

CC 4-6-2021

#17

General Plan Amendment  
Authorization

Presentation

# GENERAL PLAN AMENDMENT AUTHORIZATION 2021 First Cycle Application

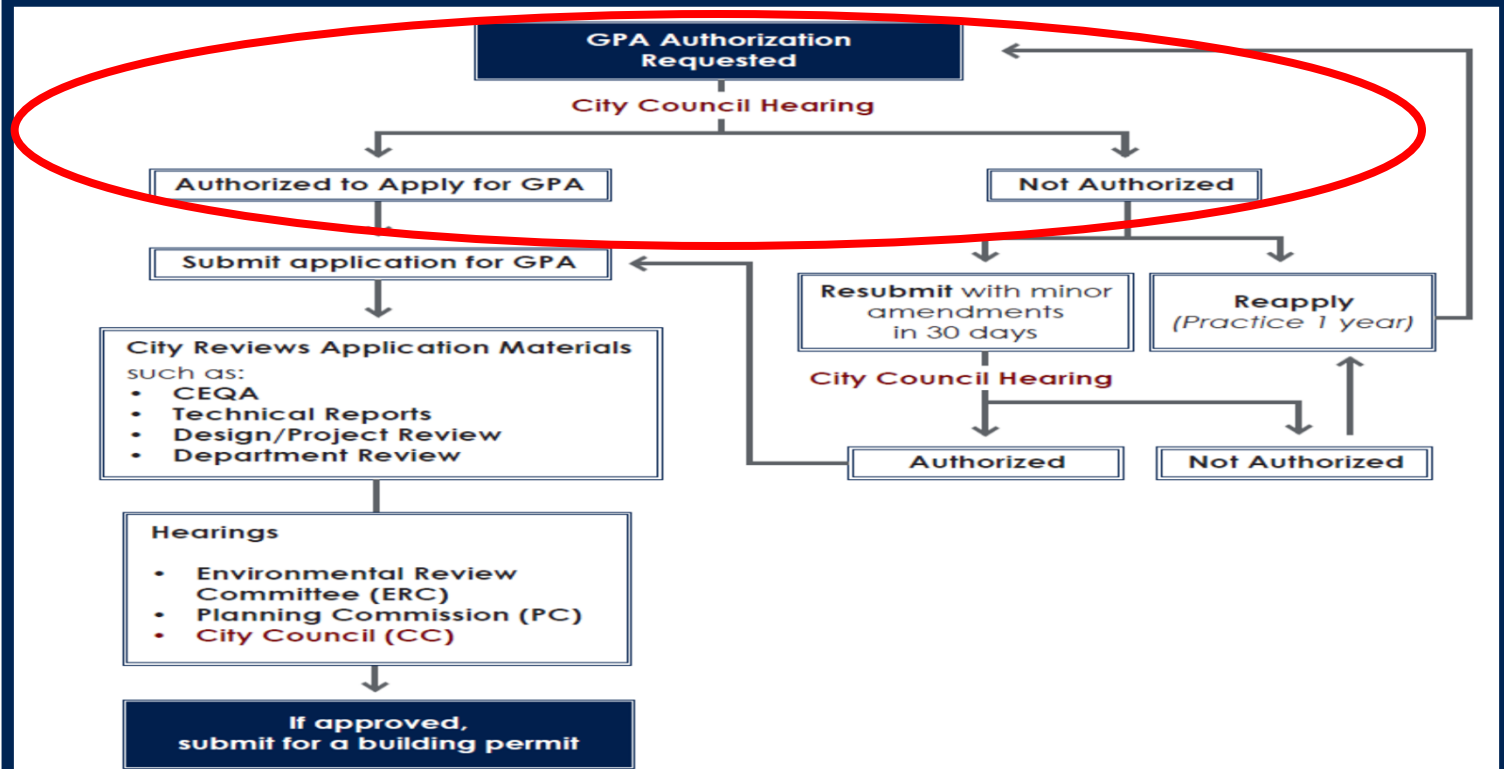
April 6, 2021



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# Background – Process and Criteria for Evaluation

