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TRANSMITTED VIA EMAIL

September 20, 2022

Shawn Danino
California Department of Housing & Community Development
Attn: Shawn Danino, Housing Policy Specialist
2020 West El Camino Avenue
Sacramento, CA 95833

Re: Comments on City of Sunnyvale's Revised Draft Housing Element Submittal to the California Department of Housing & Community Development (HCD)

Mr. Danino,

We appreciate that this letter will be received by you now as you are well along in your review of the City of Sunnyvale Housing Element Update. We are aware that HCD will consider comments received by local organizations and community members in reviewing this process and the concrete steps proposed to respond to housing needs. We are hopeful that you will find these comments helpful in shaping your forthcoming comments to the City.

The Sixth Cycle Housing Element Update (HEU) process offers important opportunities for local jurisdictions to fully assess housing needs, and to identify new tools to address these needs and constraints in the development of housing. This process is also an opportunity to engage deliberately with the full community, and more specifically, to learn about the depths of the housing needs from the populations that have been historically excluded and are at risk of displacement. This process is supported by clear legal and administrative guidance as outlined by the California Department of Housing and Community Development (HCD) in multiple documents interpreting state law.

This is a difficult process and we appreciate the work that Sunnyvale staff, elected and appointed representatives, and members of the community have done over the last nine to 12 months. We are aware that the expectations for this process are high, and jurisdictions throughout the state have struggled to generate compliant housing elements for this cycle.

After reviewing the City of Sunnyvale's Revised Draft Housing Element as submitted to your office following the required 10-day period to incorporate public comments, we found no significant changes that were made despite the multiple concerns and changes raised by the public during the review period (see attached letter, Appendix A, from local group, Livable Sunnyvale), including our [public testimony to the City](#)

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[Council on June 21st, 2022](#) (public comments begin at 2:25:52/3:24:10). We believe that your (HCD) guidance has been clear about how public participation should be diligent and open throughout the entire Housing Element process, and should inform the content of the HEU.¹ Towards that end, SV@Home is submitting the following comments to HCD, with City of Sunnyvale Councilmembers and staff copied in this transmittal.

Overview of Comments

SV@Home found the following seven major areas of concern with the Sunnyvale Draft Housing Element Update (hereon as Draft HEU), they include:

- Overdependence on specific plan areas in the sites inventory;
- Unclear realistic capacity assumptions in the sites inventory;
- Significant overdependence on the yet to be adopted, northerly-located, lower-resourced Moffett Park Specific Plan area;
- Missed opportunity to AFFH in the southerly-located, high-resourced Village Center areas;
- Insufficient, meaningful public and stakeholder engagement;
- Lack of transparency and accessibility to the Housing Element process;
- Insufficient targeted AFFH outreach and input;
- Insufficient detail, connection to identified needs, timelines, and metrics in policies and programs; and
- Deficient assessment of governmental and non-governmental constraints.

Overdependence on Specific Plan Areas and Unclear Realistic Capacity Assumptions in the Sites Inventory

There is a tremendous reliance on major plan areas - El Camino Real, Downtown, Lawrence Station, and more significantly the yet to be adopted Moffett Park Specific Plan (we will address the Moffett Park Specific Plan in more detail below). While these are clearly areas appropriately planned for significant residential development, and are rightly planned to include significant affordable housing, most of them have been adopted relatively recently, and there is reasonable uncertainty about their success in facilitating significant development during the Sixth Cycle.

We recommend the City of Sunnyvale include progress bench-marks for each major plan area in the final HEU, which can be assessed at intervals throughout the planning period

¹ California Department of Housing and Community Development, *Affirmatively Furthering Fair Housing: Guidance for All Public Entities and for the Housing Elements*, pg. 10: https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf

and allow for policy responses, and adjustments to the realistic capacity if the progress is delayed.

We also find that the City of Sunnyvale has not adequately met the requirements, outlined in HCD's Housing Element Sites Inventory Guidebook: to assess the likelihood that each lower-income site will be redeveloped during the planning period; to outline the process used to determine realistic capacities for the sites identified; or to address factors that will constrain the funding of affordable housing.

The Draft HEU's approach to these requirements is uneven. As noted above, and discussed below, we do not believe the likelihood to redevelopment can be based solely on changes to land-use designations. With the exception of the Lawrence Station Area Plan, where development trends were used to assess both the likelihood and realistic capacity, we did not find realistic capacity calculations for other major plan areas, or sites outside the major plan areas. There are multiple potentially constraining factors outlined in the Guidebook that we did not find evidence of in most of Sunnyvale's Sites Inventory that lead to missing realistic capacity calculations for each site.

Therefore, we recommend that the City either provide significantly more detail about how the likelihood of sites to redevelop was determined and realistic capacities were calculated, or review the selected sites and conduct this analysis as required.

We are also concerned that the City has not made reasonable efforts to ensure that low-income sites have been selected with the size and locational characteristics to be viable for the development of affordable housing. While selected sites meet the minimum size and zoned-density requirements, nearly half of the lower-income sites (roughly 700 units in total) each have a capacity of under 50 total units, which is well below the level where affordable developments are financially viable and competitive for funding. Of greater concern is that several of these sites are located in moderate-resourced areas, which will further limit their competitiveness for state funding. These are significant constraints on affordable development, and are not addressed as constraints or mitigated through policies or programs.

We recommend that the City re-evaluate the sites inventory, and look to identify additional sites that are large enough to be viable for affordable housing development, and are located in higher-resourced areas so they will be competitive for funding.

Significant Overdependence on the Yet-to-be-Adopted Northerly-Located, Lower-resourced Moffett Park Specific Plan Area

Moffett Park is a major planned development area with mostly existing industrial uses located in the northerly portion of Sunnyvale (i.e. north of Highway 101). The City is currently in the process of developing a Specific Plan for Moffett Park, a planning effort that we highly support. We are reassured that the City envisions a truly mixed-use, high-density community growing in this area. We also expect that the City of Sunnyvale, and the major land-owner in the area, Google, are committed to including a significant proportion of affordable homes, likely 20 percent, into the residential components of the Plan area.

[The Moffett Park Specific Plan \(MPSP\)](#) area is largely made up of underutilized parcels that would seem to meet the basic requirements of the site selection methodology. However, the Sites Inventory Guidebook is very clear that there must be a reasonable expectation that the sites would develop during the planning period, and we believe that this requirement has not been met for the MPSP.

The City has located roughly 66 percent of the total lower-income units in the Sixth Cycle Regional Housing Needs Allocation ([RHNA] [inclusive of a 30 percent No Net Loss buffer]) in the plan area – 4,545 new homes. We believe this is an unrealistic assumption for the MPSP given the following:

- The plan has yet to be adopted, although it is underway. On June 21st, 2022, staff presented a last-minute change to the City Council on the day they were to decide whether the Draft HEU should be submitted to HCD. This update included reclassifying the MPSP sites and moving them to an [Adequate Sites Program](#) due to delays with the environmental review process (we would also note that this change happened without any prior public engagement). This would be the third delay the MPSP process has seen since May of 2021. The current projected adoption date for the MPSP is sometime in July 2023;
- The entire plan area is expected to have a residential capacity between 12,000 and 20,000 new homes at complete build-out. As noted above, this is a major mixed-use plan which will be contingent on office, commercial/retail, and residential development, that could reasonably be expected to develop over a 15 to 30-year timeframe. The low-income sites included in the inventory would be 23 percent of the maximum residential capacity for the area (4,545 units divided by 20,000 units). This is a greater percentage than is likely to be included in the plan, when adopted, and the current Draft HEU indicates that it can be reasonably expected to be met in 8.5 years;
- The incorporation of affordable housing in the MPSP area is expected to come largely from land dedications for 100 percent affordable projects in lieu of either integrated inclusionary housing units or fees. Given that Google is the primary landholder in the area, this would seem an ideal case in which direct communication with the owners of specific sites about

their intention to redevelop, which might elicit a tentative timeline on when these land dedications are likely to occur. If these land dedications are expected to be made immediately following adoption of the Specific Plan, that may make development more likely during the Sixth Cycle. If however, the dedications will be phased along with other development, it should be possible to more accurately assess the timing of their availability;

