

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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December 11, 2023

Trudi Ryan, Director
Community Development Department
City of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94086

Dear Trudi Ryan:

RE: City of Sunnyvale's 6th Cycle (2023-2031) Revised Draft Housing Element

Thank you for submitting the City of Sunnyvale's (City) revised draft housing element received for review on October 12, 2023, with revisions received on November 24, 2023. The revisions were posted and made available to the public for seven days prior to submittal to California Department of Housing and Community Development (HCD). Pursuant to Government Code section 65585, subdivision (c), HCD considered public comments from the Housing Action Coalition and Greenbelt Alliance as well as the City's response. Pursuant to Government Code section 65585, HCD is reporting the results of its review.

HCD is pleased to find the revised draft housing element, including revisions, meets the statutory requirements of State Housing Element Law (Gov. Code, § 65580 et. seq.). The revised draft element, including revisions, addresses the statutory requirements described in HCD's July 21, 2023, review. The housing element will substantially comply with State Housing Element Law when it is adopted, submitted and approved by HCD, in accordance with Government Code section 65585.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate. Please be aware, any draft revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City did not adopt a compliant housing element within 120 days of the statutory

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deadline (January 31, 2023), programs (e.g., Policy H-4.5 (By-right Housing on Previously Identified Housing Sites) and Program H2 (Rezone Program)) to make prior identified sites available or address a shortfall of capacity to accommodate the regional housing need allocation (RHNA) must be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i). Please be aware, if the City fails to adopt a compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until all necessary rezones are completed pursuant to Government Code section 65583, subdivision (c) (1) (A) and Government Code section 65583.2, subdivision (c).

Additionally, the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. The element must demonstrate existing uses are not an impediment to additional residential development (Gov. Code, § 65583.2, subd. (g)(2)). Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA. As the City adopts the housing element, it must include the appropriate finding as part of the adoption resolution.

Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov. Pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the electronic sites inventory. See HCD's housing element webpage at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: <https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

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HCD appreciates your hard work and dedication provided throughout the housing element review and update process. HCD is committed to assisting the City in addressing all statutory requirements of State Housing Element Law and looks forward to receiving the adopted housing element. If you have any questions or need additional technical assistance, please contact Shawn Danino, of our staff, at Shawn.Danino@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager