

3. [21-0631](#) Recommendation to City Council to Introduce an Ordinance Amending Chapter 19.67 (Below Market Rate Ownership Housing) of the

Sunnyvale Municipal Code to Modify the Inclusionary Housing Program.

Housing Officer Jenny Carloni presented the staff presentation.

Commissioner Harrison asked Housing Officer Carloni general questions regarding the below market rate (BMR) rental and ownership program.

Commissioner Weiss asked staff if a BMR unit is converted from an apartment to a condominium will there be financial help available to keep the unit conversion preservation program. Housing Officer Carloni responded that the City has a first-time home-owner loan program. Commissioner Weiss asked if a BMR ownership remains in the BMR buyer program if the house becomes foreclosed. Affordable Housing Manager Ernie DeFrenchi responded that if a BMR home goes into foreclosure housing restrictions do not survive foreclosure. Housing Manager DeFrenchi also stated that if the City receives a letter stating that a home is going to be foreclosed upon, the City works with the lender and the homeowner to negotiate a forbearance agreement or the City would help to facilitate a resell to that home to a new BMR owner.

Chair Howard opened the Public Hearing.

Mike Serrone spoke in overall support of the staff's recommendations. Mr. Serrone commented on the inclusionary housing policy for the City of Cupertino.

Chair Howard closed the Public Hearing.

Commissioner Harrison asked staff when did the City adopted the Palmer's effect. Housing Officer Carloni responded that the state adopted the Palmer's effect in 2017, however, the City of Sunnyvale adopted the Palmer's effect in 2019. Commissioner Harrison asked staff how approximately many rental projects have the City had since the Palmer's effect has been in place. Assistant Director Miner responded that there was the Irvine Company project which was 900 BMR units and the Capstone Project which was 600 BMR units.

MOTION: Commissioner Weiss moved and Commissioner Harrison seconded the motion to approve Alternative 1: Introduce an ordinance to amend Chapter 19.67 ("Below Market Rate Ownership Housing ") of Title 19 ("Zoning") of the Sunnyvale Municipal Code to modify Inclusionary Below Market Rate Ownership Housing Requirements (Attachment 3 to the report).

Commissioner Weiss commented that the ordinance will provide more opportunity for developers in Sunnyvale and allow for more affordable ownership opportunities for the community.

Commissioner Harrison stated that homeowner opportunities for moderate income families are imperative for the community.

Chair Howard spoke in support of the motion and overall agreement with Commissioner Harrison and Commissioner Weiss' comments.

The motion carried by the following vote:

Yes: 7 - Chair Howard
Vice Chair Simons
Commissioner Harrison
Commissioner Howe
Commissioner Olevson
Commissioner Rheaume
Commissioner Weiss

No: 0