



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 18-0624, Version: 1

REPORT TO COUNCIL

SUBJECT

Approve City's Response to the 2017-2018 Santa Clara County Civil Grand Jury Report Titled, "Affordable Housing Crisis: Density is our Destiny".

BACKGROUND

On June 21, 2018, the Santa Clara County Civil Grand Jury released a report, Affordable Housing Crisis: Density is our Destiny (Attachment 2). The report details the findings and recommendations from the Grand Jury's investigation concerning the need for affordable housing in Santa Clara County.

During the investigation, the Grand Jury employed the following methodology:

- Interviewed over 65 elected and appointed government officials, leaders of nonprofits and developers (many more than once).
- Researched the Housing Elements for each city and for the County, as well as the Regional Housing Needs Allocation (RHNA) for the current and prior housing cycles.
- Reviewed more than 100 documents and media articles.
- Visited a homeless shelter.

California Penal Code 933(c) requires the government body of the public agency that has been the subject of the Grand Jury report respond to the Presiding Judge of the Superior Court on the findings and recommendations. This response, which is included as Attachment 1 to this report, is due no later than September 21, 2018.

EXISTING POLICY

The Housing Element of the Sunnyvale General Plan was adopted December 16, 2014 and covers the RHNA period of January 31, 2015 - January 31, 2023. The Housing Element was certified by the California State Housing and Community Development department (HCD) in January 2015. The Housing Element includes six goals and 37 policies. In addition to addressing how Sunnyvale has sufficient land zoned for the City's fair share of housing, the element also includes the programs and implementation measures to address affordability at differing levels.

The entire list of Goals and Policies in the adopted and certified Housing Element can be found in Attachment 3.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378 (b) (5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

DISCUSSION

The Grand Jury investigation resulted in 20 findings and 19 recommendations (pages 25 to 29 in the Grand Jury report). Sunnyvale is required to respond to twelve of the findings and twelve of the recommendations. The recommendations applicable to Sunnyvale are focused around the themes of:

- Improving the jobs-to-housing ratio and identifying properties for higher zoning
- Identifying properties within a half mile of a transit hub to help meet Low Income (LI) and moderate income housing needs
- Revising density bonus ordinances to address LI and moderate income objectives
- Establishing housing impact fees for employers to subsidize BMR housing (2 separate recommendations)
- Identifying at least one potential RHNA sub-region that each city would be willing to join and identifying the formation of a sub-region consisting of at least one high-cost city and one low cost city (2 separate recommendations on sub-regions)
- Increasing inclusionary Below Market Rate (BMR) percentage requirements to at least 15%
- Raising fee amounts associated with BMR in-lieu fee options
- Creating a task force to communicate the value and importance of each city meeting its RHNA objectives
- Publishing, annually, the number of constructed BMR units (each city)

City staff have reviewed the findings and the recommendations and have prepared a draft response letter. A general comment is that some of the nuanced provisions in Sunnyvale's regulations may not have been clearly understood by the Grand Jury. Some of the recommendations do not apply to Sunnyvale as we have already implemented recommended actions (the Grand Jury may not have been aware that the City had already taken these actions). Some of the recommendations are geared toward marketing the value of compliance and reporting achievements. Overall staff notes that the Civil Grand Jury took on a complicated issue and may not have fully understood how each community may need to develop solutions unique to their situation.

FISCAL IMPACT

There is no fiscal impact from the City's response to the Grand Jury report.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

ALTERNATIVES

1. Approve the City's response to the 2017-2018 Santa Clara County Civil Grand Jury report as presented in Attachment 1 and authorize the Mayor to sign the response.
2. Approve the City's response to the 2017-2018 Santa Clara County Civil Grand Jury report as presented in Attachment 1 with modifications and authorize the Mayor to sign the response.

STAFF RECOMMENDATION

Alternative 1: Approve the City's response to the 2017-2018 Santa Clara County Civil Grand Jury report as presented in Attachment 1 to the report and authorize the Mayor to sign the response.

Prepared by: Trudi Ryan, Director, Community Development
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Draft City Response Letter
2. Civil Grand Jury Report
3. Sunnyvale Housing Element Goals and Policies