- The land dedications, as the sole mechanism for producing the majority of affordable units, explicitly require the leveraging of public funds to construct affordable housing. Land dedications may create opportunities for more units than required by a local inclusionary ordinance, and may create opportunities for new homes to be built at deeper levels of affordability, but this is made possible by public funding and there is no estimate of the magnitude of the funding required, nor plan for even the local share of these funds;
- The MPSP is located in a low-resourced part of the City, which will make 100 percent affordable projects much harder to finance through existing state and federal programs. The area falls in a low-resourced category primarily because it has no existing residents. In fact, even though the area is planned to be redeveloped as a vibrant new community with great jobs and new market rate housing, it is unlikely that the demographics of the area, drawn from an American Community Survey five-year sample, will change during the planning period. While we believe that this element of the state process for allocating low income housing tax credits and bonds is flawed, it will nonetheless make it difficult to build a truly mixed income community regardless of the City's commitments; and
- While no city can be held fully accountable for the shortfall of state or federal funds for affordable housing, they should be expected to address the core funding assumptions of a Specific Plan where the mechanisms for creating affordable housing are clear and discuss the steps that can be taken to address the structural short falls. There is no discussion in the Draft HEU of the known constraints to affordable development in the MPSP area to the development of affordable housing. There is also no discussion of policies and programs that might be put in place to further incentivize the production of 100 percent deed-restricted affordable housing developments on what will be city-owned land, for the MPSP area in the Draft HEU. We believe that this area cannot reasonably be expected to produce 66 percent of total lower-income RHNA allocation (inclusive of the 30 percent No Net Loss buffer), and unlike many other potential sites, there is ample opportunity to provide supporting evidence to the contrary.

We recommend the City of Sunnyvale reassess the realistic development potential of the MPSP, or produce additional information supporting the assumptions in the current Draft HEU. We recommend revising the Sites Inventory/Adequate Sites Program, along with incorporating explicit policies and programs that would mitigate the existing constraints on affordable development in the Plan Area.

Missed Opportunity to AFFH in the Southerly-Located, High-Resourced Village Center Areas

Under the guidance provided on Affirmatively Furthering Fair Housing through the Housing Element process, it is clear that low-income opportunity sites are to be planned throughout the City. The Housing Element must include a serious assessment of historic patterns of exclusion, and steps must be taken to affirmatively create opportunities for low-income housing in high resourced areas that are otherwise available only to the wealthiest members of the community. The primary response to this requirement, Program H3, which introduces the potential of "Village Centers south of El Camino Real," is lacking in both detail and timelines. The objective, as stated, of the future program is to accommodate 100 lower-income units by rezoning the Village Centers south of El Camino.

We believe that additional opportunities for high-density residential development, that could support low-income housing development, should have been clearly identified in areas in the southern part of the City. The failure to include the details and commitments of this Village Centers program is particularly important because the policy intends to address the failure to meet AFFH requirements in the sites inventory, which is focused almost entirely on northern, lower-resourced areas of the City. We believe that setting a goal of 100 units over the planning period dramatically understates the potential of these areas. Collectively, these sites make up approximately 48 acres throughout the City and roughly 23 acres in the southern, highest resourced areas of Sunnyvale. Most of these sites are larger than half an acre, and with appropriate zoning, would be ideal locations for the development of affordable housing that would support the established AFFH requirements.

We recommend the City of Sunnyvale include the Village Centers in the Sites Inventory to produce more lower-income units with the intention of rezoning these areas to higher densities in order to take advantage of their sizes, safely meet the No Net Loss buffer, and to meet AFFH requirements.

Insufficient Meaningful Public and Stakeholder Engagement

Under current Housing Element Law, cities must document broad stakeholder outreach and meaningful, frequent, and ongoing community participation, consultation, and coordination that includes all economic segments of the community, and demonstrate how this input shaped the Draft HEU, particularly to Affirmatively Further Fair Housing (AFFH). We do not believe that this required level of engagement has been met.

While we do not have direct knowledge of all of the meetings and discussions conducted by the City to date, we are concerned that, based on our experience and discussions with others who participated in these meetings, this outreach fell short of meaningful participation. Many of these public meetings and engagement opportunities appear to have focused primarily on very high-level overviews of the housing element process followed by solicitation of online feedback through the online community survey. State guidance is clear that these traditional tools alone are unlikely to illicit the level of required engagement, and that affirmative steps must be taken to make the process accessible and substantive. In general, there appears to have been few engaged discussions about housing needs or input on strategies to mitigate these needs, and potentially no opportunities to provide reflective input and comments on staff's findings prior to the release of the Draft HEU.

We would strongly recommend that a concerted and robust effort to collect substantive community input on the findings, assumptions, and solutions included in the current Draft HEU be required of the City.

Insufficient Targeted AFFH Outreach and Input

We believe the limits of the public outreach and engagement efforts likely had a disproportionate impact on the requirements under AFFH to reach enumerated populations with the greatest housing needs. There is little evidence that there was sufficient targeted outreach to collect and integrate "local knowledge" from communities most impacted by the local housing crisis into the assessment of housing needs. The result is an over-dependence in assessing housing needs on descriptive demographic tables, and little discussion about the causes and constraints that might have been identified through deeper, qualitative engagement with these communities.

This pattern persists across the different sections of the Housing Element. Latinx, Black, and "Other Race or Multiple Races, Non-Hispanic" households represent roughly 22 percent of the City's population. These groups of people are more likely to live in the northern, lower-resourced area of Sunnyvale, and are disproportionately impacted by housing inequities and housing needs. They were significantly underrepresented in the online community survey, and were less likely to have participated in other public meetings. Nonetheless, there is no record that these communities were included in targeted focus group outreach.

As a result, the Housing Element does not articulate the connection between racial and economic segregation and the disproportionate housing need for protected classes. There is little effort to identify disparities in access to opportunity, or the concentration of housing needs, instability or displacement risks; and, there are subsequently few proposed policies and programs to respond to these needs. Replacing segregated housing patterns with truly integrated living patterns is one of the most important goals in statewide AFFH requirements, as is expanding housing opportunities for

those traditionally underserved.² We believe the shortcomings in meaningful and ongoing outreach and engagement have limited the scope and quality of the City's discussion of housing needs and constraints, and subsequently the policies and programs proposed to respond to these needs.

We recommend that the City of Sunnyvale engage with protected populations left out of the process to date and incorporate policy responses that address housing issues that disproportionately impact communities of color and racialized households, such as is the case with Latinx, Black, and "Other Race or Multiple Races, Non-Hispanic".

Lack of Transparency and Accessibility to the Housing Element Process

SV@Home believes stakeholder engagement with the City was deficient in continuity and transparency. Our concerns are supported by our own participation in one of the stakeholder meetings listed in the Draft HEU, which we believe may have been one of the more in-depth engagement opportunities provided.

SV@Home participated in a meeting on February 1st, 2022 with other housing and service-based non-profit organizations, listed as "Focus Group #1: Housing for Special Needs" in the Draft HEU. While a short description is provided of this meeting, it does not reflect the full breadth and magnitude of the needs, constraints, and solutions that were provided to staff that day. It also is impossible to track how the input from this focus group was incorporated into the housing needs assessment or the proposed policies and programs. To our knowledge, none of the participants in the February 1st, 2022 meeting was contacted again to discuss and further comment on the range of needs that had been identified through the cumulative outreach process, or the range of policies that were being considered. As such, the group was not empowered to engage throughout the process. Given the limited documentation of the content of other such meetings, we are concerned that opportunities for ongoing engagement were lacking for others as well.

We recommend the City of Sunnyvale provide a significantly more detailed account of the input received through stakeholder engagements, and how (or whether) this input was incorporated in the policy and programmatic solutions in the current Draft HEU.

The Housing Element update process requires open and ongoing public engagement, including opportunities to understand and respond to the needs and constraints that have been identified, and to subsequently provide input and comment on policies and programs to address these needs. Towards this end, SV@Home and Livable Sunnyvale had a correspondence with City of Sunnyvale staff in which we requested a copy of the Housing Needs Assessment and the Assessment of Fair Housing. We felt it was essential that the findings of these documents be publicly available to inform

² Association of Bay Area Governments, *Affirmatively Furthering Fair Housing (AFFH) Policy Tips Memo - Learning from Southern California & Sacramento: Early Experiences in Complying with AB686*, pg 2:

https://abag.ca.gov/sites/default/files/documents/2022-03/Affirmatively_Furthering_Fair_Housing_Policy_Tips_Memo.pdf

meaningful engagement on the development of policies and programs and selection of housing opportunity sites for the inventory. This correspondence stretched between February and April 2022, ahead of the release of the Draft HEU on May 6, 2022 (see Appendix B for attached letters and email correspondences). Ultimately, we were denied access to these documents, and they were available to the public only when the Draft HEU was released.

Throughout this correspondence we reiterated the importance of having a rich, meaningful, and transparent public participation process, open to collaboration and constructive feedback with the community – all of which were ingredients to meeting the HCD Building Blocks recommendations and AFFH requirements. There is very little evidence in the current Draft HEU that identified needs and responses from the limited input received through this process. Further, the restricted engagement with the public throughout the process left the community with only the comment period to review all the pieces of the robust Draft HEU document, including the entire sites inventory, in 30 days and provide meaningful input. As a result, we believe the shortcomings of the outreach and engagement process has seriously impacted the extent to which the Draft HEU reflects the breadth of housing needs in Sunnyvale.

Under AB 686 and changes to Housing Element Law, the City must demonstrate how the input from the public shaped the Draft HEU, particularly to Affirmatively Further Fair Housing (AFFH). The housing element must describe meaningful, frequent, and ongoing community participation, consultation, and coordination throughout the entire process and source the housing needs and possible solutions from the community.

We recommend that, given the shortcomings of the process to date, the current Draft HEU should serve as the foundation for robust re-engagement with stakeholder groups and communities with the greatest housing needs, and that this additional input should be incorporated into future drafts of the Housing Element Update prior to certification.

Insufficient Detail, Connection to identified needs, Timelines, and Metrics in Policies and Programs

As with many other jurisdictions that we are tracking and reviewing across the state, we believe the lack of detail in many of the policies and programs included in the Draft HEU will not prove to be compliant with HCD guidance. Policies and programs are intended to address identified housing needs and mitigate constraints. They must set:

...forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy

programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c)).

Many of the important policies and programs identified in the current Draft HEU lack clear articulation of what actions will be taken within a timeline that will produce beneficial impacts during the planning period. Instead, the descriptions lean on language such as “identify” and “evaluate” or “monitor and revise”, which are similar to “explore” and “study”; wording that HCD has warned jurisdictions are indications of a lack of confidence in clear outcomes and expected impact.³ We understand that, while ideal, many policies responsive to identified housing needs will not be fully formulated and adopted prior to certification. However, short of this, cities must commit to tangible actions, with concrete timelines, intended to generate specific policy and program responses to these needs, and the metrics which will be used to assess their impact. HCD has been clear that the Housing Element Update is intended to be a working document, whose implementation which will be assessed at least annually. For this to be effective, significantly clearer courses of action must be articulated.

Below are some examples of the City of Sunnyvale's policies and programs that are missing details we believe HCD is looking for:

- Program H3, which involves identifying additional housing opportunity sites in the high resourced Village Centers discussed above, lacks detail and a clear commitment to the steps that will be taken to reach this objective. This detail should include an explicit articulation of the goal to create additional capacity for high density residential development at the Village Centers south of El Camino Real and other areas in the southern part of the city, so that there are more opportunities for affordable housing in areas of high resource and ensure that lower-income housing opportunities are available throughout the City;
- Policy H-5.6 commits to continuing to “enforce the adopted limitations on rent increases consistent with the Tenant Protections Act of 2019” (i.e. AB 1482). Policy H-5.5 asserts the same for the Just Cause eviction protection measures in the state law. It would be extremely helpful to know how these policies are being implemented in the City of Sunnyvale, and what is being done to assess the impact of the local enforcement. A number of jurisdictions are taking the additional steps, as proposed by HCD and ABAG guidance documents, of adopting local ordinances to extend the Just Cause eviction protections of AB 1482 to additional rental units and tenants, and to lower the current cap on rent increases to a level that would provide further protection for households in Sunnyvale that are at risk of displacement – if such actions were to be taken. This local ordinance could be built around the assessment on the effectiveness of current enforcement measures in responding to the patterns of

³ Association of Bay Area Governments, *Summary of Housing Element Review Letters: Learning from Southern California & Sacramento*, pg 4: <https://citiesassociation.org/documents/summary-of-housing-element-review-letters/>

displacement in the Sunnyvale. As they are currently described, lacking detail on what steps are taken or an assessment of their impact, Policies H-5.5 and H-5.6 are impossible to assess as a response to local needs; and

- There is no program or plan provided for Policy H-2.1, which speaks to the dire need for additional affordable housing funding resources. Without a commitment to a process of evaluating specific actions that could be taken, there is nothing here that shows a commitment or timeline for responding to the identified housing need. For example, commitments could be on a local parcel tax with a dedicated expenditure plan, an increase in existing Commercial Linkage Fees, a title transfer tax, a head tax on current employers, etc. The availability of resources for affordable development is arguably the most significant constraint on meeting RHNA goals, and will require a far more substantive local effort.

We recommend that the City provide significantly more detail on how each policy and program will have measurable outcomes and be realistically operationalized by providing the concrete, actionable steps that will be taken to achieve their intended goals.

We also recommend, that in future drafts, the City explore how the Housing Element can align with the affordable housing protection, preservation, and production requirements of the upcoming adoption of the Metropolitan Transportation Commission's [Transit Oriented Communities Policy](#) as a way to acquire transportation funding in 2023 for the REAP 2.0/PDA Planning and Technical Assistance Grants and in 2027 under the One Bay Area Grant 4 program. This would provide opportunities to invest in lower-resourced areas and meet AFFH requirements.

Deficient Assessment of Governmental and Non-Governmental Constraints

We believe that the assessment of constraints on housing production is short of what is required by HCD, and less than a city like Sunnyvale should expect for itself. The constraints discussion is mostly a list of existing conditions, an explanation of processes, and what is going well, rather than a robust assessment of where additional progress could be made.

For example, there is not an assessment of the development and plan review process except to note that the average time frame is within a reasonable range. We recommend that the City take a harder look at how the process can be improved, given that the regional averages for permitting times are themselves governmental constraints. There is mention of developer feedback in the introduction to the current Draft HEU, but there is little elaboration in the later chapter focused specifically on constraints. It is subsequently very difficult to know what substantive concerns or solutions were identified. We have heard consistently from the developers we work with that the discussion of

September 20, 2022

Re: Comments on City of Sunnyvale's Revised Draft Housing Element Submittal to the California Department of Housing & Community Development (HCD)

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governmental constraints have excluded the pre-application process and timeline. There is real concern that, much of the discretionary delay and hurdles have shifted from the formal review process to the less formal process ahead of a completed application.

We recommend that the governmental and non-governmental constraints be reassessed more thoroughly and that additional feedback be collected, carefully documented and shared for reaction and comment, and be incorporated into future drafts of the discussion of constraints.

We appreciate the communication we have had and the efforts made by the City of Sunnyvale thus far in what is a challenging, but essential Housing Element Update process. We do believe that the City has been and will continue to be committed to a successful outcome, however, the bar is higher now, and we expect this first HCD review to draw out the significant limitations of the current Draft Housing Element Update. We expect to continue to engage in this process as HCD's comments are received by the City, and made available to the Sunnyvale community. We are hopeful that we can continue to enhance the City's collaboration with local organizations and the public in the coming months. We are here to support the City through these next rounds of revisions, as we are confident that the Housing Element Update can rise to this new level and be sustained over the coming years. This is an opportunity to take on the true magnitude of the housing needs in Sunnyvale and to commit to sustaining the City's rich diversity by making it more inclusive and accessible.

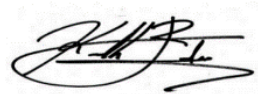
Sincerely,



Regina Celestin Williams
Executive Director



Mathew Reed
Director of Policy



Kenneth Javier-Rosales
Planning Senior Associate

Attachments:

Appendix A – Livable Sunnyvale July 2022 Letter to HCD

Appendix B – Joint Livable Sunnyvale and SV@Home Letters and Email Correspondences to City of Sunnyvale on Request to Release Draft Housing Needs Assessment and Assessment of Fair Housing Ahead of Draft Housing Element Public Review Period



Submitted via email

shawn.danino@hcd.ca.gov

c: Jenny Carloni, Housing Officer, City of Sunnyvale

JCarloni@sunnyvale.ca.gov

Ryan Dyson, Housing Specialist, City of Sunnyvale

RDyson@sunnyvale.ca.gov

July 26, 2022

Dear Shawn Danino,

Livable Sunnyvale is sending this letter as a follow up to the 2023-2031 Housing Element submitted by the City of Sunnyvale on July 8th.