- Proposals evaluated twice per year
- Evaluated on these criteria:
  - General Plan goals
    - Site and architectural design and neighborhood compatibility
    - Fiscal impacts, including a diverse economic base
    - Provision of affordable housing
    - Environmental sustainability
  - General Plan amendments requested
  - Voluntary community amenities:
    - School Resources
    - Public Facilities
    - Open Space
    - Transportation
  - Staff time and resources required



# Next Steps

- NO General Plan Amendments are being adopted at this time
- Projects authorized by the Council to move forward will enter the formal development review process for
  - Project review and
  - Environmental analysis
- Timeline is expected to run about 7-9 months
- Projects may be resubmit within 30 days with minor adjustments, based on Council input at authorization meeting, for follow up Council consideration later in Spring 2021



## **Subject – GPAAuth-2020-001**

Consider whether to authorize the formal submission and processing of a General Plan Amendment Authorization for a change to the Land Use Designation from Low Density (1-5 DU/Ac.) to Low/ Medium Density (5-10 DU/Ac.), which would allow construction of four small lot single family homes where one single family home currently exists.

# 19820 Homestead Road



- .46-acre lot
- Single-Family Home
- Zoned A1-43
- Low Density (1-5 DU/Ac.)
- Primarily Single-Family Neighborhoods



## GPA Authorization Requested

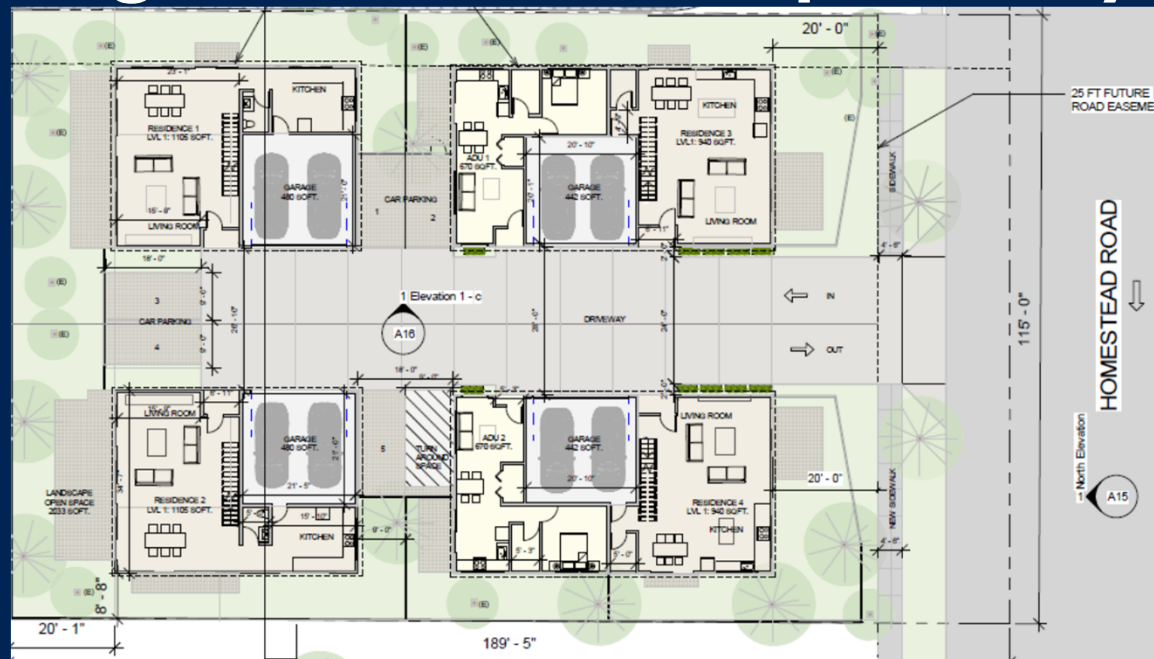
- Change Land Use Designation from Low Density (1-5 DU/Ac.) to Low/ Medium Density (5-10 DU/Ac.).
- Four Residential Parcels
  - Four Detached Single-family homes
  - Two attached Accessory Dwelling Units



