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HOUSING COMMISSION STAFF REPORT

Meeting: March 19, 2014

Agenda Item No. 5

SUBJECT:

Study Session to review the Housing Plan section of the 2014-2022 Housing Element.

RECOMMENDATION:

Staff recommends that the Housing Commission accept the reports on Accomplishments on 2007 – 2014 Housing Element and provide direction on the potential revisions to Goals and Policies for the 2014 – 2022 Housing Element.

BACKGROUND:

Housing Element Overview

In accordance with State law, California cities must have an adopted General Plan, which must contain a Housing Element. Housing Element law requires that all jurisdictions facilitate housing development by creating policies and adopting land use plans and regulatory schemes that provide opportunities for housing development, including units that could accommodate households with very low, low, moderate and higher incomes.

State law requires that each city and county update its Housing Element on a pre-determined cycle. For the current cycle, the updated Housing Element must be adopted by January 31, 2015 (plus a 120-day grace period). If this adoption deadline is met, the planning period for this cycle extends from adoption to January 31, 2023 (or eight years). Otherwise, the City must update the Housing Element again in 2019 (every four years). The City Council approved the project scope of work and authorized the budget for the project on November 4, 2013.

Regional Housing Needs Allocation (RHNA)

The RHNA is an estimate of projected needed housing units throughout the State and is based on Department of Finance population projections and regional population forecasts.

The RHNA identifies Cupertino's regional housing needs by income levels:

Income Group	RHNA
Very Low (\leq 50% of Area Median Income(AMI))	356
Low(51 – 80% of AMI)	207
Moderate(81 - 120% of AMI)	231
Above Moderate(> 120% of AMI)	270
Total	1,064

The City is not obligated to construct the housing units identified by the RHNA. Rather, the City's responsibility is to demonstrate adequate capacity, by identifying specific sites, to satisfy the RHNA under existing zoning and land use policy. HCD generally requires jurisdictions to show a surplus of sites/units in order to guarantee that the City could realistically accommodate the RHNA allocations.

The Housing Commission, Planning Commission, and City Council have conducted multiple study sessions and community workshops to review potential housing sites to meet the RHNA. On March 4, 2014, the City Council provided direction on the sites that would be studied in the EIR. Sites were presented in two tiers of priority: High and Moderate. These sites consistently met criteria set by both the State and the City presenting realistic potential for housing development during the planning cycle. While all sites will be studied in the EIR, final decisions on potential sites to be included in the Housing Element will be made by City Council in the fall.

Housing Plan

Required by State law, the Housing Element includes a Housing Plan section, which outlines the goals, policies, and implementation programs to guide the City's housing policy. State law requires that the Housing Plan section address the maintenance, preservation, improvement, and development of housing. In addition, the Housing Plan section must include implementation programs that achieve the following:

- 1) Make sites available to meet the RHNA
- 2) Assist in the development of adequate affordable housing
- 3) Address, and where possible, remove governmental constraints to housing improvement and development
- 4) Conserve and improve the condition of existing affordable housing
- 5) Promote equal housing opportunities regardless of race, religion, sex, marital status, etc.
- 6) Preserve affordable housing developments that may be at risk of converting to market-rate

The Housing Plan section must also identify appropriate funding sources, timeframes for completion, and responsible parties for each implementation measure.

General Plan Amendment and Environmental Review

In addition to the Housing Element, the City is also preparing a General Plan Amendment (GPA) for City Council consideration, as directed by the City Council in August 2012. The primary purpose of the GPA is to replenish, re-allocate, and potentially increase citywide development allocations in order to plan for anticipated future development activity while keeping with the community's character, goals, and objectives. The secondary purpose of the GPA is to consolidate development requests by several property owners for amendments to the General Plan, under a comprehensive community vision. The environmental review for the General Plan and Housing Element projects is being completed concurrently and will be presented in an Environmental Impact Report (EIR). It is anticipated that the Draft EIR will be available in Summer 2014.

DISCUSSION:

2007-2014 Housing Element Housing Plan

As part of the 2007-2014 Housing Element drafting, a wide-ranging public outreach effort was undertaken, including interviews with stakeholders, public meetings, and study sessions with decision makers. These meetings contributed to the development of the goals, policies, and implementation programs that were ultimately adopted in the 2007-2014 Housing Element (adopted in 2010).

Update to the Housing Plan for 2014-2022

Four years later, the 2014-2022 Housing Element draws strongly from the 2007-2014 Housing Element. After recent significant public input (including stakeholder interviews in 2013, two community workshops, and two study sessions—outlined in more detail below under Public Noticing and Outreach) the City has received input that very closely reflects the input received for the previous Housing Element and the resulting Housing Plan. As such, the public outreach thus far has indicated no significant, broad-reaching changes to housing policy.

The City's consultant, the team of MIG and Veronica Tam and Associates, has considered public input to date and taken the following steps in reviewing the existing Housing Element and developing proposed amendments to the proposed Housing Plan:

- Revise programs to ensure the Housing Element complies with State Housing Element law, including efforts to encourage housing opportunities for extremely low-income households;
- Add additional policy related to mixed-use development to encourage development on identified sites to meet the RHNA; and
- Reformatting to reduce redundancy and reorganizing for ease in reading and implementing.

Attachment HC-1 provides a summary of the accomplishments on the previous (2007-2014 Housing Element) implementation programs, with an added discussion of proposed program recommendations for the 2014-2022 Housing Element. Building on the policy direction of the

previous Housing Element, recent public outreach efforts, and the GPA vision and planning principles, staff has outlined proposed goals, policies, and programs for the 2014-2022 Housing Element as indicated in Attachment HC-2. Attachment HC-3 provides a detailed matrix table of each proposed program with a program description and relationship to proposed goals and policies for the upcoming 2014-2022 Housing Element. Attachment HC-4 outlines proposed revisions to the existing Housing Element's goals and policies.

Affordable Housing Funding

Due to the loss of Redevelopment Agency (RDA) housing set-aside funds associated with the Governor's 2011 State budget revisions and subsequent court cases, funding sources for affordable housing are significantly more constrained. RDA set-aside funds are no longer available to assist in new affordable housing development or acquisition/rehabilitation of existing units for conversion into affordable housing. Cupertino retains elements of an affordable housing program—its Housing Mitigation Program—as a resource. However, a 2009 court-case (Palmer vs. the City of Los Angeles) has resulted in cities suspending the portion of their Housing Mitigation program requiring affordable units to be included in market-rate rental developments. There also have been a number of court cases related to affordable housing requirements (decided and those that are still under litigation); the outcomes of these cases have bearing on how local jurisdictions address affordable housing requirements. Specifically in Sterling Park vs. the City of Palo Alto, Supreme Court ruled that affordable housing mitigation must be litigated as an exaction. In response, various cities are addressing this issue with updating mitigation fees for rental units. For Cupertino, key items to address in the Affordable Housing topic include updating the housing mitigation requirements with respect to rulings related to the above-mentioned court cases, and addressing mitigation requirements for rental apartment projects. Due to the uncertainty of the outcome of several cases that are pending in the courts, the Governor vetoed an Assembly Bill (AB 1229) which aimed to reverse the decision in the Palmer case. Legislative or judicial direction on these issues is still uncertain at this time.

Additional federal, state and local funding sources may include the Community Development Block Grant (CDBG) Program, HOME Investment Partnerships Program (HOME), City's General Fund Human Service Grants (HSG) Program, City's Below Market-Rate (BMR) Affordable Housing Fund (AHF), Housing Trust of Santa Clara County (HTSCC), Housing Authority of the County of Santa Clara (HACSC), and Low-Income Housing Tax Credits (LIHTC's), which provides an incentive for the private market to invest in affordable rental housing.

PUBLIC NOTICING & OUTREACH

The following outreach efforts have been undertaken on this project to date.

Postcards

A postcard was delivered in February 2014 to all postal addresses in the City to announce upcoming dates on the General Plan and Housing Element projects. The postcard also provided

a brief description of the two projects and identified the project website where interested persons may sign up for project updates and further notices.

Website

A website has been set up for the combined General Plan and Housing Element projects at www.cupertino.org. All technical reports, notices and other important information are available at the website. The website also has a separate tab for the Housing Element project which provides answers to Frequently Asked Questions. Interested persons may also submit comments at the website.

Meetings

Stakeholder Interviews

Stakeholder interviews were conducted on December 11 & 12, 2013 to solicit input from stakeholders ranging from community members, property owners, housing developers, service providers, School Districts and the business community.

Joint PC/HC Workshop

On January 23, 2014 the Planning Commission and Housing Commission hosted a joint workshop to begin the Housing Element Sites discussion. Eleven participants broke into small groups and identified potential future sites for housing and criteria for increased density in certain areas including community benefits. Participants drew on maps and placed stickers to identify potential housing sites.

February 12 Housing Commission Workshop

On February 12, the Housing Commission hosted a workshop to continue the Housing Element Sites discussion and prioritize sites for inclusion in the Housing Element. Following a project update presentation, approximately fifteen (15) participants broke into three groups and discussed identification of new sites and prioritizing potential housing sites to meet the RHNA of 1,064. The Housing Commission recommended forwarding all the sites highlighted by the workshop participants as priority sites to the Planning Commission for consideration.