Who we are: Livable Sunnyvale <https://www.livablesunnyvale.org/> was formed in 2016. We are an organization working toward a more vibrant, inclusive and people-friendly Sunnyvale. We educate and activate residents and office-holders to secure an environmentally sustainable future with broadly shared prosperity and a high quality of life.

Over the past several months we have focused on the 2023-2031 Housing Element (HE). Our HE Committee would like to bring to your attention a few concerns we have regarding Sunnyvale's Housing Element, the City's process and share with you the correspondence we sent to City staff and City council.

AFFH: Income isolation in Sunnyvale has increased over time with wealthier households concentrated in the southern portion of the City, and lower-income households concentrated in the north. The northern area of the City has lower access to opportunity, overcrowding and a higher risk of displacement. Although the HE notes investments in northern Sunnyvale are expected to increase, there is no analysis of how these investments will improve the economic and environmental indicators in this area. The only commitment in the HE is Program H35 (Page 2-16), which will establish a single school, a single library branch, and an unquantified number of park facilities across all the low and moderate resource areas in Sunnyvale. We would like to see: either a) an analysis that this level of investment is sufficient to transform the low and moderate opportunity areas in northern Sunnyvale into high opportunity areas or b) a commitment to find a substantial number of additional lower-income sites in areas that are already identified as high opportunity.

In addition, nearly all of the new sites identified for lower-income units are in areas of the city with below-average incomes. In Figure 4-42 (Page 4-70) 91% of the lower-income capacity in the sites inventory are in census tracts in the northern parts of the City which have an income below Santa Clara County's AMI of \$151,300. The HE does not contain any analysis to evaluate the impact of placing the vast majority of lower-income units in census tracts with below average income. One approach would be to repeat the analysis done for Tables 4-8 (Page 4-24), Table 4-9 (Page 4-26) and Table 4-10 (Page 4-27) with the units projected to be developed in the sites inventory. Without such an analysis, it is difficult to understand how the proposed sites inventory would improve fair housing in Sunnyvale.

Sites Inventory: The Housing Element assigns approximately 60% of units in the Lawrence Station, Downtown, El Camino Real, and proposed Moffett Park areas in the lower income category. Most of those four areas are currently low or moderate opportunity areas. Planning for more than half of its new housing to be in the lower income category would likely doom the areas to remain low or moderate opportunity areas. In addition, projects which have been completed or are currently in development in these areas average only about 15% lower income units. If new developments at Lawrence Station, Downtown, El Camino Real, and Moffett Park follow historic trends, Sunnyvale will fall short of its lower income RHNA goals by nearly 2,000 units. We would like the housing element to reclassify the majority of lower income units in Lawrence Station, Downtown, El Camino Real, and Moffett Park as above-moderate income units and find additional sites for lower-income units throughout the city.

Livable Sunnyvale's Suggestions to Distribute and Increase the Number of Lower-Income Sites in High Opportunity Areas: In letters to the City, Livable Sunnyvale suggested a number of possible changes to the Housing Element which would increase the number of lower income sites and more equitably distribute these lower income sites throughout the city. These suggestions included:

- Substantially increase the commitment in program H3 (Page 2-8) to find additional low-income sites in high resource areas. Program H3 only commits to finding sites for 100 new units in high-resource areas of Sunnyvale. We would like to see an analysis to determine the number of lower-income units that are needed in the southern parts of the city to improve the income isolation issues identified in Tables 4-8, 4-9, and 4-10, and then a commitment to find that number of units in program H3. Our initial suggestion was to increase the commitment to 1,500 units.
- Increase density at the Village Center sites to more than 30 units/acre.
- Add new Village Centers. Possible sites include:



- The 12 acre site at the corner of Hollenbeck and Homestead (Loehmann's Plaza – APNs 323-26-007, 323-26-014, 323-26-016, 323-26-033, 323-26-034)
- The 3 acre area at the SE corner of Fremont and Wright (APNs 320-27-019, 320-27-020, 320-27-021, 320-27-022)
- The 3 acres of commercial/office at the corner of Wolfe and Homestead (APNs 309-51-005, 309-51-027, 309-51-028, 313-38-037, 313-38-073)
- Increase Sunnyvale's inclusionary rate to 20%
- Increase density or allow more mixed use on El Camino Real
- Rezone most small strip malls to be mixed use sites

Thank you for reviewing our letter and considering the concerns we presented. Is it possible to schedule a time with you to discuss this letter? Please let us know your availability and we will schedule a Zoom Meeting with you. We are available after August 17th.

Chuck Fraleigh
chuck@fraleigh.com

Agnes Veith
acmduff@gmail.com

Regards,

Livable Sunnyvale Housing Element Committee

Attachments:

1. Letter sent to City of Sunnyvale Housing Staff, Housing and Human Services Commission and City Council dated January 18, 2022: sent via email
2. Letter sent to City of Sunnyvale Housing Staff, Housing and City Council dated March 11, 2022: sent via email
3. Letter sent to City of Sunnyvale City Council dated June 8, 2022: sent via email



ATTACHMENT 1

Letter sent to City of Sunnyvale Housing Staff, Housing and Human Services Commission and City Council dated January 18, 2022: sent via email

Subject: Livable Sunnyvale - Housing Element Committee

Date: Tuesday, January 18, 2022 at 8:21:08 PM Pacific Standard Time

From: Agnes Veith

To: Jenny Carloni, Ryan Dyson

CC: PlanningCommission@sunnyvale.ca.gov,
HousingHumanServices@sunnyvale.ca.gov, kleincouncil@sunnyvale.ca.gov,
hendrickscouncil@sunnyvale.ca.gov, larssoncouncil@sunnyvale.ca.gov,
meltoncouncil@sunnyvale.ca.gov, cisneroscouncil@sunnyvale.ca.gov,
dincouncil@sunnyvale.ca.gov



City Staff and Consultants,

Thank you for the informative presentation at the December 13 study session with the Planning and HHS commissions. There has clearly been a lot of work put into that presentation and it was a great step to educate our community about how the City is approaching the 2023-2031 Housing Element. Livable Sunnyvale's Housing Element Committee has several questions and comments about the information presented.

The sites inventory listed 1619 VLI/LI units in the Lawrence Specific Plan (LSP) and 298 lower income LVI/LI units in the Downtown Specific Plan (DSP). There were no moderate or above moderate units listed in either of these sites. What are the number of units planned at these income levels? The numbers presented seem to indicate the only way Sunnyvale will be successful at meeting its VLI/LI housing targets is if every unit developed in the LSP and DSP sites are lower income units which seems an unlikely scenario. A much more realistic inventory would have 10% - 15% of the units in these two sites in the lower income category. We bring this up because during our current cycle, as of August 2021 we have attained 8% of our goal for very low income and 6.7% for low income. We are concerned this scenario



may be repeated if we do not plan for more units at the VLI/LI levels.

In addition, the presentation did not have any lower income units identified in the highest opportunity areas of Sunnyvale (<https://belonging.berkeley.edu/2022-tcac-opportunity-map>). We encourage the city to identify meaningful numbers of lower income units in the highest opportunity areas. Designing the village centers to be more dense and increase building heights may be a good solution to meet our RHNA targets as well as sustainability concerns.

The site inventory also noted a number of units currently in the development pipeline. Is it expected that the permits for all of these units will not be issued until after January 31, 2023? If the permits are issued before that date, wouldn't the units be counted towards the current cycle?

Thank you again for all your work and we look forward to continuing to partner with you on this important process.

Livable Sunnyvale Housing Element Committee

Cc: Planning Commissioners
Housing and Human Services
Commissioners, City Council



ATTACHMENT 2

**Letter sent to City of Sunnyvale Housing Staff, Housing and City Council
dated March 11, 2022: sent via email**

March 11, 2022

Jenny Carloni, Housing Officer
Ryan Dyson, Housing Specialist

Thank you for your comments at the City Council Study Session and the community workshops on the topics we raised in our letter from January 18th. We have a few more questions, follow up comments, and suggestions for policies to include in the Housing Element.

We are still concerned with the lack of affordable units in the highest resource areas of Sunnyvale. One particular area of concern is access to high schools. The two high schools (Fremont and Homestead) that serve nearly all of Sunnyvale including areas north of Highway 101 are located in the far southern part of the city. We have attached the 2022 TCAC/HCD Opportunity Map of Sunnyvale with the location of the two high schools highlighted.