# Site and Architectural Design and Neighborhood Compatibility



# Site and Architectural Design and Neighborhood Compatibility



## Net Fiscal Impacts

- Estimates proposed project would have a \$9,300 net positive annual fiscal impact on City's General Fund.
- A net increase of \$7,600 from existing use onsite.



# Affordable Housing & Environmental Sustainability

- Affordable Housing
  - None except applicable housing mitigation fees
- Environmental Sustainability
  - Project would be required to be either GPR certified at a minimum of 50 points, LEED Silver, or Alternative Reference to be consistent with City's Green Building ordinance.

# Voluntary Community Amenities

Categories	Proposed	Beneficiary	Value
School resources	None	None	\$0
Public open space	None	None	\$0
Public facilities	None	None	\$0
Transportation facilities	None	None	\$0
Affordable Housing	None	None	\$0
	Total Value of Qualified Community Amenities		\$0
	Total Value/square-foot of Qualified Community Amenities		\$0 per s.f.

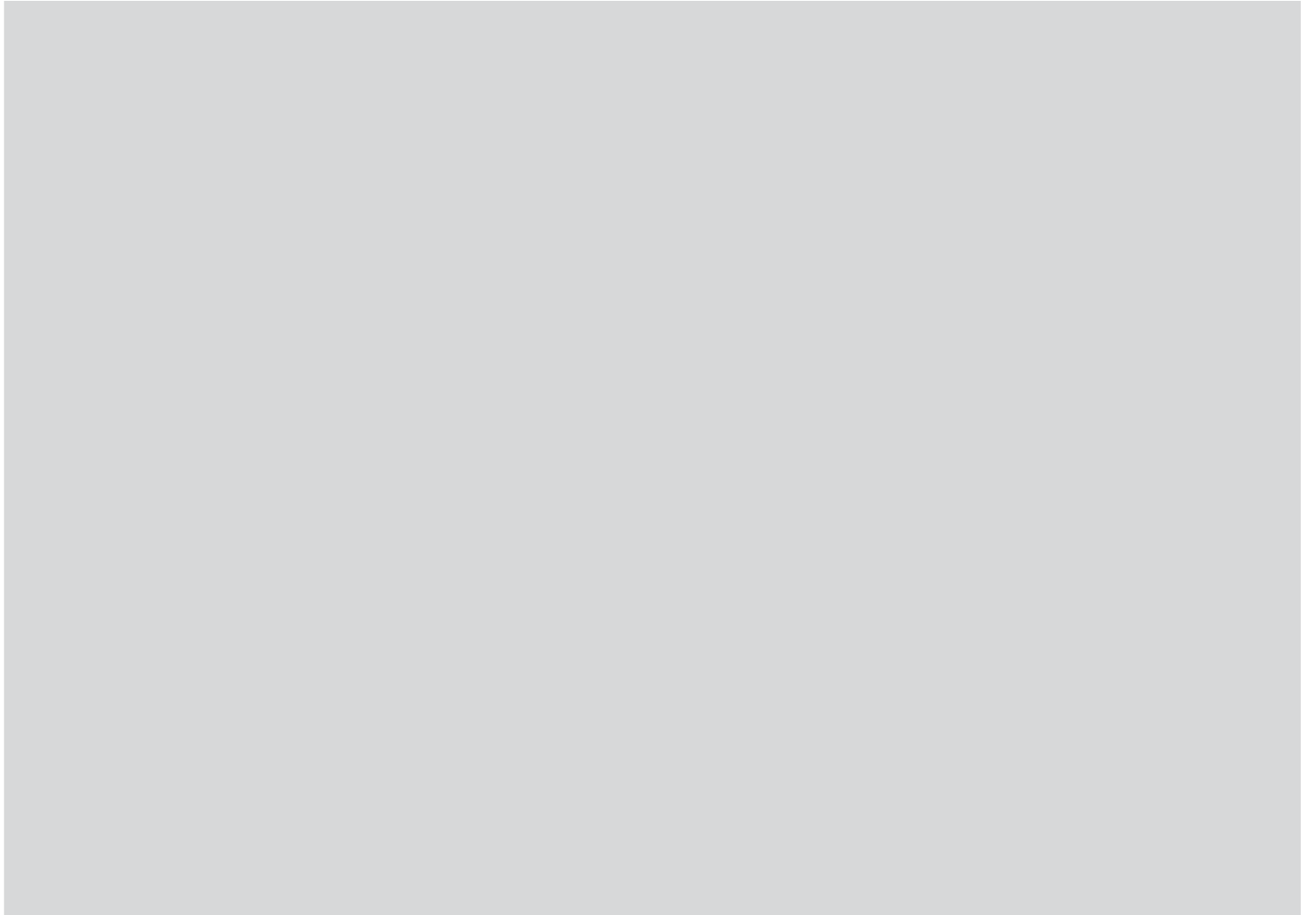


# Environmental Impact

- California Environmental Quality Act (CEQA) does not apply since City Council's action, consideration and authorization of formal applications, is not a project as defined by CEQA.
- Project level environmental review will be conducted for projects that are authorized to move forward with applications for General Plan Amendments.

# Public Noticing and Outreach

Noticing, Site Signage	Agenda