February 19 Planning Commission Open House and Study Session

On February 19, 2014, the Planning Commission hosted an open house and study session to provide a public forum to continue the Housing Element Sites discussion and prioritize sites for inclusion in the Housing Element. The planning commission recommended criteria to focus the sites selection. Specifically, the Commission recommended removing certain sites that were viewed as unviable (successful shopping centers, sites with existing established institutional uses, and small sites with low yield or no property owner interest). In addition, the Planning Commission recommended including sites that would further the following three goals: distribute housing throughout the city, encourage development along the Priority Development Area designated by the One Bay Area Plan, and minimize impacts to schools.

March 4 City Council Study Session

On March 4, the City Council held a study session to discuss in depth the potential housing sites that would be analyzed in the Environmental Impact Report. A detailed list of “High” and “Moderate” priority sites was proposed, based on previous public and Commission input. The Council recommended including two additional sites, which had previously been included in the last Housing Element, and provided direction to study in the EIR all sites presented as “High” and “Moderate”. The Council was also advised at this meeting that impact to schools may not be a goal of the site selection exercise since SB-50 preempts this issue with the adoption of School Impact Mitigation fees which fully mitigate any school impacts from development of property.

The following table summarizes the noticing for this meeting:

Notice	Agenda
<ul style="list-style-type: none"> ▪ Email sent to all interested parties signed up through the project website 	<ul style="list-style-type: none"> ▪ Posted on the City's official notice bulletin board (<i>one week prior to the hearing</i>) ▪ Posted on the City of Cupertino's Web site (<i>one week prior to the hearing</i>) ▪ Posted on the project Website (<i>one week prior to hearing</i>)

CONCLUSION

The goal for this study session is to provide feedback on proposed goals and policy revisions and identify any additional goals, policies, or implementation programs for inclusion in the 2014-2022 Housing Element update.

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Reviewed by:
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Approved by:
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 Community Development Director

Attachments:

1. HC-1 Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs
2. HC-2 Summary of proposed 2014-2022 Housing Element Goals, Policies and Programs
3. HC-3 Summary Matrix Table of proposed 2014-2022 Housing Element Programs and Relationship to Goals and Policies
4. HC-4 Proposed Revisions of 2007-2014 Housing Element Goals and Policies

Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs

2007-2014 Housing Element Goals, Policies and Programs	2007-2014 Housing Element Program Accomplishments	Proposed 2014-2022 Housing Element Program Recommendation	Proposed 2014-2022 Housing Element Changes to Program Language
Goal A: An Adequate Supply of Residential Units for All Economic Segments			
<i>Policy 1: Sufficiently Residentially Zoned Land for New Construction Need</i>			
<p><u>Program 1: Zoning and Land Use Designations</u> Rezone one property (APN: 326-10-046) of 7.98 acres from 10 units per acre to 25 units per acre to accommodate up to 199 units.</p>	<p>The City completed the rezoning of 7.98 acres of land from 10 du/ac to 25 du/ac in 2010. The City is currently updating the Land Use Element concurrent with the Housing Element update. The Land Use Element update will likely result in additional sites for residential and mixed use development to accommodate the fifth cycle RHNA of 1,064 units.</p>	<p>This program is proposed to be included and revised in the 2014-2022 Housing Element to reflect the need to maintain an inventory of sites to accommodate the new RHNA of 1,064 units.</p>	<p><u>New Program 1: Land Use Policy and Zoning Provisions</u> The City will continue to:</p> <ul style="list-style-type: none"> • Provide adequate capacity through its Land Use Element and Zoning Ordinance to accommodate its RHNA of 1,064 units, while maintaining a balanced land use plan that offers opportunities for employment growth, commercial/retail activities, services, and amenities. • Monitor its development standards to ensure they are adequate and appropriate to facilitate a range of housing in the community • Monitor its sites inventory and make it available on City website.
<p><u>Program 2: Second Dwelling Unit Ordinance</u> Continue to implement ordinance to achieve 25 second units</p>	<p>Between 2007 and 2013, 31 second units were constructed in the City.</p>	<p>This program continues to be appropriate for the City and is proposed to be included in the 2014-2022 Housing Element.</p>	<p><u>New Program 2: Second Dwelling Units</u> The City will continue to implement the Second Dwelling Unit Ordinance and encourage the production of second units.</p>
<p><u>Program 3: Encourage Lot Consolidation</u> Continue to encourage lot consolidation through master plans. Provide technical assistance to property owners.</p>	<p>The City continues to provide assistance to property owners regarding lot consolidation.</p>	<p>This is an ongoing activity and is proposed to be included and revised in the 2014-2022 Housing Element.</p>	<p><u>New Program 3: Lot Consolidation</u> The City will continue to:</p> <ul style="list-style-type: none"> • Encourage lot consolidation when contiguous smaller, underutilized parcels are to be redeveloped. • Encourage master plans for such

Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs

2007-2014 Housing Element Goals, Policies and Programs	2007-2014 Housing Element Program Accomplishments	Proposed 2014-2022 Housing Element Program Recommendation	Proposed 2014-2022 Housing Element Changes to Program Language
			sites with coordinated access and circulation. <ul style="list-style-type: none"> • Provide technical assistance to property owners of adjacent parcels to facilitate coordinated redevelopment where appropriate. • Encourage intra- and inter-agency cooperation in working with applicants at no cost prior to application submittal for assistance with preliminary plan review.

Goal B: Housing is Affordable for a Diversity of Cupertino Households

Policy 2: Housing Mitigation Plan

<p><u>Program 4: Housing Mitigation Plan – Office and Industrial Mitigation</u> Continue to implement Office and Industrial Mitigation fee program.</p>	<p>Between 2007 and 2013, \$1,195,414 had been collected through the Housing Mitigation Program (Office/Industrial and Residential) and deposited to the Below Market-Rate (BMR) Affordable Housing Fund (AHF).</p>	<p>This program represents a key financing mechanism for affordable housing in Cupertino and is proposed to be included and revised in the 2014-2022 Housing Element.</p>	<p><u>New Program 5: Office and Industrial Housing Mitigation Program</u> The City will continue to implement the Office and Industrial Housing Mitigation Program.</p> <p>This program requires that developers of office, commercial, and industrial space pay a fee, which will then be used to support affordable housing for families who work in Cupertino but live elsewhere. These fees are collected and deposited in the City’s Below Market-Rate (BMR) Affordable Housing Fund (AHF).</p>
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Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs

2007-2014 Housing Element Goals, Policies and Programs	2007-2014 Housing Element Program Accomplishments	Proposed 2014-2022 Housing Element Program Recommendation	Proposed 2014-2022 Housing Element Changes to Program Language
<p><u>Program 5: Housing Mitigation Program – Residential Mitigation</u> Continue to implement the “Housing Mitigation” program to mitigate the need for affordable housing created by new market-rate residential development.</p>	<p>Between 2007 and 2013, 20 Below Market Rate (BMR) units were created through the Residential Housing Mitigation Program:</p> <ul style="list-style-type: none"> • 17 BMR rental units (Markham) • 3 BMR ownership units (Las Palmas) <p>The City contracts with West Valley Community Services (WVCS) to administer the Below Market-Rate (BMR) Affordable Housing Program which includes placing eligible households in the City’s BMR units.</p> <p>Between 2007 and 2013, \$1,195,414 had been collected through the Housing Mitigation Program (Office/Industrial and Residential) and deposited to the City’s Below Market-Rate (BMR) Affordable Housing Fund (AHF).</p>	<p>This program represents a key mechanism for affordable housing in Cupertino and is proposed to be included and revised in the 2014-2022 Housing Element.</p>	<p><u>New Program 6: Residential Housing Mitigation Program</u> The City will continue to implement the Residential Housing Mitigation Program to mitigate the need for affordable housing created by new market-rate residential development.</p> <p>This program applies to all new residential development of one unit or greater. Mitigation includes either the payment of the “Housing Mitigation” fee or the provision of a Below Market Rate (BMR) unit or units. Projects of seven or more for-sale units must provide on-site BMR units. Projects of six units or fewer for-sale units can either build one BMR unit or pay the Housing Mitigation fee. Developers of market-rate rental units, where the units cannot be sold individually, must pay the Housing Mitigation fee to the Affordable Housing Fund (AHF).</p>
<p><u>Program 6: Affordable Housing Fund</u> Provide financial assistance to affordable housing developments. Expend housing funds in the following manner:</p> <ul style="list-style-type: none"> • Finance affordable housing 	<p>Between 2007 and 2013, \$1,195,414 had been collected through the Housing Mitigation Program (Office/Industrial and Residential) and deposited to the City’s Below Market-Rate (BMR) Affordable Housing Fund (AHF). These funds were used to support affordable housing projects, programs and services such as:</p>	<p>The City will continue to utilize the Below Market-Rate (BMR) Affordable Housing Fund (AHF) to support affordable housing projects, programs and services. This program is proposed to be included and revised in the 2014-2022</p>	<p><u>New Program 7: Below Market-Rate (BMR) Affordable Housing Fund (AHF)</u> The City’s Below Market-Rate (BMR) Affordable Housing Fund (AHF) will continue to support affordable housing projects, programs and services, including but not limited to:</p>

