



City of Sunnyvale

Meeting Minutes City Council

Tuesday, February 10, 2015

6:00 PM

Special Meeting - Study Session (Audio
Only)

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

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

Vice Mayor Martin-Milius called the meeting to order at 6:25 p.m.

2 Roll Call

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

3 Public Comment

A member of the public thanked staff for their outreach efforts to date on this topic and made several suggestions:

- If the fee is adopted, set the fee rate no higher than that of other cities within the county;
- Consider ways to make housing more affordable by design (smaller units, lower city fees, etc.); and
- Consider the projects in the pipeline when determining the effective date of this new fee, so that those currently in property negotiations or in the project review process are not adversely affected.

4 Study Session

[14-0845](#) Discussion on Rental Housing Impact Fee

Study Session Summary:

Community Director Hanson Hom introduced Darin Smith, Managing Principal with Economics & Planning Systems who provided a brief slide presentation on the Rental Housing Impact Fee and Nexus Study. During and after the presentation,

the following questions and comments were raised and discussed:

- Would the proposed fee rate be lower for smaller projects, and/or will projects below a certain size threshold (number of units) be exempt from the fee? If not, would the proposed new fee make smaller rental projects infeasible?
- From a policy perspective, is it better to have affordable units provided within the market-rate development, or to collect the fee and construct affordable housing projects?
- Can the funds be used for special needs facilities, such as emergency shelters or congregate care facilities, or for housing units for special needs clients, e.g., seniors?
- Can the City determine the affordability level of the units that would be built in market-rate projects or units in affordable projects?
- Would a fee on rental projects discourage new rental developments in Sunnyvale?
- How many service-sector (low-wage) jobs are created per high-tech job?
- Would a higher density project result in lower rents, i.e., is it cheaper to build higher-density projects?
- How are the project's long-term operating costs factored into the nexus-based fee calculation?
- If units are constructed within the market-rate project, how long are they required to be affordable?
- How were the fee rates of \$17, \$21 and \$26 per square foot determined? Was there any particular methodology or rationale used to determine those numbers? Is there any possible rationale for setting the fee lower than \$17?

5 Adjourn Special Meeting

Vice Mayor Martin-Milius adjourned the meeting at 7 p.m.