<ul style="list-style-type: none"><li>▪ Postcard mailed to all postal customers in Cupertino (at least 10 days prior to meeting)</li><li>▪ Site signage on subject property (at least 10 days prior to meeting)</li></ul>	<ul style="list-style-type: none"><li>▪ Posted on the City's official notice bulletin board (at least five days prior to the hearing)</li><li>▪ Posted on the City of Cupertino's Web site (at least five days prior to the hearing)</li></ul>





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#18

FY 21-22 Funding  
Allocations

Presentation

# FY 2021-22 Funding Allocations



**CUPERTINO**

Kerri Heusler, Housing Manager

April 6, 2021

# Timeline

Nov 10, 2020

Annual Notice of Funding Availability (NOFA) / Request for Proposals(RFP) issued

Feb 9, 2021

NOFA/RFP deadline

Mar 11, 2021

Housing Commission meeting

April 6, 2021

City Council meeting

# Funding Sources

Capital Housing Projects:

1. Community Development Block Grant (CDBG)
2. Below Market Rate (BMR) Affordable Housing Fund (AHF)

# 1. CDBG FY 21-22 Budget

FY 21-22 CDBG Budget	
Entitlement Amount	\$406,806.00
Program Income FY 20-21	\$7,944.00
Sub-Total	\$414,750.00
Program Administration (20%)	\$82,950.00
Public Service (15%)	\$62,212.50
Capital/Housing Projects (65%) + \$48,000 Unused FY 20-21 CDBG funds	\$317,587.50
Total	\$462,750.00

# 1. CDBG Capital Housing Funds

	FY 21-22 Application Summary	Funding Recommendations
<b>a</b>	Rebuilding Together Silicon Valley- Housing Repair and Rehabilitation Project	\$97,318.00
<b>B</b>	West Valley Community Services (WVCS) - Vista Village Renovation Project	\$220,269.50
	Sub-Total	\$317,587.50

## 2. BMR AHF Capital Housing Funds

	FY 21-22 Application Summary	Funding Recommendations
<b>a</b>	Pacific West Communities, Inc.- Westport Project	<i>Not recommended for funding</i>
	Sub-Total	\$0

