

COMMUNITY DEVELOPMENT DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: June 18, 2019

<u>Subject</u>

Municipal Code Amendment to consider changing the composition of the Housing Commission to eliminate the requirement that one member be a representative from a Cupertino financial institution; (Application No.: MCA-2019-01; Applicant: City of Cupertino; Location: Citywide).

Recommended Action

- 1. Find that the proposed actions are exempt from CEQA; and
- 2. Conduct the first reading of the draft ordinance 19-XX "An Ordinance of the City Council of the City of Cupertino amending Title 2, Administration and Personnel, of the Cupertino Municipal Code Chapter 2.86 (Housing Commission), to eliminate the requirement that one member be a representative from a Cupertino financial institution." (see Attachment A); and
- 3. Appoint the first alternate to the Housing Commission after the ordinance goes into effect.

Alternate Action

Not amend the Municipal Code and hold a special recruitment for the financial institution representative of the Housing Commission.

Discussion

The Cupertino Housing Commission is a five-member board appointed by the City Council to assist the Planning Commission and the City Council in developing housing policies and strategies for implementation of General Plan Housing Element goals. The Housing Commission also oversees the Community Development Block Grant (CDBG) program. The Housing Commission is comprised of five members, including one representative from a Cupertino financial institution, one representative from a Cupertino business, and three community members.

In January of 2019, the Commissioner in the role of financial representative retired from a financial institution causing a vacancy on the Housing Commission. On May 21, 2019, the City Council conducted interviews for this vacancy and chose not to appoint a candidate for the Housing Commission financial representative position. Following this, the City Council directed staff to bring forth a Municipal Code Amendment to consider eliminating the financial representative position.

Analysis

The Housing Commission helps identify sources of funds to develop and build affordable housing. The role of the financial representative position is to provide expertise in reviewing sources of funds, including but not limited to, Below Market Rate (BMR) Affordable Housing Fund (AHF), CDBG, and General Fund Human Services Grant (HSG) funds.

The BMR AHF, CDBG, and HSG applications are reviewed by staff and/or consultants prior to making recommendations on funding allocations. These recommendations are then reviewed by the Housing Commission and approved by the City Council. However, this does not require the expertise of a financial representative. Therefore, the requirement to have a financial representative on the Housing Commission is not necessary.

The proposed amendment eliminates the requirement to have a representative from a Cupertino financial institution appointed to the Housing Commission and increases the number of representatives from the Cupertino community from three to four. Therefore, there is no change to the total number of members of the Housing Commission.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

Next Steps

Should the Council introduce and conduct the first reading of the proposed ordinance amendments, the ordinance will be presented to the Council for a second reading and adoption. The ordinance will go into effect 30 days after the second reading, at which point the Council can hold a recruitment for the fourth community representative.

Prepared by: Kerri Heusler, Housing Manager

Reviewed by: Benjamin Fu, Interim Director of Community Development

<u>Approved for Submission by</u>: Deborah Feng, City Manager <u>Attachments</u>:

A – Draft Ordinance

B – Redline changes in Chapter 2.86.010 and 2.86.020