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TRANSMITTED VIA EMAIL

January 23rd, 2023

Michelle King, Principal Planner
City of Sunnyvale, Community Development Department
456 W. Olive Avenue
Sunnyvale, CA 94086

Re: January 17th, 2023 Public Workshop on the Draft Moffett Park Specific Plan

Dear Michelle King,

On behalf of SV@Home, we write to you today regarding Sunnyvale's Moffett Park Specific Plan (MPSP), for the January 17, 2023 Public Workshop. We would like to thank the Community Development Department Staff for their diligent work to ensure that the Moffett Park Eco-Innovation District is a community where everyone can live affordably. We appreciate the clear performance metric/objective of producing 20,000 housing units with at least 3,000 affordable housing units included in the Draft MPSP (Draft Plan). Staff has demonstrated their determination to work with the community and stakeholders to make our dreams for this northern pocket of Sunnyvale come true.

However, we believe that the Plan requires some minor amendments, and additional detail, to ensure that we fully realize the shared vision of Moffett Park as a vibrant, thriving, and inclusive community. We believe this starts with ensuring that everyone in Sunnyvale has the opportunity to access a home in Moffett Park. We are excited to continue our partnership to strengthen the affordable housing components of the Moffett Park Specific Plan and with that said, SV@Home submits the following recommendations.

Committing to a 15 Percent Affordable Homes Mandate with a Goal of 20 Percent Affordable Housing

As it currently reads under Guiding Principle 3, the Draft MPSP aspires to reach a minimum of 15 percent housing affordability with a cap of up to 20 percent with incentives. As we have discussed, the primary mechanism for achieving this goal is the City's Inclusionary Housing Ordinance, which, as you have noted, can be met through a variety of alternatives, as outlined in Sunnyvale Municipal Code Title 19 (Zoning). We think that this planning process affords the City an opportunity to mandate feasible affordability requirements that will ensure that deed restricted affordable homes are integrated throughout Moffett Park as intended. We also believe that the 20 percent affordability goal can be a target rather than a cap. The MPSP (the Plan) can explicitly state the expectation that this target will be met

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through a combination of deed restricted units integrated into market-rate development and stand-alone 100 percent affordable developments, which allow deeper levels of affordability than is feasible through the Inclusionary Ordinance alone.

To facilitate the development of more deeply affordable homes, we recommend that Affordable Housing Mitigation Fees (Commercial Linkage Fees) collected from commercial development within the master planned areas, should be made available exclusively in these areas to support additional affordable housing.

The MPSP is a tremendously comprehensive and forward-thinking document that will clearly be transformative and open up opportunities for current and future residents of Sunnyvale. We do not question the City's commitment to an economically and racially integrated Moffett Park, but we do know that commitments are best met when clear direction is included in the Plan itself.

SV@Home recommends the MPSP include clear mandates for a minimum of 15 percent affordable housing, or 3,000 units, with a goal that 20 percent of all new residential units be deed-restricted affordable homes. SV@Home also recommends using the Affordable Housing Mitigation Fees collected from commercial developments within master planned areas to support affordable housing development within these areas.

Creating a Clear Incentive Structure for Community Benefits that Supports the Development of Additional Affordable Housing at Deeper Levels of Affordability

The Draft MPSP currently includes standards for bonus commercial floor area ratio (FAR) developments and a list of potential district community benefits under Table 3 that includes additional affordable housing. We understand that the details of the Community Benefits Program structure will be coming back to council for consideration. The current Draft Plan does not clearly weigh the different community benefits on the list to ensure the success of incentivizing affordable housing production.

There are many opportunities and interests that can be realized through the community benefits component of the plan. These benefits promise to make Moffett Park a remarkable place to live, work, and play. It will be up to the City, in working with the developers, to determine who has access to these benefits and who does not—due to their inability to afford living in the area. To realize the goals of optimizing equitable community access to enjoy these benefits, the production of housing affordable to Sunnyvale residents of all incomes must be appropriately incentivized by the community benefit structure.

We believe it is essential that Staff's presentation to City Council scheduled for January 31st on the Plan's Community Benefits Program highlight the City's Inclusionary Housing Program's limits to providing housing opportunities for many lower-income households. Without additional incentives for deeper housing affordability in the Plan, the area will be largely out of reach for a significant

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portion of the city's current residents, many of the new office and manufacturing employees, and most of the new retail commercial employees—all with average household incomes below 50 percent of the current Area Median Income. If Moffett Park is to truly become a place of opportunity for all, the Community Benefits Program will be instrumental in leveraging the resources to make this happen.

SV@Home recommends that the Community Benefits Program successfully incentivizes affordable housing production by clearly weighing the Plan's list of community benefits. SV@Home also recommends the Community Benefits Program include a clear intent to expand housing opportunities for very-low and extremely-low income households, which may not benefit from the below market units required by the current Inclusionary Housing Program.

Tracking, Measuring Progress, and Adaptability

We believe the Plan can set clearer actions to monitor and resolve barriers to achieving the Plan's affordable housing requirements and goals. We would like to see:

- A program to track or measure progress towards meeting the Plan's affordable housing production goals throughout the 20-year buildout period and the five-year review/updates.
- An adaptive policy that allows the City to change its strategies if affordable housing targets are not met throughout the life the plan, including the five-year review/updates.

We appreciate Staff's dedicated and tireless work in drafting the MPSP, for meeting with us before its release, and answering all our questions. Our ongoing partnership with the City is important to us, and we look forward to continuing this work together through the MPSP's adoption. Through this partnership and further discussion of our recommendations with City Staff, we hope to reach our shared goal of ensuring any Sunnyvale resident can afford to live in Moffett Park, the Eco-Innovative District.

Sincerely,



Regina Celestin Williams
Executive Director