# Reporting and Monitoring

- Ongoing Technical Assistance
- Quarterly / Annual Reports
- CDBG Compliance



# Next Steps

- Adopt Resolution
- Execute Contracts

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#19

Density Bonus Ordinance

Presentation

# Municipal Code Amendment Density Bonus Ordinance

City Council  
April 6, 2021



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## Background

- Affordable Housing strategies (City Work Program Item FY20/21) includes
  - Updates to City's Density Bonus Ordinance
    - Inclusion of adopted housing program in ordinance
    - Other amendments

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## State Law

	Former Program	Jan. 1, 2021
Density Bonus	- Maximum 35% - 100% affordable projects get more bonuses	- Maximum 50% bonus <b>OR</b> - Local housing program > 35%

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## Proposed changes to Density Bonus Ord.

Target Group	Existing		Proposed	
	Proportion of Total Affordable Dwelling Units	Maximum Density Bonus	Proportion of Total Affordable Dwelling Units	Maximum Density Bonus
Very Low Income	5%	20%	<b>No change</b>	
	6% - 10% <sup>(1)</sup>	22.5% - 32.5%	6% - 12% <sup>(1)</sup>	22.5% - 37.5%
	11% or more	35%	13% or more	40%
Low Income	10%	20%	<b>No change</b>	
	11% - 19% <sup>(2)</sup>	21.5% - 33.5%	11% - 22% <sup>(2)</sup>	21.5% - <b>38%</b>
	20% or more	35%	23% or more	40%
Mod. Income (Common interest developments)	10%	5%	<b>No change</b>	
	11% - 39% <sup>(3)</sup>	6% - 34%	11% - 44% <sup>(3)</sup>	6% - 39%
	40% or above	35%	45% or above	40%
Senior Citizen	35 units (minimum)	20%	<b>No change</b>	

<sup>(1)</sup> For every 1% increase over 5% of target units, density bonus shall increase by 2.5% up to maximum of ~~35~~ 40%.

<sup>(2)</sup> For every 1% increase over 10% of target units, density bonus shall increase by 1.5% up to maximum of ~~35~~ 40%.

<sup>(3)</sup> For every 1% increase over 10% of target units, density bonus shall increase by 1% up to maximum of ~~35~~ 40%.

Correction to table (in red) (discussed later)

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## Economic Evaluation Conclusions

- City's program will incentivize rental housing production
  - 40% bonus allows enough additional market rate units to offset cost of more VLI units
  - Will improve feasibility of rental development projects
- Improvement in rate of return is particularly notable for higher density rental apartment developments

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## Economic Evaluation Conclusions

- For condo development, neither City's proposed program nor AB 2345 program improve rate of return over that of 2020 City requirements
- Density bonuses most successful in incentivizing very low income housing
  - City of San Diego program inspired AB 2345
  - Developers in San Diego used very low income units to obtain density bonus (rental or ownership)
- Will continue to incentivize very low-income rental housing, serving households with greatest need

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## Other reasons

Cupertino experience	San Diego experience
Existing ordinance provided adequate incentives to include affordable housing	Density bonus not used to any significant extent until local program adopted.
Cupertino developers familiar with density bonus law and used regularly	

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## Other reasons

- Groups like CA Rural Legal Assistance Foundation and Western Center on Law and Poverty opposed formula contained in AB 2345
  - Concerned might disincentivize production of low-income units by making it harder to compete against market-rate developers for sites
  - Recommended that pattern of increases follow same pattern as density for affordability ratio existing in density bonus law prior to passage of AB 2345
    - Cupertino's housing program does this

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## Planning Commission Review

- Reviewed amendments on February 23, 2021
- Recommended approval on 4-1 vote (Kapil – no)

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## Typographical Correction and clarifications