Why does the site inventory exclude low and very low income housing from the highest resource areas of Sunnyvale which are the closest areas to these high schools? The proposed Village Centers at the corner of Fremont and Mary and the corner of Fremont and Sunnyvale-Saratoga are good potential sites for some affordable housing. The area zoned C1 at the northwest corner of Hollenbeck and Homestead is another good candidate for a Village Center. While the Village Center Plans are not yet in place, if we commit to completing them early in the cycle and zone them for enough density to support affordable housing, can they be counted in the site inventory?

In addition to developing affordable housing in the highest resource areas in Sunnyvale, we can also work to increase the resource level of lower resource areas which are all in north Sunnyvale. We would like the draft housing element to contain policies to address this.

We are also still concerned about the number of low and moderate income units listed in the Lawrence, Downtown, and El Camino corridor sites inventory. In all of those sites, over 80% are listed in the low or very low income categories with the remaining units listed as moderate income. What analysis has been done to determine that 80% of these sites are suitable for L/VL development? In the downtown and Lawrence areas, the vast majority of the units developed have been market rate and only 10-15% of the units have been low and very low income units.



This gives us pause for concern that this allocation is merely noted to meet a target but is unrealistic given past experience. A realistic development capacity for low and very-low income units in these areas seems to be 10-15% of what is currently proposed.

Using realistic development capacities for these sites requires finding other suitable affordable housing sites. Some options our committee suggests are:

- Increase the inclusionary rate from 15 to 20%.
- Increase density in the ECR, DSP, Moffett Park, Village Centers and future specific plan sites.
- Rezoning sites such as the former Fry's location, the C1 zoned sites along Maude between Mathilda and Fair Oaks and along Fair Oaks south of 101, as well as underutilized industrial parks and other location(s) throughout the city zoned exclusively for commercial use. Is there a reason why current commercial developments cannot be reconfigured to include mixed use (commercial and residential) in the same building?

We also hope to see policies in the draft housing element to support the development of affordable and missing middle housing such as:

- Require payment of in lieu fees at the time the first permit is issued rather than at the end of the development cycle. Neighboring cities such as Mountain View have implemented this.
- Encourage SB 9 development by creating pre-approved building plans to facilitate the permitting approval process and create a single point of contact for SB 9 development. Broaden the city's outreach program to increase homeowners' knowledge of this new legislation.
- Design and build form-based multifamily housing throughout the city.

Finally, there are some additional policies we hope to see in the housing element, some of which we have already brought up to city leadership.

- Establish safe parking sites for vehicle residents.
- Partner with LifeMoves or another organization to build transitional housing for Sunnyvale's unhoused.
- Anti-displacement policies such as first right of return to residents as well as policies to financially assist displaced residents subjected to higher rental costs when displaced as well as relocation expenses.
- Support the basic needs of residents aging in place (transportation, safe home review, home repairs, rental assistance...).



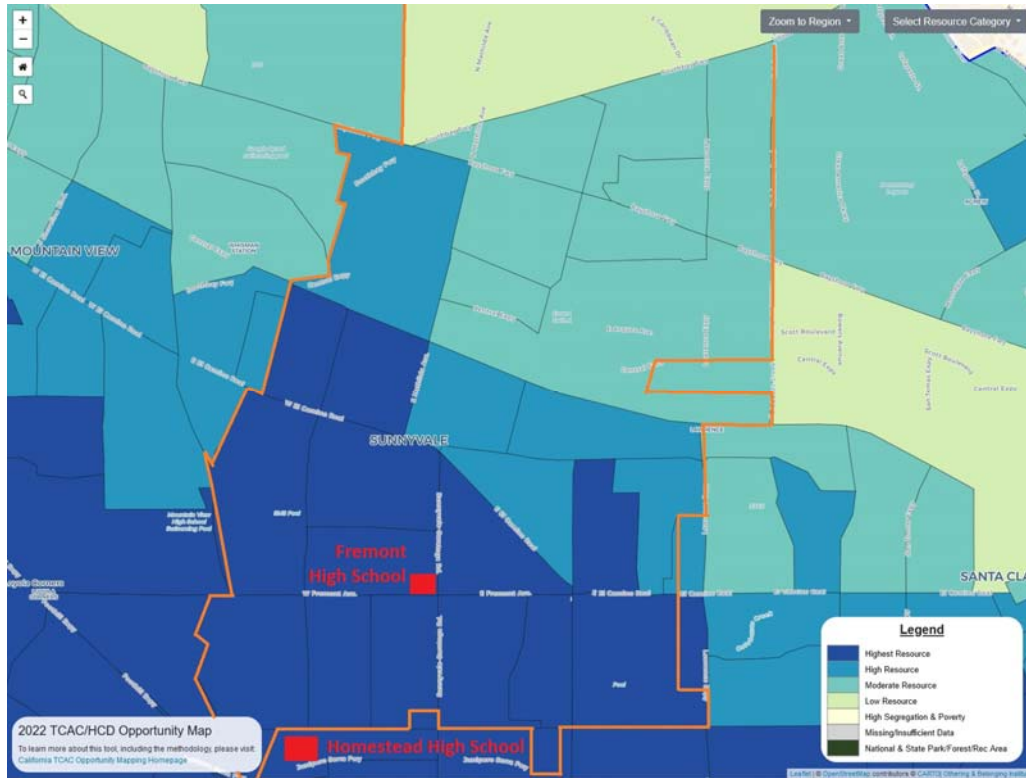
- Support the needs of residents with physical and cognitive challenges at all ages (housing, job counseling and transportation).
- Rent stabilization programs for residential units (single family homes as well as multifamily units) and small businesses. Consider limiting rent increases to annual increases not to exceed the CPI.
- Fund retrofit EV charging stations in existing developments.
- Prioritize green space by encouraging taller buildings with smaller footprints. This could be paired with a green density bonus to encourage more greenspace, especially for mid-density (R-3) projects.
- Encourage the use of carbon-negative cross-laminated timber as opposed to concrete, which is carbon intensive.
- Consider a redevelopment density bonus. As an example, if an existing apartment complex over a designated age is redeveloped, set aside deed-restricted units for existing residents. These units would not count toward the maximum dwelling units on the site, but could be counted for the state density bonus and to satisfy the city's inclusionary zoning requirement. This should also come with increased maximum heights.

Thank you for considering our comments and suggestions and we look forward to your response.

Regards,

Livable Sunnyvale Housing Element Committee

Attachment: 2022 TCAC/HCD Opportunity Map of Sunnyvale



cc: Sunnyvale City Council



ATTACHMENT 3

**Letter sent to City of Sunnyvale City Council dated
June 8, 2022: sent via email**

June 8, 2022

Dear Mayor Klein and Council Members,

Livable Sunnyvale reviewed the Housing Element (HE) draft and many of our members attended and contributed to the meetings staff conducted with Council and City Commissions. We wish to acknowledge the effort that has been extended on this Housing Element. With that in mind, we have the following input.

This HE Draft classifies about 60% of housing at high density sites like Moffett Park to be in the lower-income category. That is not realistic. Even if several large 100% affordable housing projects are developed there, based on our city's history, 20% lower-income is a much more realistic number.

Currently HCD allows this unrealistic assignment because of Moffett's high density designation; however, as Moffett is developed and reality hits, Sunnyvale will be required to back-fill those missing lower-income sites. If Sunnyvale becomes non-compliant, the City may have to pay fines & fees, lose valuable state and regional grants, and possibly face court-issued takeover of our land-use authority (see attachment).

A second issue is that 89% of the lower-income sites are located in census tracts where the average income is already below Santa Clara County's AMI. The HE Draft does not address how putting the vast majority of lower-income sites in locations that are already lower income will improve the fair housing issues identified in Chapter 4. There is not even a Goal listed in section 2.1 to address the fair housing issues identified in Chapter 4.

The HE Draft indicates that as Moffett is built out, more resources will also be built. However, there is no analysis to demonstrate how much the opportunity index of the Moffett Park area will improve. Furthermore, the only commitment in the HE Draft is program H34 which would build a library, park, and zone for a school. It seems unlikely that a low resource area can be transformed into a high resource area simply by building a library, park, and elementary school.

The way to alleviate both of the above problems is to increase our pool of available lower-income housing sites, especially in the southern parts of the city. Specifically, change program



H2 to provide a total of 1,500 lower-income units rather than just 100. Some possible ways to do this are:

- Zone Village Centers to be greater than 30 du/ac
- Add new Village Centers. Possible sites include:
 - Hollenbeck and Homestead (Loehmann's Plaza)
 - Fremont and Wright
 - Wolfe and Homestead (Sunnyvale side)
- Increase density or allow more mixed use on ECR
- Increase Sunnyvale's inclusionary rate to 20%
- Rezone most small strip malls to be mixed use sites

We believe these actions need to happen sooner than later because the longer the City waits, the fewer options we will have; for example, if we don't increase the density for Village Centers as soon as possible, many Village Center sites will have been built at lower density and with less lower income housing.

Another option to increase density and better meet our RHNA goals is to address the parking standards. To be clear we are not asking to get rid of parking, we would like to see parking spaces not wasted. The ABAG-MTC Parking policy, https://abag.ca.gov/sites/default/files/documents/2021-10/Parking_Policy_Playbook_compiled_vF20211020.pdf, is a great resource that specifically outlines parking ideas such as unbundling, parking minimums and parking maximums. Unbundling parking would give the developers flexibility to build denser. We can also review Mountain View's plans such as their North Bay Precise plan, <https://www.mountainview.gov/civicax/filebank/blobdload.aspx?BlobID=31204>, that is constraining parking. The past Housing Element and this current Housing Element essentially mention the same ideas for parking. We would like to see the city go further and implement these parking standards or at the very least commit to studying unbundling, parking minimums and parking maximums.

Livable Sunnyvale supports the City's commitment to meeting RHNA goals and providing housing to all income levels. We all desire a city that can sustain diversity and a livable environment. Our input for a moderate lower-income density in Moffett Park and increased density in high opportunity areas in the southern parts of the city will give us a better chance of meeting our RHNA goals. It will also lead to a Sunnyvale where households at all income levels can live throughout the city in an integrated and sustaining environment.

Sincerely,
Livable Sunnyvale Housing Element Committee



Housing Element Compliance Incentives

Incentives for Housing Element Compliance: Various state grant and loan programs require an HCD-certified housing element. Examples of active state funding sources that require housing element compliance for eligibility include the following:

Permanent Local Housing Allocation (PLHA): Helps cities and counties increase the supply of housing for households at or below 60% of area median income, increase assistance to affordable owner-occupied workforce housing, assist persons experiencing or at risk of homelessness, facilitate housing affordability, meet RHNA requirements, and ensure geographic equity in fund distribution.

Affordable Housing and Sustainable Communities (AHSC): The AHSC Program funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas ("GHG") emissions. Funding for the AHSC Program is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.

SB 1 Planning Grants: State-funded Sustainable Communities grants help cities pay for local transportation improvements.

CalHOME Program: The purpose of the CalHOME Program is to enable low- and very low-income households to become or remain homeowners through grants to local public agencies and nonprofit developers to assist individual first-time homebuyers through deferred-payment loans for down payment assistance, home rehabilitation, including manufactured homes not on permanent foundations, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance, or technical assistance for self-help homeownership.

Infill Infrastructure Grants (IIG): IIG provides grant assistance, available as gap funding for infrastructure improvements necessary for specific residential or mixed-use infill development projects or areas.

Prohousing Designation Program: Prohousing designated jurisdictions will be awarded preference points on competitive funding applications (e.g. IIG, AHSC, Transformative Climate Communities (TCC), etc.). Local Early Action Planning (LEAP) and Regional Early Action Planning (REAP) grants can be utilized to establish prohousing policies for the purposes of eventually earning a Prohousing Designation.

Local Housing Trust Fund Program (LHTF): The LHTF Program provides matching funds to local and regional housing trust funds dedicated to the creation, rehabilitation, or preservation of affordable housing, transitional housing and emergency shelters.

Regional Transportation Funding: Transportation funding for some regions depend on local jurisdiction housing element compliance (e.g. [One Bay Area Grant funding \(OBAG\)](#), [SANDAG's Active Transportation Grant Program](#), etc.).

Housing Element Noncompliance Consequences

Penalties and Consequences of Housing Element Noncompliance

HCD is authorized to review any action or failure to act by a local government that it determines is inconsistent with an adopted housing element or housing element law. This includes failure to implement program actions included in the housing element. **HCD may revoke housing element compliance** if the local government's actions do not comply with state law. Examples of penalties and consequences of housing element noncompliance:

General Plan Inadequacy: The housing element is a mandatory element of the General Plan. When a jurisdiction's housing element is found to be out of compliance, its General Plan could be found inadequate, and therefore invalid. Local governments with an invalid General Plan can no longer make permitting decisions.

Legal Suits and Attorney Fees: Local governments with noncompliant housing elements are vulnerable to litigation from housing rights' organization, developers, and HCD. If a jurisdiction faces a court action stemming from its lack of compliance and either loses or settles the case, it often must pay substantial attorney fees to the plaintiff's attorneys in addition to the fees paid by its own attorneys. Potential consequences of lawsuits include: mandatory compliance within 120 days, suspension of local control on building matters, and court approval of housing developments.

Loss of Permitting Authority: Courts have authority to take local government residential and nonresidential permit authority to bring the jurisdiction's General Plan and housing element into substantial compliance with State law. The court may suspend the locality's authority to issue building permits or grant zoning changes, variances, or subdivision map approvals – giving local governments a strong incentive to bring its housing element into compliance.

Newer Consequences of Housing Element Noncompliance

Financial Penalties: Court-issued judgement directing the jurisdictions to bring its housing element into substantial compliance with state housing element law. If a jurisdiction's housing element continues to be found out of compliance, courts can multiply financial penalties by a factor of six.

Court Receivership: Courts may appoint an agent with all powers necessary to remedy identified housing element deficiencies and bring the jurisdiction's housing element into substantial compliance with housing element law.

APPENDIX B: Joint Livable Sunnyvale and SV@Home Letters and Email Correspondences to City of Sunnyvale on Request to Release Draft Housing Needs Assessment and Assessment of Fair Housing Ahead of Draft Housing Element Public Review Period

1st Letter



Jenny Carloni, Housing Officer
Ryan Dyson, Housing Specialist

Livable Sunnyvale and SV@Home have a request to support a more robust community outreach for the Housing Element.

At a Housing Element Stakeholder Meeting with the City of Sunnyvale on February 1st, 2022, we were made aware by Staff that the Housing Needs Assessment and the Assessment of Fair Housing would be completed concurrently and would not be made available until they are released with the Draft Housing Element in May or June, 2022. We believe that a plan based on meeting the needs of the community cannot be created without the full assessment of those needs. Moreover, the quality of site selections and policies and programs to implement the plan is dependent on the assessment of community needs. The housing element process is supposed to assess needs, evaluate constraints, evaluate existing tools, and then develop plans to meet needs where the tools are ineffective or insufficient. The main point is that it is difficult for the public to respond to proposed solutions without understanding the needs they are intended to address.

Therefore, it would be helpful if Staff could release the Housing Needs Assessment (outlining the problems identified), which would also include the Assessment of Fair Housing, ahead of the presentation of their proposed policies to address these needs, which may not be made public until the Draft Housing Element is released.

Since the Housing Element update is designed to address the Housing Needs Assessment, making this information available to the public will enable some feedback before the release of the full Housing Element. Otherwise, if there are concerns about the Housing Needs Assessment, we may hear that it is too late to make any changes. No one wants to delay the completion of the Housing Element. Below are key references to our concerns from varying guidance sources provided by the California Department of Housing and Community Development (HCD):

- From the HCD's Housing Element webpage, site under "[Public Participation](#)":

“The inclusion of community stakeholders (including residents) in the housing-element public participation process helps ensure appropriate housing strategies are more efficiently and effectively evaluated, developed, and implemented. An inadequate public participation process may lead to anti-development initiatives, and strong, vocal community opposition to greatly needed housing development. Successful public participation is important because a diverse cross section of the population can be engaged in defining the housing problem and in crafting solutions that work for everyone in the community. Broad participation and true engagement of the public increases the likelihood that the community members involved in the discussion and planning processes will support new housing strategies and housing developments.”

- From HCD’s Housing Element webpage, “[Building Blocks](#)” section:

“Housing Needs

Housing-element law requires local governments to adequately plan to meet their existing and projected housing needs, including their share of the regional housing needs allocation. A complete analysis should include a quantification and a descriptive analysis of the specific needs and resources available to address these needs.