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<p>projects.</p> <ul style="list-style-type: none"> • Establish a down payment assistance plan that may be used in conjunction with the BMR program or to make market rate units more affordable. • Establish a rental subsidy program to make market rate units more affordable. 	<ol style="list-style-type: none"> 1. Project Sentinel – Landlord/Tenant Mediation Services 2. West Valley Community Services (WVCS) – BMR Program Administration 3. 19935 Price Avenue – Acquisition of affordable housing residential rental property. <p>However, the City did not establish a downpayment assistance program or a rental subsidy program.</p>	<p>Housing Element with a revised expanded list of potential eligible uses of funds.</p>	<ul style="list-style-type: none"> • Rehabilitation • Acquisition with or without rehabilitation • New construction • Preserving “at-risk” BMR units • Rental operating subsidies • Down payment assistance • Land write-downs • Direct gap financing • Public service agencies • Special needs housing <p>The City will target a portion of the Below Market-Rate (BMR) Affordable Housing Fund (AHF) to benefit extremely low-income households and persons with special needs (such as the elderly, victims of domestic violence, and the disabled, including persons with developmental disabilities).</p>

<p align="center">Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs</p>			
<p align="center">2007-2014 Housing Element Goals, Policies and Programs</p>	<p align="center">2007-2014 Housing Element Program Accomplishments</p>	<p align="center">Proposed 2014-2022 Housing Element Program Recommendation</p>	<p align="center">Proposed 2014-2022 Housing Element Changes to Program Language</p>
<p><i>Policy 3: Range of Housing Types</i></p>			
<p><u>Program 7: Mortgage Credit Certificate (MCC) Program</u> Participate in the countywide MCC program to assist one to two households annually.</p>	<p>The County of Santa Clara continues to operate this program. However, given the high home prices in Cupertino, the potential of utilizing this program is limited. As of 2013, the maximum purchase price limits were \$570,000 for resale properties and \$630,000 for new units.</p>	<p>This program is proposed to be included in the 2014-2022 Housing Element as a new program – Referral to Housing Resources.</p>	<p><u>New Program 8: Referral to Housing Resources</u> The City will continue to provide information on housing resources and services offered by the County and other outside agencies. These include, but are not limited to:</p> <ul style="list-style-type: none"> • Mortgage Credit Certificate (MCC) • Section 8 Housing Choice Vouchers • Housing Trust of Santa Clara County (HTSCC) • Housing Authority of Santa Clara County (HASCC) • County of Santa Clara HOME Consortium
<p><u>Program 8: Move-In for Less Program</u> Program is offered by the Apartments Association.</p>	<p>This program offered by the Tri-County Apartment Association was discontinued in 2010.</p>	<p>This program is proposed to be removed from the 2014-2022 Housing Element.</p>	<p>Program removed.</p>

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<p>2007-2014 Housing Element Goals, Policies and Programs</p>	<p>2007-2014 Housing Element Program Accomplishments</p>	<p>Proposed 2014-2022 Housing Element Program Recommendation</p>	<p>Proposed 2014-2022 Housing Element Changes to Program Language</p>
<p><u>Program 9: Surplus Property for Housing</u> Explore opportunities on surplus properties as follows:</p> <ul style="list-style-type: none"> • In conjunction with local public agencies, school districts and churches, develop a list of surplus property or underutilized property that have the potential for residential development. • Encourage long-term land leases of property from churches, school districts corporations for construction of affordable units. • Evaluate the feasibility of developing special housing for teachers or other employee groups on the surplus properties. • Review housing programs in neighboring school districts that assist teachers for applicability in Cupertino. 	<p>As part of the 2014-2022 Housing Element update and concurrent Land Use Element update, the City has explored and prioritized various vacant and underutilized properties with potential residential and mixed use development within the next eight years. These properties are included in the sites inventory for the Housing Element.</p>	<p>This program is proposed to be included and revised in the 2015-2023 Housing Element.</p>	<p><u>New Program 9: Surplus Properties for Housing</u> The City will explore opportunities on surplus properties as follows:</p> <ul style="list-style-type: none"> • Work with local public agencies, school districts and churches, to identify surplus properties or underutilized properties that have the potential for residential development. • Encourage long-term land leases of properties from churches, school districts, and corporations for construction of affordable units. • Evaluate the feasibility of developing special housing for teachers or other employee groups on the surplus properties. • Review housing programs in neighboring school districts that assist teachers for applicability in Cupertino.
<p><u>Program 10: Jobs/Housing Balance Program</u> Require major new office/industrial development to build housing as part of new development projects.</p>	<p>The City’s General Plan and 2007-2014 Housing Element offer adequate capacity to accommodate the City’s RHNA for the planning period. The City continues to implement its Housing Mitigation Program to enhance the jobs/housing balance in the community.</p>	<p>This program is proposed to be included and revised in the 2014-2022 Housing Element as key elements of three new programs – Land Use Policy and Zoning Provisions, Housing Mitigation Plan – Office and Industrial</p>	<p><u>Refer to following three New Programs:</u></p> <ul style="list-style-type: none"> • <u>New Program 1: Land Use Policy and Zoning Provisions</u> • <u>New Program 5: Housing Mitigation Plan – Office and Industrial Mitigation</u> • <u>New Program 6: Housing</u>

Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs

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		Mitigation and Housing Mitigation Plan – Residential Mitigation.	<u>Mitigation Plan – Residential Mitigation</u>
<i>Policy 4: Housing Rehabilitation</i>			
<p><u>Program 11: Affordable Housing Information and Support</u> Provide information, resources and support to developers who can produce affordable housing.</p>	The City continues to provide information, resources, and support to developers.	This program is proposed to be included in the 2014-2022 Housing Element.	<u>Refer to New Program 8: Referral to Housing Resources</u>
<i>Policy 5: Development of Affordable Housing</i>			
<p><u>Program 12: Density Bonus Program</u> Allow for a density bonus and additional concessions for development of 6 or more units that provide affordable housing for families and seniors.</p>	As part of the 2015-2023 Housing Element update, the City is also amending its Zoning Code to revise the Density Bonus Ordinance to be consistent with State law.	This program is proposed to be included and revised in the 2015-2023 Housing Element. Adoption of a new revised Density Bonus Ordinance is anticipated to be completed concurrent with the 2014-2022 Housing Element.	<p><u>New Program 10: Incentives for Affordable Housing Development</u> The City will continue to offer a range of incentives to facilitate the development of affordable housing. These include:</p> <ul style="list-style-type: none"> • Financial assistance through the City’s Below Market-Rate (BMR) Affordable Housing Fund (AHF) and Community Development Block Grant (CDBG) funds; • Density bonus incentives; • Flexible development standards; • Technical assistance; • Waiver of park dedication fees; • Parking ordinance waivers; and • Expedited permit processing.

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<p align="center">2007-2014 Housing Element Goals, Policies and Programs</p>	<p align="center">2007-2014 Housing Element Program Accomplishments</p>	<p align="center">Proposed 2014-2022 Housing Element Program Recommendation</p>	<p align="center">Proposed 2014-2022 Housing Element Changes to Program Language</p>
<p><u>Program 13: Regulatory Incentives for Affordable Housing</u> Provide regulatory incentives for affordable housing, such as waiving park dedication fees and construction tax for affordable units, or reducing parking requirement for mixed use developments.</p>	<p>The City continues to waive park dedication fees and provide parking ordinance waivers for affordable developments.</p>	<p>This program is proposed to be included in the 2014-2022 Housing Element.</p>	<p>Refer to New Program 10: Incentives for Affordable Housing Development</p>
<p><u>Program 14: Extremely Low Income Housing</u> Encourage the development of adequate housing to meet the needs of extremely low-income households by providing assistance and funding for affordable housing developments.</p>	<p>The City continues to support the development of housing affordable to extremely low income households.</p>	<p>This program is proposed to be included and revised in the 2014-2022 Housing Element. The proposed revision will include Housing for Persons with Special Needs to be added to this program.</p>	<p><u>New Program 11: Extremely Low Income Housing and Housing for Persons with Special Needs</u> The City will continue to encourage the development of adequate housing to meet the needs of extremely low-income households and persons with special needs (such as the elderly, victims of domestic violence, and the disabled, including persons with developmental disabilities).</p> <p>Specifically, the City will consider the following incentives:</p> <ul style="list-style-type: none"> • Provide financing assistance using the BMR AHF and CDBG funds (refer to New Program 7). • Allow residential developments to exceed planned density maximums if they provide special needs housing and the increase in density will not overburden neighborhood streets or