Income Level of unit	Proportion of Total Affordable Dwelling Units	Maximum Density Bonus
<u>Very Low Income</u> <sup>(1)</sup>	5%	20%
	6% - 12% <sup>(1)</sup>	22.5% - 37.5%
	13% or more	40%
Low Income <sup>(2)</sup>	10%	20%
	11% - 22% <sup>(2)</sup>	21.5% - <del>38.538</del> %
	23% or more	40%
Moderate Income <sup>(3)</sup> (Common interest developments)	10%	5%
	11% - 44% <sup>(3)</sup>	6% - 39%
	45% or above	40%

Changes do not change conclusions of economic evaluation conducted by the Hausrath Economics Group

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## Recommended Action

- That the City Council conduct the first reading of Ordinance No. 21-\_\_\_\_\_, "An Ordinance of the City Council of the City of Cupertino Amending Cupertino Municipal Code Section 19.56.030A (Table 19.56.030) and 19.56.030F (Density Bonus Ordinance) to Incentivize the Development of Affordable Housing by Allowing for Density Bonuses of up to 40 Percent," which includes a finding that adoption of the ordinance is exempt from the California Environmental Quality Act.



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#20

Secondhand Smoke

Presentation

# Reducing Exposure to Secondhand Smoke

April 6, 2021



CUPERTINO

## Background

- 3/2/21: Council conducted first reading of Ordinance 21-2224 to reduce exposure to secondhand smoke
- Ordinance requires smoke-free
  - Multi-unit housing
  - Entryways
  - Public events, service areas, outdoor worksites

## Background

- 3/2/21: Ordinance 21-2224 amended to require *attached* ADUs to be smoke-free
- Council requested additional research on:
  - Designated smoking areas: setback from neighbors
  - Including *detached* ADUs and JADUs
- Draft ordinance includes proposed amendments

## **Designated Smoking Areas**

- Researched laws in Santa Clara and San Mateo County
- Only the City of Santa Clara restricts the location of designated smoking areas in proximity to neighboring property (30 feet)

## Designated Smoking Areas

- Ordinance 21-2224 allows properties to create a designated smoking area if it:
  - Is outdoors
  - Is 30 feet from areas used by kids or for physical activity
  - Is 30 feet from doors, windows of MUH
  - Has a clearly marked perimeter with signs
  - Has a receptacle for cigarette butts

## Designated Smoking Areas

- Proposed amendment would also require that designated smoking areas:
  - “Be a Reasonable Distance in any direction from a Nonsmoking Area and/or any operable doorway, window, opening or other vent into an enclosed area of adjacent private property”
  - Examples: a neighboring home or park

## Accessory Dwelling Units (ADUs)

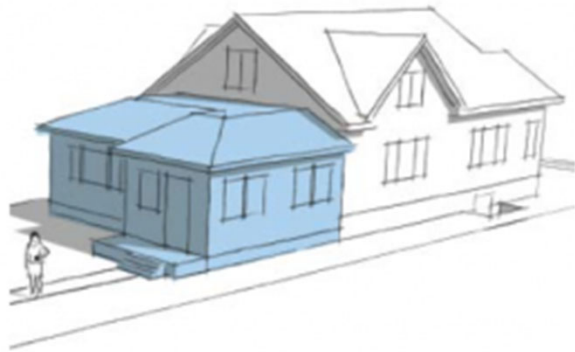
- All other SCC multi-unit housing ordinances exempt ADUs from smoke-free multi-unit housing ordinances
- San Bruno, San Mateo, and South San Francisco include *attached* ADUs and exempt *detached* ADUs
- Albany and Pasadena include all ADUs in their smoke-free multi-unit ordinances



