

City of Sunnyvale

Meeting Minutes - Draft (excerpt) Housing and Human Services Commission

- Wednesday, August 28, 2019	7:00 PM	West Conference Room, City Hall, 456 W. Olive Ave., Sunnyvale, CA 94086

2 <u>19-0690</u> Introduce an Ordinance to add Chapter 19.77 ("Inclusionary Below Market Rate Rental Housing") to Title 19 ("Zoning") of the Sunnyvale Municipal Code to create an Inclusionary Rental Housing Program, and adopt a Resolution to amend the Master Fee Schedule and create a Rental Housing In-Lieu Fee.

Housing Officer Jenny Carloni provided the staff report.

After clarification questions of staff, Vice Chair Grossman opened the public hearing at 7:21 p.m.

Travis Duncan, Development Project Manager at Saris Regis, spoke in support of staff's recommendations to increase the in-lieu fee rates in recognition of the increasing cost to build housing. He also asked for a recommendation to "grandfather" Saris Regis's Downtown projects that are already under development into the old system in order to not disrupt their progress. He noted that there will be affordable housing units in the downtown developments and that the number of units and level of income affordability is already being negotiated in good faith with City staff.

Marie Bernard, Executive Director of Sunnyvale Community Services (SCS), spoke in favor of staff's recommendation and recognized the work by City staff to prioritize production of affordable housing in Sunnyvale.

Brennan Robins, 20-year Sunnyvale resident and Greenbelt Alliance intern, spoke in favor of a strong inclusionary housing ordinance and encouraged the commissioners to recommend an in-lieu fee high enough to reflect the actual cost of building affordable housing in Sunnyvale. He noted that he doesn't want to be part of the exodus of young people that cannot afford to stay in Sunnyvale due to the high cost of housing. Vice Chair Grossman closed the public hearing at 7:28 p.m.

After discussion and questions of staff, Vice Chair Grossman asked for a motion.

MOTION: Commissioner Hiremath moved and Vice Chair Grossman seconded the motion to Recommend to City Council Alternatives 1 and 5: 1.) Introduce an ordinance to add Chapter 19.77 ("Inclusionary Below Market Rate Rental Housing ") to Title 19 ("Zoning") of the Sunnyvale Municipal Code to create an Inclusionary Rental Housing Program (Attachment 3 to the report); and 2.) Approve a Resolution to amend the Master Fee Schedule and create a new Small Rental Project In-Lieu Fee of \$15.00 per habitable square foot and a new Large Rental Project In-Lieu Fee of \$30.00 per habitable square foot, adjusted annually as part of the City Fee Schedule (Attachment 4 to the report).

FRIENDLY AMEDMENT: Commissioner Kwok offered a friendly amendment to scale the fee to incentivize the production of larger family housing units. Commissioner Hiremath accepted the friendly amendment.

The motion was restated as:

MOTION:Commissioner Hiremath moved and Vice Chair Grossman seconded the motion to Recommend to City Council Alternatives 1 and 5: 1.) Introduce an ordinance to add Chapter 19.77 ("Inclusionary Below Market Rate Rental Housing ") to Title 19 ("Zoning") of the Sunnyvale Municipal Code to create an Inclusionary Rental Housing Program (Attachment 3 to the report); and 2.) Approve a Resolution to amend the Master Fee Schedule based on a scaling fee schedule proposal to be prepared by staff based on fee option 3 that incentivizes the production of three-and four-bedroom units, adjusted annually as part of the City Fee Schedule (Attachment 4 to the report).

The motion carried by the following vote:

- Yes: 4 Vice Chair Grossman Commissioner Hiremath Commissioner Kwok Commissioner Stetson
- **No:** 0
- Absent: 2 Chair Gilbert Commissioner White