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<p>2007-2014 Housing Element Goals, Policies and Programs</p>	<p>2007-2014 Housing Element Program Accomplishments</p>	<p>Proposed 2014-2022 Housing Element Program Recommendation</p>	<p>Proposed 2014-2022 Housing Element Changes to Program Language</p>
			<p>hurt neighborhood character.</p> <ul style="list-style-type: none"> Grant reductions in off-street parking on a case-by-case basis.
<p><u>Program 15: Residential and Mixed Use Opportunities in or Near Employment Centers</u> Encourage mixed use development and the use of shared parking facilities in or near employment centers. Evaluate the possibility of allowing residential development above existing parking areas.</p>	<p>As part of the 2015-2023 Housing Element update and concurrent Land Use Element update, the City has explored and prioritized various vacant and underutilized properties with potential residential and mixed use development within the next eight years. These properties are included in the sites inventory for the Housing Element.</p>	<p>This program is proposed to be added as a policy statement to Goal A: An Adequate Supply of Residential Units for All Economic Segments for the 2014-2022 Housing Element to encourage mixed use development.</p>	<p>Included as a policy statement. See new Policy A-3 in Attachment HC-2.</p>
<p><u>Program 16: Expedited Permit Procedures</u> Expedite permit processing for housing developments that contain at least 20 percent of units for lower-income households, or 10 percent of units for very low-income households, or 50 percent of units for senior citizens.</p>	<p>The City continues to offer expedited permit processing for affordable housing projects meeting the State Density Bonus requirements.</p>	<p>This program is proposed to be included but revised in the 2014-2022 Housing Element as a new program - Incentives for Affordable Housing Development.</p>	<p><u>Refer to New Program 10: Incentives for Affordable Housing Development.</u></p>
<p><i>Policy 6: Tax Increment Funds</i></p>			
<p><u>Program 17: Redevelopment Housing Set Aside Fund</u> Develop policies and objectives for the use of those Low and Moderate Income Housing Funds.</p>	<p>The Redevelopment Agency was dissolved in 2012, pursuant to AB1X26 and AB1X27.</p>	<p>Program is proposed to be removed from the 2014-2022 Housing Element.</p>	<p>Program and policy removed.</p>

Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs

2007-2014 Housing Element Goals, Policies and Programs	2007-2014 Housing Element Program Accomplishments	Proposed 2014-2022 Housing Element Program Recommendation	Proposed 2014-2022 Housing Element Changes to Program Language
<i>Policy 7: Housing Densities</i>			
<p><u>Program 18: Flexible Residential Standards</u> Allow flexible residential development standards in planned residential zoning districts, such as smaller lot sizes, lot widths, floor area ratios and setbacks, particularly for higher density and attached housing developments.</p>	<p><u>Accomplishments</u> The City continues to offer flexible development standards.</p>	<p>Policy 7 and this program are proposed to be included in the 2014-2022 Housing Element under Goal A to facilitate a range of housing options in the community.</p>	<p><u>New Program 4: Flexible Development Standards</u> The City will continue to:</p> <ul style="list-style-type: none"> • Offer flexible residential development standards in planned residential zoning districts, such as smaller lot sizes, lot widths, floor area ratios and setbacks, particularly for higher density and attached housing developments. • Consider granting reductions in off-street parking on a case-by-case basis for senior housing.
<p><u>Program 19: Residential Development Exceeding Maximums</u> Allow residential developments to exceed planned density maximums if they provide special needs housing.</p>	<p>The City continues to provide this regulatory incentive to facilitate affordable housing for persons with special needs. However, no development utilized this incentive between 2007 and 2013.</p>	<p>This program is proposed to be included and revised in the 2014-2022 Housing Element as part of a new program – Housing for Extremely Low Income Households and Persons with Special Needs.</p>	<p><u>Refer to New Program 11: Extremely Low Income Housing and Housing for Persons with Special Needs.</u></p>
<p><u>Program 20: Monitor R-3 Development Standards</u> Monitor the R-3 development standards on a regular basis to ensure that the requirements do not constrain new housing production.</p>	<p><u>Accomplishments</u> The City continues to monitor its development standards. Future residential development is likely to focus in mixed use areas in the City. As part of the Land Use Element update process conducted concurrent with the Housing Element update, the City reviewed and</p>	<p>This program is proposed to be included in the 2014-2022 Housing Element as part of a new program – Land Use Policy and Zoning Provisions.</p>	<p><u>Refer to New Program 1: Land Use Policy and Zoning Provisions.</u></p>

Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs

2007-2014 Housing Element Goals, Policies and Programs	2007-2014 Housing Element Program Accomplishments	Proposed 2014-2022 Housing Element Program Recommendation	Proposed 2014-2022 Housing Element Changes to Program Language
	proposed modifications to development standards to facilitate multi-family and mixed use development.		
<p><u>Program 21: Clarify Language of Planned Development (P) District</u> Amend the zoning ordinance to clarify that residential development in P (Res/R3) zones will require a planned development permit and not a conditional use permit.</p>	The Zoning Ordinance was amended in 2010 to clarify that residential development in the P (Res/R3) zones require a planned development permit.	This program was completed in 2010 and is proposed to be removed from the 2014-2022 Housing Element.	Program removed.

Goal C: Enhance Residential Neighborhoods

Policy 8: Maintenance and Repair

<p><u>Program 22: Apartment Acquisition and Rehabilitation</u> Provide financial assistance to eligible very low and low-income homeowners to rehabilitate their housing units.</p>	<p><u>Accomplishments</u> The City continues to assist non-profits with the acquisition and rehabilitation of affordable housing units such as:</p> <ol style="list-style-type: none"> 1. Maitri Transitional Housing Rehabilitation: CDBG funds were used to rehabilitate this four-unit transitional housing for victims of domestic violence. Project was completed in 2010. 2. Senior Housing Solutions – 19935 Price Avenue: Acquisition and rehabilitation of this property using the Below Market-Rate (BMR) Affordable Housing Fund (AHF) and Community Development Block Grant (CDBG) funds and was completed in 2011. This home is now 	<p>Preserving and improving the quality of housing for lower income households is important to the City. This program is proposed to be included and revised in the 2014-2022 Housing Element to incorporate both rehabilitation efforts for both single-family and multi-family rehabilitation.</p>	<p><u>New Program 12: Residential Rehabilitation</u> The City will continue to:</p> <ul style="list-style-type: none"> • Utilize its BMR AHF and CDBG funds to support residential rehabilitation efforts in the community. These include: <ul style="list-style-type: none"> ○ Acquisition/rehabilitation of rental housing ○ Rehabilitation of owner-occupied housing • Provide assistance for home safety repairs and mobility/accessibility improvements to income-qualified owner-occupants using CDBG funds. The focus of this program is on the correction of safety hazards. • Explore opportunities for acquisition
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<p align="center">Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs</p>			
<p>2007-2014 Housing Element Goals, Policies and Programs</p>	<p>2007-2014 Housing Element Program Accomplishments</p>	<p>Proposed 2014-2022 Housing Element Program Recommendation</p>	<p>Proposed 2014-2022 Housing Element Changes to Program Language</p>
	<p>occupied by five low income seniors.</p>		<p>and/or rehabilitation of rental housing for lower income households.</p>
<p><i>Policy 9: Conservation of Housing Stock</i></p>			
<p><u>Program 23: Preservation of “At Risk Units”</u> Monitor owners of at-risk projects on an ongoing basis to determine their interest in selling, prepaying, terminating or continuing participation in a subsidy program. Work with owners, tenants, and nonprofit organizations to assist in the nonprofit acquisition of at-risk projects to ensure long-term affordability of developments where appropriate.</p>	<p>The City did not experience a loss of any “at risk” affordable units converting to market-rate during the planning period.</p>	<p>The City works to preserve its affordable housing stock. This program is proposed to be included and revised in the 2014-2022 Housing Element.</p>	<p><u>New Program 13: Preservation of At-Risk Housing Units</u> To preserve the City’s affordable housing inventory, the City will:</p> <ul style="list-style-type: none"> • Annually monitor the status of its affordable housing inventory and contact property owners for the intent to remain or opt out of their affordable programs. • In the event a project becomes at risk of converting to market-rate housing, work with property owners or other interested non-profit housing providers to preserve the units.
<p><u>Program 24: Condominium Conversions</u> Continue to implement to Condominium Conversion Ordinance.</p>	<p>The City continues to implement the Condominium Conversion Ordinance.</p>	<p>This program is proposed to be included and revised in the 2014-2022 Housing Element.</p>	<p><u>New Program 14: Condominium Conversion</u> The City’s existing Condominium Conversion Ordinance regulates the conversion of rental units in multi-family housing development in order to preserve the rental housing stock. Condominium conversions are not allowed if the rental vacancy rate in Cupertino and certain adjacent areas is less than five percent at the time of the application for conversion and has</p>

