exclusion of low- and moderate-income and/or minority families from a community.

**Zoning, Incentive:** The awarding of bonus credits to a development in the form of allowing more intensive use of land if public benefits—such as preservation of greater than the minimum required open space, provision for low- and moderate-income housing, or plans for public plazas and courts at ground level—are included in a project.

**Zoning, Inclusionary:** Regulations that increase housing choice by providing the opportunity to construct more diverse and economical housing to meet the needs of low- and moderate-income families. Often such regulations require a minimum percentage of housing for low- and moderate-income households in new housing developments and in conversions of apartments to condominiums.

**Zoning Map:** Government Code Section 65851 permits a legislative body to divide a county, a city, or portions thereof, into zones of the number, shape, and area it deems best suited to carry out the purposes of the zoning code. These zones are delineated on a map or maps, called the Zoning Map.