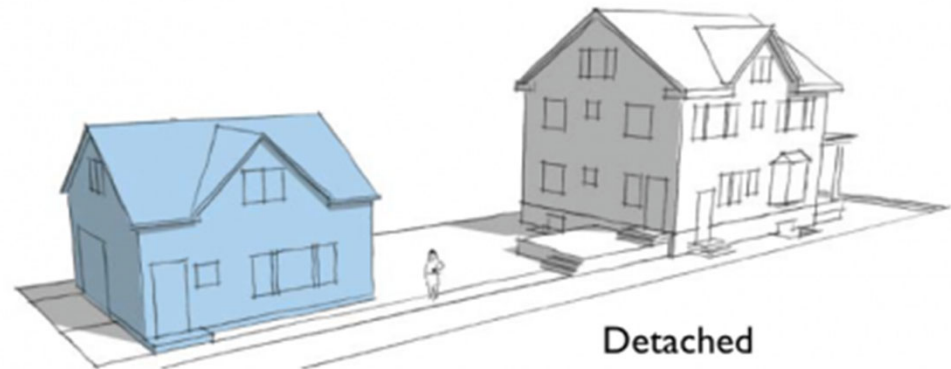
## Accessory Dwelling Units (ADUs)

- Ordinance 21-2224 amended on 3/2/21 to include *attached* ADUs within the definition of multi-unit housing
- Proposed amendment would prohibit smoking in attached *and* detached ADUs and JADUs
  - “Multi-unit Residence” also includes single-family homes with an attached or detached accessory dwelling unit, junior accessory dwelling unit, or second unit.

# ADUs



Attached



Detached

\*Image not representative of ADU regulations for setbacks from property lines

Jurisdiction	Reducing Exposure to Secondhand Smoke							
	Parks & Trails	Outdoor Dining Areas	Entryways	Service Areas	Public Events	Multi-Unit Housing	Common Areas of Multi- Unit Housing	Outdoor Worksites
<i>% of County population covered by policy</i>	92.6%	97.2%	39.3%	85.9%	31.6%	24.3%	79.9%	7.4%
County of Santa Clara	2010	2010	2010	2010		2010 (Exempts ADU's)	2010	
Campbell	2011	2011	2011	2011	2011			
Cupertino	2011	2014	2014					
Gilroy								
Los Altos	2011	2018	2018	2018	2018			
Los Altos Hills		n/a*		n/a*	n/a*	n/a*	n/a*	
Los Gatos	2013	pre-2010	2016	2016	2016	2016 (Exempts ADU's)	2016	pre-2010
Milpitas	2012	2017						
Monte Sereno	n/a*	n/a*	n/a*	n/a*	n/a*	2020 (Exempts ADU's)	2020	
Morgan Hill	2012	2012	2012	2012	2012			
Mountain View		2012	2012		2012			
Palo Alto	2013	2014	2014	2014	2014	2016 (Exempts ADU's)	2016	pre-2010
San Jose	pre-2010	2012		2012			2012	
Santa Clara	2019	2019	2019	2019	2019	2019 (Exempts ADU's)	2019	
Saratoga	pre-2010	2016	2016	2016	2016		2016	2016
Sunnyvale	2012	2016	2016	2016	2016	2016 (Exempts ADU's)	2016	

## Recommended Action (Option 1)

1. Reintroduce with amendments and conduct the first reading of Ordinance No. 21-2227: “An Ordinance of the City Council of the City of Cupertino amending City Code Chapter 10.90 of Title 10 (Public Peace, Safety, and Morals) to prohibit smoking in multi-unit housing and certain outdoor areas”
  - Adds additional setback requirements for designated smoking areas
  - Includes detached single-family homes with attached and detached ADUs

## **Recommended Action (Option 2)**

2. Conduct the second reading and enact Ordinance No. 21-2224 “An Ordinance of the City Council of the City of Cupertino amending City Code Chapter 10.90 of Title 10 (Public Peace, Safety, and Morals) to prohibit smoking in multi-unit housing and certain outdoor areas”
  - Does not include setback requirements for designated smoking areas
  - Includes single-family homes with attached ADUs

Questions?



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