



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Approve Budget Modification No. 23 in the Amount of \$310,000 to Provide Reimbursable Funding for the Creation of Objective Citywide and Specific/Area Plan Design Guidelines and Citywide Landscape Design Guidelines

GRANT SUMMARY

Approval is requested for Budget Modification No. 23 in the amount of \$310,000 to provide funding for a consultant services agreement and staff costs associated with creating objective Citywide and specific/area plan design guidelines and Citywide landscape design guidelines.

The total cost is fully reimbursable by the California Department of Housing and Community Development (HCD) pursuant to a reimbursement agreement approved by the HCD in June 2020 (Attachment 1). The Reimbursement Agreement was preceded by Council approval of a required Resolution ratifying and approving the City's application for the grant funds (RTC No. 19-1024, December 3, 2019).

As a result of recent changes in State law (Senate Bill 330), the City must rely on objective development and design standards for housing or mixed-use development projects. As many of the City's design guidelines are currently subjective, the City will utilize grant funding to update existing design guideline documents, develop new objective design standards, and create a new citywide design guideline document for landscaping. The objective standards will largely be applied to multi-family and mixed-use housing projects. This includes revisions to the design guidelines of several Specific/Area Plans (e.g., Moffett Park, Lawrence Station, El Camino Real, and Downtown), as well as the design guidelines that cover projects that are not within the Specific/Area Plans. Additionally, funding will be utilized for the development of citywide landscape design guidelines to be used for all types of projects.

To help facilitate development of the objective design guidelines, a competitive Request for Proposals (RFP) was issued in November 2020 to solicit proposals from specialized consulting firms. PlaceWorks, Inc. was selected as the highest-rated proposer, and a contract was awarded, under the City's Manager's award authority in the amount of \$237,428, plus a 5.3% contract contingency in the amount of \$12,572, for a total not-to-exceed value of \$250,000. The remaining grant amount of \$60,000 will be utilized for staff time on the project.

The project scope of work consists of:

- Reviewing and updating various design guideline chapters, design guidelines in area/specific plans, and reviewing relevant Municipal Code Sections to ensure consistency across all

documents;

- Coordinating and facilitating community outreach meetings, stakeholder discussions, and participation in staff and City Council/Planning Commission meetings; and
- Preparing and presenting draft and final documents, including memoranda and policy redlines.

The Planning Division in the Community Development Department will be responsible for the management of the grant.

Granting Agency

California Department of Housing and Community Development (HCD)

EXISTING POLICY

Council Policy 7.1.5 Donations, Contributions and Sponsorships:

The City Manager may apply for grants of any dollar amount but shall notify the Council when grants are being pursued. Council approval of a budget modification to appropriate grant monies is required before funds can be expended by staff. Such a budget modification shall include the use to which the grant would be placed; the objectives or goals of the City which will be achieved through use of the grant; the local match required, if any, plus the source of the local match; any increased cost to be locally funded upon termination of the grant; and the ability of the City to administer the grant. For grants under the amount of \$5,000 that do not have any external reporting requirements or any local match requirement, Council approval of a budget modification is not required. The City Manager is authorized to accept and administratively appropriate the grant funds.

This grant does not meet all of the criteria to be administratively appropriated by the City Manager; therefore, a budget modification is required. Grant funds from the California Department of Housing and Community Development (HCD) have external reporting requirements and fall under the federal single audit guidelines.

Pursuant to Sunnyvale Charter Section 1305, at any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by affirmative votes of at least four members so as to authorize the transfer of unused balances appropriated for one purpose to another, or to appropriate available revenue not included in the budget.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(a) as it is a fiscal action that has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. It is not anticipated that the updates to the landscaping and design guidelines will have any significant environmental impacts; however, the appropriate CEQA analysis and findings will be presented at the time of approval.

FISCAL IMPACT

There is no fiscal impact associated with updating the design guidelines. Consultant costs in the amount of \$250,000 and associated staff costs of \$60,000 will be fully reimbursed by the grant. A Budget Modification is necessary to appropriate funding.

Funding Source

California Department of Housing and Community Development (HCD)

Required Local Match

None

Increased Cost to City Upon Grant Termination

None

Budget Modification No. 23 has been prepared to appropriate \$310,000 to Provide Reimbursable Funding for the Creation of Objective Citywide and Specific/Area Plan Design Guidelines and Citywide Landscape Design Guidelines

**Budget Modification No. 23
FY 2020/21**

	Current	Increase/ (Decrease)	Revised
General Fund			
<u>Revenues</u>			
California Department of Housing and Community Development Grant	\$0	\$310,000	\$310,000
<u>Expenditures</u>			
New Project - Creation of Objective Citywide and Specific Area Plan Design Guidelines and Citywide Landscape Design Guidelines	\$0	\$310,000	\$310,000

PUBLIC CONTACT

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

RECOMMENDATION

Approve Budget Modification No. 23 in the amount of \$310,000 for consulting services and associated staff costs to update the City's design guidelines and to create new guidelines for landscaping, to be fully reimbursed by the California Department of Housing and Community Development.

Prepared by: Jeffrey Cucinotta, Senior Planner

Reviewed by: Amber Blizinski, Principal Planner

Reviewed by: Andrew Miner, Assistant Director, Department of Community Development

Reviewed by: Tim Kirby, Director of Finance

Reviewed by: Trudi Ryan, Director, Department of Community Development

Reviewed by: Jaqui Guzmán, Deputy City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Executed Department of Housing and Community Development Grant Reimbursement Agreement