<p align="center">Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs</p>			
<p>2007-2014 Housing Element Goals, Policies and Programs</p>	<p>2007-2014 Housing Element Program Accomplishments</p>	<p>Proposed 2014-2022 Housing Element Program Recommendation</p>	<p>Proposed 2014-2022 Housing Element Changes to Program Language</p>
			<p>averaged five percent over the past six months. The City will continue to monitor the effectiveness of this ordinance in providing opportunities for homeownership while preserving a balanced housing stock with rental housing.</p>
<p><u>Program 25: Rental Housing Preservation Program</u> Develop and adopt a program that would grant approval only if at least two of the following three circumstances exist:</p> <ul style="list-style-type: none"> • The project will comply with the City’s BMR Program based on the actual number of new units constructed, not the net number of units; and/or • The number of rental units to be provided on the site is at least equal to the number of existing rental units; and/or • No less than 20 percent of the units will comply with the City’s BMR Program. 	<p>The City has not adopted a Rental Housing Preservation Program.</p>	<p>This program is proposed to be discussed further and will be included as a placeholder in the 2015-2023 Housing Element.</p>	<p><u>New Program 27: Rental Housing Preservation Program</u> This program will be discussed further in light of recent court cases such as Palmer vs. City of Los Angeles, Sterling Park vs. City of Palo Alto. Also in response to recent court cases various cities are addressing this issue with updating mitigation fees for rental units. Due to the uncertainty of the outcome of several court cases that are pending this program will be discussed further.</p>
<p><u>Program 26: Conservation and Maintenance of Affordable Housing</u> Develop a program to encourage the maintenance and rehabilitation of residential structures to preserve the</p>	<p>The City contracts with Rebuilding Together Silicon Valley (RTSV) to provide home safety repairs and mobility/accessibility improvements to income-qualified owner-occupants using CDBG</p>	<p>The City recognizes the importance of maintaining and improving its existing housing stock. This program is proposed to be included in the</p>	<p><u>Refer to New Program 12: Residential Rehabilitation.</u></p>

<p align="center">Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs</p>			
<p>2007-2014 Housing Element Goals, Policies and Programs</p>	<p>2007-2014 Housing Element Program Accomplishments</p>	<p>Proposed 2014-2022 Housing Element Program Recommendation</p>	<p>Proposed 2014-2022 Housing Element Changes to Program Language</p>
<p>older, more affordable housing stock.</p>	<p>funds. The focus of this program is on the correction of safety hazards. Between 2007 and 2013, 31 households were assisted through this program.</p>	<p>2014-2022 Housing Element as a new program - Residential Rehabilitation.</p>	
<p><u>Program 27: Neighborhood and Community Clean Up Campaigns</u> Continue to encourage and sponsor neighborhood and community clean up campaigns for both public and private properties.</p>	<p>The Environmental Services division organizes an annual city-wide garage sale to encourage reuse of items which ordinarily might end up in the landfill. Also, the division organizes community creek clean-up campaigns.</p>	<p>This is an ongoing program and is proposed to be included in the 2014-2022 Housing Element.</p>	<p><u>New Program 15: Neighborhood and Community Clean Up Campaigns</u> The City will continue to encourage and sponsor neighborhood and community clean up campaigns for both public and private properties.</p>
<p><i>Policy 10: Energy Conservation</i></p>			
<p><u>Program 28: Energy Conservation Opportunities</u> Continue to enforce Title 24 requirements for energy conservation and evaluate utilizing suggestions as identified in the Environmental Resources/Sustainability element.</p>	<p>The City continues to enforce Title 24.</p>	<p>This is a function of the Building Division and is proposed to be included as a separate housing program in the 2014-2022 Housing Element.</p>	<p><u>New Program 16: Enforcement of Title 24</u> The City will continue to enforce Title 24 requirements for energy conservation.</p>
<p><u>Program 29: Fee Waivers or Reduction for Energy Conservation</u> Evaluate and implement the potential to provide incentives, such as waiving or reducing fees, for energy conservation improvements to residential units (existing or new).</p>	<p>The City adopted a Green Building Ordinance in 2013 to facilitate energy conservation efforts. Residential and nonresidential new construction, addition, and renovation are required to comply with the Green Building Ordinance.</p>	<p>This program is proposed to be included and revised in the 2014-2022 Housing Element.</p>	<p><u>New Program 17: Green Building Ordinance</u> The City will continue to implement the Green Building Ordinance (adopted in 2013) that applies to new residential and nonresidential development, additions, renovations, and tenant improvements. To further the objectives of the City's Green Building Ordinance, the City will evaluate the potential to provide incentives, such as waiving or reducing fees, for energy conservation</p>

<p align="center">Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs</p>			
<p>2007-2014 Housing Element Goals, Policies and Programs</p>	<p>2007-2014 Housing Element Program Accomplishments</p>	<p>Proposed 2014-2022 Housing Element Program Recommendation</p>	<p>Proposed 2014-2022 Housing Element Changes to Program Language</p>
			<p>improvements at residential projects (existing or new) with fewer than ten units to exceed the minimum requirements of the California Green Building Code.</p>
<p><u>Program 30: Energy Efficiency Audits</u> Offer free energy efficiency audits for residential units under a contract with Acterra.</p>	<p>Energy audits were offered through an ARRA grant by the Public Information Office through a contract with Actera.</p>	<p>The ARRA program expired in 2012. This program is proposed to be removed from the 2014-2022 Housing Element.</p>	<p>Program removed.</p>
<p><u>Program 31: Energy Conservation in Residential Development</u> Continue to encourage energy efficient residential development and provide technical assistance to developers who are interested in incorporating energy efficient design elements into their program.</p>	<p>The City also adopted a Green Building Ordinance in 2012 to encourage energy conservation efforts.</p>	<p>This program is proposed to be included in the 2014-2022 Housing Element.</p>	<p><u>Refer to New Program 17: Green Building Ordinance.</u></p>
<p>Goal D: Services for Special Needs Households</p>			
<p><i>Policy 11: Special Needs Households</i></p>			
<p><u>Program 32: Emergency Shelters</u> Revise the Zoning Ordinance to allow permanent emergency shelter facilities in “BQ” Quasi-Public zoning districts as a permitted use.</p>	<p>The City revised the Zoning Ordinance in 2010 to permit emergency shelters in the “BQ” Quasi-Public zoning districts as a permitted use. However, the development standards established in the Zoning Ordinance may not comply with SB 2 requirements.</p>	<p>This program is proposed to be included in the 2015-2023 Housing Element and revised to comply with SB 2 requirements.</p>	<p><u>New Program 18: Emergency Shelters</u> The City amended its Zoning Ordinance in 2010 to provide for the siting of emergency shelters in the “BQ” Quasi-Public zoning districts as a permitted use. However, the development standards established in the Zoning Ordinance do not meet State law requirements for permanent year-round shelters. Specifically, the City requires the shelter to be located in an existing</p>

<p align="center">Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs</p>			
<p>2007-2014 Housing Element Goals, Policies and Programs</p>	<p>2007-2014 Housing Element Program Accomplishments</p>	<p>Proposed 2014-2022 Housing Element Program Recommendation</p>	<p>Proposed 2014-2022 Housing Element Changes to Program Language</p>
			<p>church structure – a location requirement not permitted under State law. The City will revise the Zoning Ordinance to comply with State law.</p>
<p><u>Program 33: Rotating Homeless Shelter</u> Continue to support the rotating emergency shelter operated by West Valley Community Services.</p>	<p>West Valley Community Services (WVCS) successfully managed the Rotating Shelter Program for 18 years. The Rotating Shelter Program is now operated through Faith in Action Silicon Valley.</p>	<p>The City recognizes the critical need to provide homeless prevention and emergency shelter services for the homeless in the region. This program is proposed to be included in the 2014-2022 Housing Element.</p>	<p><u>New Program 19: Rotating Homeless Shelter</u> The City will continue to support the operation of a Rotating Homeless Shelter program.</p>
<p><u>Program 34: Transitional and Supportive Housing</u> Amend its zoning ordinance to comply with the requirements of SB2. Transitional and supportive housing will be treated as residential uses and be subject to the same development standards and restrictions that apply to similar housing types in the same zone.</p>	<p>The City revised the Zoning Ordinance in 2010 to provide transition and supportive housing as a residential use to be permitted in similar manners as similar uses in the same zones.</p> <p>In 2008, the City contributed \$800,000 to Maitri, a non-profit agency providing transitional housing to victims of domestic violence, for the purchase of a four-plex in Cupertino. The project was completed in 2010.</p>	<p>The Zoning Ordinance amendment program was completed in 2010. This program is proposed to be removed from the 2014-2022 Housing Element.</p>	<p><u>Program to revise Zoning Ordinance removed.</u></p> <p><u>Refer to New Program 10: Incentives for Affordable Housing Development and New Program 11: Extremely Low Income Housing and Housing for Persons with Special Needs for City efforts in facilitating transitional and supportive housing.</u></p>
<p><u>Program 35: Catholic Social Services (Single Parents)</u> Provide help, Catholic Social Services, to place single parents in shared housing situations through the Santa Clara County Urban County</p>	<p>Catholic Charities continues to provide the shared housing services through the Urban County CDBG program.</p>	<p>The City will continue to provide a range of supportive services to its residents, especially those with special needs, in order to foster a suitable living environment. A</p>	<p><u>New Program 20: Supportive Services for Lower Income Households and Persons with Special Needs</u> The City will continue to utilize its BMR AHF, CDBG funds, and General Fund Human Service Grants funds to provide</p>

<p align="center">Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs</p>			
<p>2007-2014 Housing Element Goals, Policies and Programs</p>	<p>2007-2014 Housing Element Program Accomplishments</p>	<p>Proposed 2014-2022 Housing Element Program Recommendation</p>	<p>Proposed 2014-2022 Housing Element Changes to Program Language</p>
<p>programs.</p>		<p>new program is proposed to be included and revised in the 2014-2022 Housing Element to reflect the range of services that may be supported by the City.</p>	<p>for a range of supportive services for lower income households and persons with special needs.</p>
<p><u>Program 36: Flexible Parking Standards</u> Consider granting reductions in off-street parking on a case-by-case basis for senior housing.</p>	<p>The City continues to offer reductions in parking requirements on a case-by-case basis for senior housing. However, no new senior housing project was developed between 2007 and 2013.</p>	<p>This program is proposed to be included in the 2014-2022 Housing Element.</p>	<p><u>Refer to New Program 10: Incentives for Affordable Housing Development.</u></p>
<p>Goal E: Equal Access to Housing Opportunities</p>			
<p><i>Policy 12: Housing Discrimination</i></p>			
<p><u>Program 37: Santa Clara County Fair Housing Consortium</u> Distribute fair housing materials at all public facilities throughout the City and also has a booth at public events to distribute materials.</p>	<p>The City continues to participate in the Fair Housing Consortium. Fair housing materials distributed by various organizations are available at public counters.</p>	<p>This program is proposed to be included and revised in the 2014-2022 Housing Element.</p>	<p><u>New Program 21: Fair Housing Services</u> The City will continue to:</p> <ul style="list-style-type: none"> • Provide fair housing services, which include outreach, education, counseling, and investigation of fair housing complaints. • Retain a fair housing service provider to provide direct services for residents, landlords, and other housing professionals. • Coordinate with efforts of the Santa Clara County Fair Housing Consortium to affirmatively further fair housing. • Distribute fair housing materials produced by various organizations at public counters and public events?.
<p><u>Program 38: Fair Housing Outreach</u></p>	<p>The City continues to contract with Eden</p>	<p>This program is proposed to be</p>	<p>Refer to New Program 21.</p>

Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs

2007-2014 Housing Element Goals, Policies and Programs	2007-2014 Housing Element Program Accomplishments	Proposed 2014-2022 Housing Element Program Recommendation	Proposed 2014-2022 Housing Element Changes to Program Language
Continue to contract with ECHO Housing to provide fair housing outreach services.	Council for Hope and Opportunity (ECHO) to provide fair housing services, including outreach and education, counseling, and investigation of fair housing complaints. Also Project Sentinel provides tenant/landlord mediation services under contract for the City.	included in the 2014-2022 Housing Element as a new program - Fair Housing Services.	
<u>Program 39: Reasonable Accommodation Ordinance</u> Adopt a written reasonable accommodation ordinance to provide persons with disabilities exceptions in zoning and land-use for housing.	The City adopted the Reasonable Accommodation Ordinance in 2010.	This program was completed in 2010 and is proposed to be removed from the 2015-2023 Housing Element.	Program removed.

Goal F: Coordination with Local School Districts

Policy 13: Coordination with Local School Districts

<u>Program 40: Coordination with Local School Districts</u> Form a new committee of key staff from the City and the school districts to meet on a bi-monthly basis or as needed to review City planning initiatives, development proposals and School capital facilities and operating plans.	City staff continues to meet with the school districts to discuss facility needs. However, no formal committee was established.	The City recognizes the importance of addressing development impacts on the school districts. This program is proposed to be included and revised in the 2014-2022 Housing Element. In addition, the proposed new revised program will reflect coordination with other agencies, organizations, and neighboring jurisdictions to address regional housing issues.	<u>New Program 22: Coordination with Outside Agencies and Organizations</u> The City recognizes the importance of partnering with outside agencies and organizations in addressing local and regional housing issues. These may include, but are not limited to the following: <ul style="list-style-type: none"> • School districts • Housing providers • Neighboring jurisdictions • Association of Bay Area Governments (ABAG) • Housing Trust of Santa Clara County (HTSCC)
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Summary of Accomplishments of 2007-2014 Housing Element Implementation Programs			
2007-2014 Housing Element Goals, Policies and Programs	2007-2014 Housing Element Program Accomplishments	Proposed 2014-2022 Housing Element Program Recommendation	Proposed 2014-2022 Housing Element Changes to Program Language
			<ul style="list-style-type: none">• Santa Clara County Fair Housing Consortium• Santa Clara County HOME Consortium• Santa Clara County Continuum of Care (COC)• Housing Authority of Santa Clara County (HASCC) <p>Specifically, the City will meet with these agencies/organizations periodically to discuss the changing needs, development trends, alternative approaches, and partnering opportunities.</p>

Summary of Proposed 2014-2022 Housing Element Goals, Policies and Programs

Goal A: An Adequate Supply of Residential Units for All Economic Segments

- ***Policy 1: Provision of Adequate Capacity for New Construction Need***
Designate sufficient land at appropriate densities to accommodate Cupertino's Regional Housing Needs Allocation (RHNA) of 1,064 units for 2014-2022 RHNA planning period.
- ***Policy 2: Housing Densities***
Provide a full range of ownership and rental housing unit densities, including apartments and other high-density housing.
- ***New Policy 3: Mixed Use Development***
Encourage mixed use development near transportation facilities and employment centers.
 - Goal A Programs:
 - Program 1: Land Use Policy and Zoning Provisions
 - Program 2: Second Dwelling Units
 - Program 3: Encourage Lot Consolidation
 - Program 4: Flexible Residential Standards

Goal B: Housing is Affordable for a Diversity of Cupertino Households

- ***Policy 4: Housing Mitigation***
Ensure that all new developments, including market-rate residential developments, help mitigate its impact on affordable housing needs.
- ***Policy 5: Range of Housing Types***
Encourage the development of diverse housing stock that provides a range of housing types (including smaller, moderate cost housing) and affordability levels. Emphasize the provision of housing for lower and moderate income households and also households with wage earners who provide essential public services (e.g., school district employees, municipal and public safety employees, etc.)
- ***Policy 6: Development of Affordable Housing and Housing for Persons with Special Needs***
Maintain and/or adopt appropriate land use regulations and other development tools to encourage the development of affordable housing. Make every reasonable effort to disperse units throughout the community but not at the expense of undermining the fundamental goal of providing affordable units.

- Goal B Programs:
 - Program 5: Office and Industrial Housing Mitigation Program
 - Program 6: Residential Housing Mitigation Program
 - Program 7: Below Market-Rate (BMR) Affordable Housing Fund (AHF)
 - Program 8: Referral to Housing Resources
 - Program 9: Surplus Properties for Housing
 - Program 10: Incentives for Affordable Housing Development
 - Program 11: Extremely Low-Income Housing and Housing for Persons with Special Needs
 - Program 23: Nexus Study Update
 - Program 24: Community Development Block Grant (CDBG) Program
 - Program 26: HOME Investment Partnerships (HOME) Program

Goal C: Enhanced Residential Neighborhoods

- ***Policy 7: Housing Rehabilitation***
Pursue and/or provide funding for the acquisition/rehabilitation of housing that is affordable to very low, low and moderate income households. Actively support and assist non-profit and for profit developers in producing affordable units.
- ***Policy 8: Maintenance and Repair***
Assist lower income homeowners and rental property owners in maintaining and repairing their housing units.
- ***Policy 9: Conservation of Housing Stock***
Conserve the existing stock of owner and rental housing units, which provide affordable housing opportunities for lower and moderate income households.
 - Goal C Programs:
 - Program 12: Residential Rehabilitation
 - Program 13: Preservation of At-Risk Housing Units
 - Program 14: Condominium Conversion
 - Program 27: Rental Housing Preservation Program
 - Program 15: Neighborhood and Community Clean Up Campaigns

New Goal (D): Energy Conservation

- ***Policy 10: Energy Conservation***
Encourage energy conservation in all existing and new residential and mixed use development.
 - Goal D Programs:
 - Program 16: Enforcement of Title 24

- Program 17: Green Building Ordinance

Goal E: Services for Extremely Low Income Households and Special Needs Households

- ***Policy 11: Special Needs Households***
Support organizations that provide services to special need households in the City, such as the homeless, elderly, disabled and single parent households.
 - Goal E Programs:
 - Program 18: Emergency Shelters
 - Program 19: Rotating Homeless Shelter
 - Program 20: Supportive Services for Lower Income Households and Persons with Special Needs
 - Program 25: General Fund Human Service Grants (HSG) Program

Goal F: Equal Access to Housing Opportunities

- ***Policy 12: Housing Discrimination***
The City will work to eliminate on a citywide basis all unlawful discrimination in housing with respect to age, race, sex, sexual orientation, marital or familial status, ethnic background, medical condition, or other arbitrary factors, so that all persons can obtain decent housing.
 - Goal F Programs:
 - Program 21: Fair Housing Services

Goal G: Coordination with Regional Organizations and Local School Districts

- ***Policy 13: Coordination with Local School Districts***
The Cupertino community places a high value on the excellent quality of education provided by the two public school districts which serve the city. In order to ensure the long-term sustainability of the schools in tandem with the preservation and development of vibrant residential areas, the City will institute a new policy of coordinating closely with the Cupertino Union School District (CUSD) and Fremont Union High School District (FUHSD).
- ***Policy 14: Coordination with Regional Efforts to Address Housing-Related Issues***
Coordinate efforts with regional organizations, including ABAG, as well as neighboring jurisdictions, to address housing issues.
 - Goal G Programs:
 - Program 22: Coordination with Outside Agencies and Organizations

Housing Element Implementation Programs	Goal A: Supply of Units			Goal B: Affordable Housing			Goal C: Enhanced Neighborhoods			Goal D: Energy	Goal E: Special Needs	Goal F: Fair Housing	Goal G: Coordination	
	Policy 1	Policy 2	Policy 3	Policy 4	Policy 5	Policy 6	Policy 7	Policy 8	Policy 9	Policy 10	Policy 11	Policy 12	Policy 13	Policy 14
<p>Program 1: Land Use Policy and Zoning Provisions The City will continue to:</p> <ul style="list-style-type: none"> • Provide adequate capacity through its Land Use Element and Zoning Ordinance to accommodate its RHNA of 1,064 units, while maintaining a balanced land use plan that offers opportunities for employment growth, commercial/retail activities, services, and amenities. • Monitor its development standards to ensure they are adequate and appropriate to facilitate a range of housing in the community • Monitor its sites inventory and make it available on City website. 	√	√	√		√	√								
<p>Program 2: Second Dwelling Units The City will continue to implement the Second Dwelling Unit Ordinance and encourage the production of second units.</p>	√	√			√	√								
<p>Program 3: Encourage Lot Consolidation The City will continue to:</p> <ul style="list-style-type: none"> • Encourage lot consolidation when contiguous smaller, underutilized parcels are to be redeveloped. • Encourage master plans for such sites with coordinated access and circulation. • Provide technical assistance to property owners of adjacent parcels to facilitate coordinated redevelopment where appropriate. • Encourage intra- and inter-agency cooperation in working with applicants at no cost prior to application submittal for assistance with preliminary plan review. 	√	√	√			√								
<p>Program 4: Flexible Residential Standards The City will continue to:</p> <ul style="list-style-type: none"> • Offer flexible residential development standards in planned residential zoning districts, such as smaller lot sizes, lot widths, floor area ratios and setbacks, particularly for higher density and attached housing developments. • Consider granting reductions in off-street parking on a case-by-case basis for senior housing. 	√	√	√			√								
<p>Program 5: Office and Industrial Housing Mitigation Program The City will continue to implement the Office and Industrial Housing Mitigation Program. This program requires that developers of office, commercial, and industrial space pay a fee, which will then be used to support affordable housing for families who work in Cupertino but live elsewhere. These fees are collected and deposited in the City's Below Market-Rate (BMR) Affordable Housing Fund (AHF).</p>				√	√	√	√							

Housing Element Implementation Programs	Goal A: Supply of Units			Goal B: Affordable Housing			Goal C: Enhanced Neighborhoods			Goal D: Energy	Goal E: Special Needs	Goal F: Fair Housing	Goal G: Coordination	
	Policy 1	Policy 2	Policy 3	Policy 4	Policy 5	Policy 6	Policy 7	Policy 8	Policy 9	Policy 10	Policy 11	Policy 12	Policy 13	Policy 14
<p>Program 6: Residential Housing Mitigation Program The City will continue to implement the Residential Housing Mitigation Program to mitigate the need for affordable housing created by new market-rate residential development. This program applies to all new residential development of one unit or greater. Mitigation includes either the payment of the “Housing Mitigation” fee or the provision of a Below Market Rate (BMR) unit or units. Projects of seven or more for-sale units must provide on-site BMR units. Projects of six units or fewer for-sale units can either build one BMR unit or pay the Housing Mitigation fee. Developers of market-rate rental units, where the units cannot be sold individually, must pay the Housing Mitigation fee to the Affordable Housing Fund (AHF).</p>				√	√	√	√							
<p>New Program 7: Below Market-Rate (BMR) Affordable Housing Fund (AHF) The City’s Below Market-Rate (BMR) Affordable Housing Fund (AHF) will continue to support affordable housing projects, programs and services, including but not limited to:</p> <ul style="list-style-type: none"> • Rehabilitation • Acquisition with or without rehabilitation • New construction • Preserving “at-risk” BMR units • Rental operating subsidies • Down payment assistance • Land write-downs • Direct gap financing • Public service agencies • Special needs housing <p>The City will target a portion of the Below Market-Rate (BMR) Affordable Housing Fund (AHF) to benefit extremely low-income households and persons with special needs (such as the elderly, victims of domestic violence, and the disabled, including persons with developmental disabilities).</p>					√	√	√							
<p>Program 8: Referral to Housing Resources The City will continue to provide information on housing resources and services offered by the County and other outside agencies. These include, but are not limited to:</p> <ul style="list-style-type: none"> • Mortgage Credit Certificate (MCC) • Section 8 Housing Choice Vouchers • Housing Trust of Santa Clara County (HTSCC) • Housing Authority of Santa Clara County (HASCC) • County of Santa Clara HOME Consortium 					√	√	√							

Housing Element Implementation Programs	Goal A: Supply of Units			Goal B: Affordable Housing			Goal C: Enhanced Neighborhoods			Goal D: Energy	Goal E: Special Needs	Goal F: Fair Housing	Goal G: Coordination	
	Policy 1	Policy 2	Policy 3	Policy 4	Policy 5	Policy 6	Policy 7	Policy 8	Policy 9	Policy 10	Policy 11	Policy 12	Policy 13	Policy 14
<p>Program 9: Surplus Properties for Housing The City will explore opportunities on surplus properties as follows:</p> <ul style="list-style-type: none"> • Work with local public agencies, school districts and churches, to identify surplus properties or underutilized properties that have the potential for residential development. • Encourage long-term land leases of properties from churches, school districts, and corporations for construction of affordable units. • Evaluate the feasibility of developing special housing for teachers or other employee groups on the surplus properties. • Review housing programs in neighboring school districts that assist teachers for applicability in Cupertino. 					√									
<p>Program 10: Incentives for Affordable Housing Development The City will continue to offer a range of incentives to facilitate the development of affordable housing. These include:</p> <ul style="list-style-type: none"> • Financial assistance through the City’s Below Market-Rate (BMR) Affordable Housing Fund (AHF) and Community Development Block Grant (CDBG) Program funds; • Density bonus incentives; • Flexible development standards; • Technical assistance; • Waiver of park dedication fees; • Parking ordinance waivers; and • Expedited permit processing. 					√	√								
<p>Program 11: Extremely Low-Income Housing and Housing for Persons with Special Needs The City will continue to encourage the development of adequate housing to meet the needs of extremely low-income households and persons with special needs (such as the elderly, victims of domestic violence, and the disabled, including persons with developmental disabilities).</p> <p>Specifically, the City will consider the following incentives:</p> <ul style="list-style-type: none"> • Provide financing assistance using the BMR AHF and CDBG funds (refer to New Program 7). • Allow residential developments to exceed planned density maximums if they provide special needs housing and the increase in density will not overburden neighborhood streets or hurt neighborhood character. • Grant reductions in off-street parking on a case-by-case basis. 		√			√	√								

Housing Element Implementation Programs	Goal A: Supply of Units			Goal B: Affordable Housing			Goal C: Enhanced Neighborhoods			Goal D: Energy	Goal E: Special Needs	Goal F: Fair Housing	Goal G: Coordination	
	Policy 1	Policy 2	Policy 3	Policy 4	Policy 5	Policy 6	Policy 7	Policy 8	Policy 9	Policy 10	Policy 11	Policy 12	Policy 13	Policy 14
<p>Program 12: Residential Rehabilitation The City will continue to:</p> <ul style="list-style-type: none"> Utilize its BMR AHF and CDBG funds to support residential rehabilitation efforts in the community. These include: <ul style="list-style-type: none"> Acquisition/rehabilitation of rental housing Rehabilitation of owner-occupied housing Provide assistance for home safety repairs and mobility/accessibility improvements to income-qualified owner-occupants using CDBG funds. The focus of this program is on the correction of safety hazards. Explore opportunities for acquisition and/or rehabilitation of rental housing for lower income households. 							√	√						
<p>Program 13: Preservation of At-Risk Housing Units To preserve the City’s affordable housing inventory, the City will:</p> <ul style="list-style-type: none"> Annually monitor the status of its affordable housing inventory and contact property owners for the intent to remain or opt out of their affordable programs. In the event a project becomes at risk of converting to market-rate housing, work with property owners or other interested non-profit housing providers to preserve the units. 									√					
<p>Program 14: Condominium Conversion The City’s existing Condominium Conversion Ordinance regulates the conversion of rental units in multi-family housing development in order to preserve the rental housing stock. Condominium conversions are not allowed if the rental vacancy rate in Cupertino and certain adjacent areas is less than five percent at the time of the application for conversion and has averaged five percent over the past six months. The City will continue to monitor the effectiveness of this ordinance in providing opportunities for homeownership while preserving a balanced housing stock with rental housing.</p>					√				√					
<p>Program 15: Neighborhood and Community Clean Up Campaigns The City will continue to encourage and sponsor neighborhood and community clean up campaigns for both public and private properties.</p>								√						
<p>Program 16: Enforcement of Title 24 The City will continue to enforce Title 24 requirements for energy conservation.</p>										√				