Existing

- [Assisted Housing Developments at Risk of Conversion](#)
- [Extremely Low-Income Housing Needs](#)
- [Housing Stock Characteristics](#)
- [Overpayment and Overcrowding](#)
- [Population, Employment, and Household Characteristics](#)

Projected

- [Projected Housing Needs - Regional Housing Needs Allocation](#)

Special

- [Farmworkers](#)
- [Large Families and Female-Headed Households](#)
- [People Experiencing Homelessness](#)
- [People with Disabilities, Including Developmental Disabilities](#)

- [Seniors](#)
- And from HCD's [Affirmatively Furthering Fair Housing Guidance Memorandum](#) (pages 22 and 23):

“The housing element includes a housing needs assessment, which includes various requirements such as analysis of household characteristics (e.g., overpayment, overcrowding), housing conditions, and persons with special needs. These analyses, in turn, guide policy and action formulation. As part of the housing needs assessment, the element is now required to include an assessment of fair housing, including a summary of fair housing issues. A summary of fair housing issues is an essential step to informing and prioritizing contributing factors and, eventually, goals and actions.”

We appreciate the City of Sunnyvale's recent efforts in public outreach, such as holding a stakeholder meeting with special housing needs groups, community workshops with interactive polls, and asking for our help to expand the online survey's broadcast. We would also like to recommend that the City bolster its public participation efforts with the community at-large to one that is more inclusive, encourages more discussion between participants, and increases interaction with City Staff to allow for frank conversations and a deeper understanding of Sunnyvale's housing needs. The current model the City is using is one that is primarily information collection that gives off a cold sense of “checking-off a list of checkboxes”. For example, the community workshop's polling system was limited to people with access to smartphones or computers. Additionally, the Q&A portion of the community workshop did not leave room for City Staff to discuss participant inputs, but rather only to respond to participant questions. As we factor in the requirements for Affirmatively Furthering Fair Housing, it is increasingly important that the City pursue the curb-cut effect approach to its outreach efforts so that the needs of special needs populations and those deeply impacted by housing gaps are clearly identified and responded to appropriately. We acknowledge that outreach is challenging, especially with virtual limitations, and the Housing Element process is challenging, but they are essential to conforming to state guidance and either have not been as visible or have been less than ideal in Sunnyvale.

We appreciate the hard work that is ongoing to complete the Housing Element update and your collaboration with Livable Sunnyvale and SV@Home. Given the timeline to complete the Housing Element update, we ask that this Housing Needs Assessment be

made available as soon as possible so that community outreach and feedback can take place in parallel with the work on the main document.

Best Regards,

Livable Sunnyvale Housing Element Committee
Kenneth Rosales, Planning Senior Associate| **SV@Home**

City of Sunnyvale Email Response to 1st Letter**RE: Livable Sunnyvale and SV@Home: Request for Housing Needs Assessment**

Ryan Dyson <RDyson@sunnyvale.ca.gov>

Wed 3/9/2022 3:38 PM

To: Mike Serrone <mjserrone@gmail.com>

Cc: Agnes Veith <acmduff@gmail.com>; Charles Fraleigh <chuck@fraleigh.com>; Kenneth Rosales <kenneth@siliconvalleyathome.org>; Mathew Reed <mathew@siliconvalleyathome.org>; Jenny Carloni <JCarloni@sunnyvale.ca.gov>; Trudi Ryan <tryan@sunnyvale.ca.gov>

Good afternoon Mike,

We understand Livable Sunnyvale and SV@Home's concern. The Housing Needs Assessment, which contains the Assessment of Fair Housing, is a vital component of the Housing Element and we are absolutely taking it into account as a guide for our policies and programs.

Since late 2021, the City and our consultant, Ascent Environmental, have been actively working to complete each component of the Housing Element based on available information. Portions of the Assessment of Fair Housing rely on data supplied by the State's Housing and Community Development Department (HCD) and the Association of Bay Area Governments (ABAG). Unfortunately, delays in this information have meant that we are unable to substantially complete our Housing Needs Assessment. For example, one critical segregation report from ABAG and UC Merced was only released in draft form in late February. Additionally, the City and other jurisdictions within Santa Clara County are awaiting a separate fair housing analysis from the Santa Clara County Planning Collaborative.

With the Assessment of Fair Housing, the City must also include an analysis of how our Sites Inventory relates to fair housing issues. We are still working to complete the full Sites Inventory, so another integral part of our Assessment of Fair Housing is still incomplete at this time.

Nevertheless, the information that we do have from the Housing Needs Assessment can already be used to help inform and guide the other sections of our Housing Element. We can begin to analyze our sites, policies, and programs based on the housing needs and the segregation patterns that we do know. As more data become available, we can continue to refine and revise these components so that we can release a comprehensive (but by no means final) draft of the Housing Element to the public.

Once all components of the Housing Element are substantially complete, they will be presented to the public as a draft version for review in May 2022. The Public Review Draft is not a final, finished product. There will be ample opportunity for public review and comment. The City will continue to incorporate public input, hold a community workshop, and conduct three separate public hearings prior to readying the draft for submission to HCD (tentatively in July 2022). We fully expect that this draft will continue to be revised throughout the year based on HCD and public comment until it is approved by the City Council in December 2022.

Please let us know if you have any other questions or concerns on the Housing Element.

Thank you,

RYAN DYSON**Housing Specialist**

Community Development Department

408-730-7466

From: Mike Serrone <mjserrone@gmail.com>**Sent:** Tuesday, March 8, 2022 12:18 PM**To:** Jenny Carloni <JCarloni@sunnyvale.ca.gov>; Ryan Dyson <RDyson@sunnyvale.ca.gov>; Kent Steffens

<KSteffens@sunnyvale.ca.gov>; Council AnswerPoint <council@sunnyvale.ca.gov>

Cc: Agnes Veith <acmduff@gmail.com>; Charles Fraleigh <chuck@fraleigh.com>; Kenneth Rosales <kenneth@siliconvalleyathome.org>; Mathew Reed <mathew@siliconvalleyathome.org>

Subject: Livable Sunnyvale and SV@Home: Request for Housing Needs Assessment

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.



Jenny Carloni, Housing Officer
Ryan
Dyson, Housing Specialist

Livable
Sunnyvale and SV@Home have a request to support a more robust community outreach for the Housing Element.

At

a Housing Element Stakeholder Meeting with the City of Sunnyvale on February 1st, 2022, we were made aware by Staff that the Housing Needs Assessment and the Assessment of Fair Housing would be completed concurrently and would not be made available until they

are released with the Draft Housing Element in May or June, 2022. We believe that a plan based on meeting the needs of the community cannot be created without the full assessment of those needs. Moreover, the quality of site selections and policies and programs

to implement the plan is dependent on the assessment of community needs. The housing element process is supposed

to assess needs, evaluate constraints, evaluate existing tools, and then develop plans to meet needs where the tools are ineffective or insufficient. The main point is that it is difficult for the public to respond to proposed solutions without understanding

the needs they are intended to address.

Therefore,
it would be helpful if Staff could release the Housing Needs Assessment (outlining the problems identified), which would also include the Assessment of Fair Housing, ahead of the presentation of their proposed policies to address these needs, which may not be made public until the Draft Housing Element is released.

Since

the Housing Element update is designed to address the Housing Needs Assessment, making this information available to the public will enable some feedback before the release of the full Housing Element. Otherwise, if there are concerns about the Housing Needs Assessment, we may hear that it is too late to make any changes. No one wants to delay the completion of the Housing Element. Below are key references to our concerns from varying guidance sources provided by the California Department of Housing and Community Development (HCD):

-
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- From the HCD's Housing Element
- webpage, site under "[Public](#)
- [Participation](#)":
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"The inclusion of community stakeholders

(including residents) in the housing-element public participation process helps ensure appropriate housing strategies are more efficiently and effectively evaluated, developed, and implemented. An inadequate public participation process may lead to anti-development

initiatives, and strong, vocal community opposition to greatly needed housing development. Successful public participation is important because a diverse cross section of the population can be engaged in defining the housing problem and in crafting solutions

that work for everyone in the community. Broad participation and true engagement of the public increases the likelihood that the community members involved in the discussion and planning processes will support new housing strategies and housing developments."

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- From HCD's Housing Element webpage,
- "[Building](#)
- [Blocks](#)" section:
-

"Housing Needs

Housing-element law requires local

governments to adequately plan to meet their existing and projected housing needs, including their share of the regional housing needs allocation. A complete analysis should include a quantification and a descriptive analysis of the specific needs and resources

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Existing

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- [Assisted](#)
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- [Extremely](#)
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- [Housing](#)
- [Stock Characteristics](#)
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- [Overpayment](#)
- [and Overcrowding](#)
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- [Population,](#)
- [Employment, and Household Characteristics](#)
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Projected

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- [Projected](#)
- [Housing Needs - Regional Housing Needs Allocation](#)

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Special

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- [Farmworkers](#)

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- [Large](#)

- [Families and Female-Headed Households](#)

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- [People](#)

- [Experiencing Homelessness](#)

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- [People](#)

- [with Disabilities, Including Developmental Disabilities](#)

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- [Seniors”](#)

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- And from HCD’s

- [Affirmatively](#)

- [Furthering Fair Housing Guidance Memorandum](#)

- (pages 22 and 23):

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a housing needs assessment, which includes various requirements such as analysis of household characteristics (e.g., overpayment, overcrowding), housing conditions, and persons with special needs. These analyses, in turn, guide policy and action formulation.

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We

appreciate the City of Sunnyvale’s recent efforts in public outreach, such as holding a stakeholder meeting with special housing needs groups, community workshops with interactive polls, and asking for our help to expand the online survey’s broadcast. We would

also like to recommend that the City bolster its public participation efforts with the community at-large to one that is more inclusive, encourages more discussion between participants, and increases interaction with City Staff to allow for frank conversations

and a deeper understanding of Sunnyvale’s housing needs. The current model the City is using is one that is primarily information collection that gives off a cold sense of “checking-off a list of checkboxes”. For example, the community workshop’s polling system

was limited to people with access to smartphones or computers. Additionally, the Q&A portion of the community workshop did not leave room for City Staff to discuss participant inputs, but rather only to respond to participant questions. As we factor in the

requirements for Affirmatively Furthering Fair Housing, it is increasingly important that the City pursue the curb-cut effect approach to its outreach efforts so that the needs of special needs populations and those deeply impacted by housing gaps are clearly

identified and responded to appropriately. We

acknowledge that outreach is challenging, especially with virtual limitations, and the Housing Element process is challenging, but they are essential to conforming to state guidance and either have not been as visible or have been less than ideal in Sunnyvale.

We

appreciate the hard work that is ongoing to complete the Housing Element update and your collaboration with Livable Sunnyvale and SV@Home. Given the timeline to complete the Housing Element update, we ask that this Housing Needs Assessment be made available as soon as possible so that community outreach and feedback can take place in parallel with the work on the main document.

Best

Regards,

Livable
Sunnyvale Housing Element Committee
Kenneth
Rosales, Planning Senior Associate| **SV@Home**

2nd Letter in Response to City of Sunnyvale Email Response to 1st Letter



Hi Ryan,

Regarding our request for an early draft of the Housing Needs Assessment, thank you for getting back to us so quickly. We understand the challenges of this process and appreciate your thoughtful response.

Livable Sunnyvale has a long history of engagement with city staff and council. Our members have and continue to appreciate the transparency of these exchanges. At this stage in the Housing Element process we are surprised by the lack of transparency we have come to expect and appreciate.

Because the Housing Needs Assessment is the bedrock of the Housing Element and designed to evaluate current policies and programs, identify their constraints, update/develop new ones including those that reflect AFFH requirements, without even seeing a draft, how is our community expected to collaborate with staff to provide informed solutions to the challenges identified in the 6th cycle? Per AB 215, there will only be 30 days for the public to comment on the Housing Element draft and the City will have only 10 days to edit. This short timeframe will not allow for a robust exchange of ideas and solutions to the challenges staff have identified.

Another concern we have is, with such a tight timeframe between release of the draft Housing Element and finalization we will hear from staff that incorporating changes to the Housing Needs Assessment will significantly delay the completion of the Housing Element. This response will hamper public comment and engagement which is integral to the Housing Element process.

Regarding the City's need for additional information to complete the Housing Needs Assessment, we believe there is ample available information to produce a basic draft Housing Needs Assessment. While we understand that MTC/ABAG is providing some basic data on housing needs based on both publicly available census data and regularly updated analysis in the ABAG data portal, these data were made available last year and explicitly indicate that they should not serve as a substitute for a local assessment of needs. We also understand that the segregation maps forthcoming from the state have the potential to provide insights into the differential access of specific racial and ethnic groups as part of the AFFH requirements of the update.

Absent this information from the state, we still believe there is enough data available to complete a draft Housing Needs Assessment.

Again, we ask for the transparency we have become accustomed to and ask staff to please release a draft Housing Needs Assessment so the public can partner with staff to identify solutions to the issues that have been identified.

Thank you for the work you are doing and have done. If it would be helpful to set a time to talk in more detail about how we can help in this process, please let us know.

Sincerely,

Livable Sunnyvale Housing Element Committee
Kenneth Rosales, Planning Senior Associate| SV@Home

City Email Response to 2nd Letter**RE: Livable Sunnyvale and SV@Home request for draft of Housing Needs Assessment**

Ryan Dyson <RDyson@sunnyvale.ca.gov>

Thu 4/7/2022 4:06 PM

To: Mike Serrone <mjserrone@gmail.com>

Cc: Agnes Veith <acmduff@gmail.com>; Charles Fraleigh <chuck@fraleigh.com>; Kenneth Rosales <kenneth@siliconvalleyathome.org>; Jenny Carloni <JCarloni@sunnyvale.ca.gov>; Kent Steffens <KSteffens@sunnyvale.ca.gov>; Council AnswerPoint <council@sunnyvale.ca.gov>; Trudi Ryan <tryan@sunnyvale.ca.gov>

Hello Mike and Kenneth,

Thank you for your letter. We understand your concern around transparency and hope to provide some clarification on the City's Housing Element schedule and the HCD review process.

Currently, City staff is reviewing the first draft of the Needs Assessment. We will release the Needs Assessment chapter along with the rest of Public Draft Housing Element to the public in the first week of May. We agree that the Needs Assessment is an important component of the Housing Element and an integral part of a transparent process. However, at this time, City staff needs an opportunity to review the document to ensure that it is clear, comprehensible, and professional prior to its release. Our hope is that the public can meaningfully use the Needs Assessment to review and respond to the proposed policies and programs included in the Housing Element.

The City intends to provide ample opportunity for public review and comment on the draft Housing Element throughout the year. In the upcoming months, the City will hold the following engagement meetings:

- May 11: Community Workshop #3 – Public Draft Review
- May 23: Planning Commission – Public Draft Review Hearing
- May 25: Housing and Human Services Commission – Public Draft Review Hearing
- June 21: City Council – Public Draft Review Hearing

After these meetings, a revised draft Housing Element will be submitted to HCD for review. However, the Housing Element will still be in draft form. Public comments will continue to be accepted during this review period and additional engagement meetings will be scheduled for Fall 2022.

We also want to clarify that AB 215 only sets a *minimum* time of 30 days for public review prior to submittal to HCD. The City will not submit the draft to HCD for their initial review until after the June 21 City Council Public Hearing. This will allow for closer to 60 days of public review prior to HCD review. Furthermore, the Housing Element will still be in draft form during the HCD review period and is not considered final until it is adopted in January 2023. As stated above, any public comment will still be considered during HCD review.

We hope that this provides some clarification on the City's Housing Element schedule and future opportunities for public comment and engagement. We look forward to hearing from Livable Sunnyvale and all Sunnyvale residents throughout the year as we complete the Housing Element update.

Thanks again,

RYAN DYSON**Housing Specialist**

Community Development Department

408-730-7466

From: Mike Serrone <mjserrone@gmail.com>**Sent:** Thursday, March 31, 2022 1:29 PM

To: Ryan Dyson <RDyson@sunnyvale.ca.gov>; Jenny Carloni <JCarloni@sunnyvale.ca.gov>; Kent Steffens <KSteffens@sunnyvale.ca.gov>; Council AnswerPoint <council@sunnyvale.ca.gov>
Cc: Agnes Veith <acmduff@gmail.com>; Charles Fraleigh <chuck@fraleigh.com>; Kenneth Rosales <kenneth@siliconvalleyathome.org>
Subject: Re: Livable Sunnyvale and SV@Home request for draft of Housing Needs Assessment

ATTN: Email is from an external source; Stop, Look, and Think before opening attachments or links.

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our request for an early draft of the Housing Needs Assessment, thank you for getting back to us so quickly. We understand the challenges of this process and appreciate your thoughtful response.

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Sincerely,

Livable

Sunnyvale Housing Element Committee

Kenneth

Rosales, Planning Senior Associate| SV@Home