



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Adopt a Resolution Approving the Application for Senate Bill (SB) 2 Planning Grant Funds from the California Department of Housing and Community Development and Find that the Action is Exempt from CEQA.

BACKGROUND

In 2017, Governor Brown signed a 15-bill housing package aimed at addressing the state's housing shortage and high housing costs. Specifically, it included the Building Homes and Jobs Act (SB 2), which establishes a \$75 recording fee on real estate documents to increase the supply of affordable homes in California. All funds are being administered through the California Department of Housing and Community Development (HCD).

SB 2 Planning Grants provide funding to all local governments in California to help cities and counties prepare, adopt, and implement plans and process improvements that streamline housing approvals and accelerate housing production.

Funding will help cities and counties accelerate housing production, streamline the approval of housing development, and facilitate housing affordability, particularly for lower- and moderate-income households.

EXISTING POLICY

GENERAL PLAN - Housing Element

Goal HE-3: Minimized Governmental Constraints on Housing

Minimizes the impact of governmental constraints on the maintenance, improvement, and development of housing.

Policy HE-3.1 Monitor 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.

COUNCIL POLICY 7.1.5, "Grants, Donations, Contributions and Sponsorships"

ENVIRONMENTAL REVIEW

Adopting a resolution authorizing staff to submit a grant application does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) and (b)(5) in that it relates to fiscal and administrative activities that do not involve any commitment to any specific project which may result in a potential significant impact on the environment.

DISCUSSION

HCD has divided SB 2 funds into two rounds: the first round being non-competitive funding opportunities for cities with varying amounts based on population size, and the second round being competitive funding for affordable housing development. Based on Sunnyvale's population, the City can apply for up to \$310,000 during the first round; the full amount has been requested in the City's application. The City submitted the SB2 application prior to the November 30, 2019 deadline. HCD also requires the Council to adopt a resolution authorizing the filing of the application, execution of necessary agreements, and receipt of the funds.

The goals of the work completed with the grant would be to ensure policies and standards are in place to provide objective review of housing projects. These would include:

- Develop objective design standards, and ensure compliance with all existing area and specific plan guidelines, that facilitate non-discretionary permitting to streamline housing development;
- Establish objective landscape design standards related to various landscaping/tree types and sizes for new development projects; and,
- Consider amendments to the Peery Park Specific Plan, which may include environmental analysis, community outreach, objective design standards, and studying minimum and maximum residential densities for the housing opportunity sites (Attachment 2). SB2 funds used towards the PPSP amendment will supplement developer costs used to amend the plan, to ensure there is sufficient funding for the entire project.

FISCAL IMPACT

Applying for the SB 2 Planning Grant has no impact to the General Fund. Should the City be successful in obtaining the \$310,000 grant, funds will be used to hire consultants to lead the work efforts. A budget modification will be prepared to reflect the final grant award. No matching funds are required for this grant program.

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.

RECOMMENDATION

Find that the action is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) and (b)(5) and adopt the Resolution ratifying and approving the City's application for SB2 Planning Grant Funds (Attachment 1 to the report).

Prepared by: Jenny Carloni, Housing Officer

Reviewed by: Trudi Ryan, Director of Community Development

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Resolution
2. Map of PPSP Housing Opportunity Areas