Housing Element Implementation Programs	Goal A: Supply of Units			Goal B: Affordable Housing			Goal C: Enhanced Neighborhoods			Goal D: Energy	Goal E: Special Needs	Goal F: Fair Housing	Goal G: Coordination	
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<p>Program 17: Green Building Ordinance The City will continue to implement the Green Building Ordinance (adopted in 2013) that applies to new residential and nonresidential development, additions, renovations, and tenant improvements.</p>										√				
<p>Program 18: Emergency Shelters The City amended its Zoning Ordinance in 2010 to provide for the siting of emergency shelters in the "BQ" Quasi-Public zoning districts as a permitted use. However, the development standards established in the Zoning Ordinance do not meet State law requirements for permanent year-round shelters. Specifically, the City requires the shelter to be located in an existing church structure – a location requirement not permitted under State law. The City will revise the Zoning Ordinance within one year of the Housing Element adoption to comply with State law.</p>											√			
<p>Program 19: Rotating Homeless Shelter The City will continue to support the operation of the rotating emergency shelter program.</p>											√			
<p>Program 20: Supportive Services for Lower Income Households and Persons with Special Needs The City will continue to utilize its Below Market-Rate (BMR) Affordable Housing Fund (AHF), General Fund Human Service Grants (HSG) Program and CDBG funds, to provide for a range of supportive services for lower income households and persons with special needs.</p>											√			
<p>Program 21: Fair Housing Services The City will continue to:</p> <ul style="list-style-type: none"> • Provide fair housing services, which include outreach, education, counseling, and investigation of fair housing complaints. • Retain a fair housing service provider to provide direct services for residents, landlords, and other housing professionals. • Coordinate with efforts of the Santa Clara County Fair Housing Consortium to affirmatively further fair housing. • Distribute fair housing materials produced by various organizations at public counters and public events. 												√		

Housing Element Implementation Programs	Goal A: Supply of Units			Goal B: Affordable Housing			Goal C: Enhanced Neighborhoods			Goal D: Energy	Goal E: Special Needs	Goal F: Fair Housing	Goal G: Coordination	
	Policy 1	Policy 2	Policy 3	Policy 4	Policy 5	Policy 6	Policy 7	Policy 8	Policy 9	Policy 10	Policy 11	Policy 12	Policy 13	Policy 14
<p>Program 22: Coordination with Outside Agencies and Organizations The City recognizes the importance of partnering with outside agencies and organizations in addressing local and regional housing issues. These may include, but are not limited to the following:</p> <ul style="list-style-type: none"> • School districts • Housing developers • Public service agencies • Association of Bay Area Governments (ABAG) • Housing Trust of Santa Clara County (HTSCC) • Santa Clara County Fair Housing Consortium • Santa Clara County HOME Consortium • Santa Clara County Continuum of Care (COC) • Housing Authority of the County of Santa Clara County (HACSCC) <p>Specifically, the City will meet with these agencies/ organizations periodically to discuss the changing needs, development trends, alternative approaches, and partnering opportunities.</p>													√	√
<p>Program 23: Nexus Study Update The City will update its current Nexus Study in relationship to its Office, Industrial and Residential Mitigation Program</p>				√										
<p>Program 24: Community Development Block Grant (CDBG) Program The City will continue to utilize Community Development Block Grant (CDBG) entitlement funds to support eligible capital housing projects and public service housing activities.</p>					√						√			
<p>Program 25: General Fund Human Service Grants (HSG) Program The City will continue to utilize General Fund Human Service Grants (HSG) funds to support public service agencies, affordable housing programs and services.</p>											√			
<p>Program 26: HOME Investment Partnerships (HOME) Program The City will propose to join the County of Santa Clara HOME Consortium. The City would be eligible to apply for HOME funds through the County of Santa Clara for eligible affordable housing projects and programs.</p>					√									

Housing Element Implementation Programs	Goal A: Supply of Units			Goal B: Affordable Housing			Goal C: Enhanced Neighborhoods			Goal D: Energy	Goal E: Special Needs	Goal F: Fair Housing	Goal G: Coordination	
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<p>Program 27: Rental Housing Preservation Program This program will be discussed further in light of recent court cases such as Palmer vs. City of Los Angeles, Sterling Park vs. City of Palo Alto. Also in response to recent court cases various cities are addressing this issue with updating mitigation fees for rental units. Due to the uncertainty of the outcome of several court cases that are pending this program will be discussed further.</p>									√					

Proposed Revisions to 2007-2014 Housing Element Goals and Policies

Goal A: An Adequate Supply of Residential Units for All Economic Segments

Policy 1: ~~Sufficiently Residentially Zoned Land~~ Provision of Adequate Capacity for New Construction Need

Designate sufficient ~~residentially zoned~~ land at appropriate densities to ~~provide adequate sites that will meet~~ accommodate ~~ABAG's estimate of~~ Cupertino's Regional Housing Needs Allocation (RHNA) of 1, ~~170~~ 064 units for 20 ~~07~~ 14 - 20 ~~14~~ 22 RHNA planning period.

Policy ~~72~~: Housing Densities

Provide a full range of ownership and rental housing unit densities, including apartments and other high-density housing.

New Policy 3: Mixed Use Development

Encourage mixed use development near transportation facilities and employment centers.

Goal B: Housing is Affordable for a Diversity of Cupertino Households

Policy ~~24~~: Housing Mitigation ~~Plan~~

Ensure that ~~The Housing Mitigation plan is based on a nexus study prepared by the City that demonstrated that~~ all new developments, including market-rate residential developments, helps mitigate its impacts on ~~create a need for~~ affordable housing needs.

Policy ~~35~~: Range of Housing Types

Encourage the development of diverse housing stock that provides a range of housing types (including smaller, moderate cost housing) and affordability levels. Emphasize the provision of housing for lower and moderate income households and also households with wage earners who provide essential public services (e.g., school district employees, municipal and public safety employees, etc.)

Policy 4: Housing Rehabilitation

~~Pursue and/or provide funding for the construction or rehabilitation of housing that is affordable to very low, low and moderate income households. Actively support and assist non-profit and for-profit developers in producing affordable units.~~

Policy ~~56~~: Development of Affordable Housing and Housing for Persons with Special Needs

Maintain and/or adopt appropriate land use regulations and other development tools to encourage the development of affordable housing. Make every reasonable effort to disperse units throughout the community but not at the expense of undermining the fundamental goal of providing affordable units.

Policy 7: Housing Densities

~~Provide a full range of ownership and rental housing unit densities, including apartments and other high density housing.~~

Goal C: Enhanced Residential Neighborhoods

Policy 47: Housing Rehabilitation

Pursue and/or provide funding for the ~~construction or acquisition~~/rehabilitation of housing that is affordable to very low, low and moderate income households. Actively support and assist non-profit and for profit developers in producing affordable units.

Policy 8: Maintenance and Repair

Assist ~~very low and low income~~ lower income homeowners and rental property owners in maintaining and repairing their housing units.

Policy 9: Conservation of Housing Stock

Conserve the existing stock of owner and rental housing units, which provide affordable housing opportunities for lower and moderate income households.

New Goal D: Energy Conservation

Policy 10: Energy Conservation

Encourage energy conservation in all existing and new residential and mixed use development.

Goal DE: Services for Extremely Low Income Households and Special Needs Households

Policy 11: Special Needs Households

Support organizations that provide services to special need households in the City, such as the homeless, elderly, disabled and single parent households.

Goal EF: Equal Access to Housing Opportunities

Policy 12: Housing Discrimination

The City will work to eliminate on a citywide basis all unlawful discrimination in housing with respect to age, race, sex, sexual orientation, marital or familial status, ethnic background, medical condition, or other arbitrary factors, so that all persons can obtain decent housing.

Goal FG: Coordination with ~~Local School Districts~~ Regional Organizations and Neighboring Jurisdictions

Policy 13: Coordination with Local School Districts

The Cupertino community places a high value on the excellent quality of education provided by the two public school districts which serve the city. In order to ensure the long-term sustainability of the schools in tandem with the preservation and development of vibrant residential areas, the City will institute a new policy of coordinating closely with the Cupertino Union School District (CUSD) and Fremont Union High School District (FUHSD).

Policy 14: Coordination with Regional Efforts to Address Housing-Related Issues

Coordinate efforts with regional organizations, including ABAG, as well as neighboring jurisdictions, to address housing issues.