

# Housing Commission Meeting

April 25, 2024

Presentations

## Item 2

FY 2024-25 Community  
Development Block Grant  
(CDBG) Annual Action  
Plan (AAP)

# **Fiscal Year (FY) 2024-25 Community Development Block Grant (CDBG) Annual Action Plan (AAP)**



**CUPERTINO**

Alec Vybiral, Senior Housing Coordinator  
April 25, 2024



# Purpose

Approve the FY 2024-25 CDBG Annual Action Plan.

A stylized sunburst or fan-like graphic in shades of blue, located on the left side of the slide. It consists of several curved segments radiating from a central point, with some segments having small circles at their ends.

# Community Development Block Grant (CDBG) Program

- Annual Entitlement grant funding from HUD
- Assist low- and moderate-income persons

# Annual Action Plan (AAP)

- Covers one fiscal year (July 1 – June 30)
- Consistent with Consolidated Plan
- Describes the activities and funding allocations

# Allocated CDBG Funds

Organization	Funding Amount
Rebuilding Together Silicon Valley- Homeowner Repair and Rehabilitation Program	\$96,237.00
City of Cupertino – Senior Center Cooling System Improvements	\$55,468.80
Live Oak Adult Day Services	\$9,902.34
West Valley Community Services (WVCS) – Community Access to Resources and Education Program (CARE)	\$18,695.61
<b>TOTAL</b>	<b>\$180,303.75</b>

# COMPLIANCE TIMELINE

**NOFA Application  
Window:**  
Nov 6 - Feb 6

**HC Funding  
Recommendations:**  
March 14

**CC Approves  
Recommendations:**  
April 16

**Housing  
Commission  
Approves AAP:**  
April 25

**Submit AAP to HUD:**  
By May 15th

**30-Day Public Comment Period:** March 26, 2024, through April 24, 2024

# Next Steps

Approve the FY 2024-25 CDBG Annual Action Plan.

The AAP will be submitted to HUD by the May 15, 2024, deadline.





# Housing Commission Meeting

April 25, 2024

Presentations

## Item 3

Study Session and Staff  
Presentation on the 6th  
Cycle Housing Element  
Update

# 6<sup>th</sup> Cycle Housing Element Update Adoption

Planning Commission

April 29, 2024



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## Agenda

- Background
- Current Status
  - **Conditional Certification Letter received from HCD (April 10)**
- RHNA/Priority Sites
- Policies and Strategies
- Timeline and next steps



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## Background

- What is a Housing Element?
  - State-mandated Element of City's General Plan
- Why update it now?
  - Unlike other General Plan Elements required by State law to be updated every 8 years
- Purpose of the Update:
  - Study and plan for housing needs in the community, across all income levels



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## Background

- What does State law require?
  - Public Participation
  - Needs Analysis
  - Review of prior Housing Element policies/programs
  - Develop policies/programs to address current needs
  - Housing Sites Inventory
- Who reviews and certifies compliance with State law?
  - CA Department of Housing and Community Development (HCD)



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## Related Updates

- Conforming changes:
  - Other General Plan Elements – Land Use, Transportation, Specific Plans and appendices
  - **Rezoning** – map and text
- State law requirements:
  - Health and Safety Element
- Other – necessary to implement HE programs (e.g. Objective design standards for housing developments)



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## Related Updates

- 6th Cycle Housing Element update covers 2023-2031 Planning Period
- Certification deadline: Jan. 31, 2023 (passed)
- Six jurisdictions in Santa Clara County (15 cities/1 county) still **do not** have compliant Housing Elements
- 38 of 109 ABAG jurisdictions not in compliance
- 58 of 197 SCAG jurisdictions out of compliance



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## ABAG RHNA

- State-wide Housing Needs Determination made by HCD for each region within State
  - Cupertino in 9 County ABAG region
  - City's RHNA ~1% of ABAG region's RHNA

ABAG Regional Housing Needs Determination from HCD

Income Category	Percent	Housing Unit Need
Very Low	25.9%	114,442
Low	14.9%	65,892
Moderate	16.5%	72,712
Above Moderate	42.6%	188,130
Total	100%	441,176



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## Cupertino's 6<sup>th</sup> Cycle RHNA

Income Group	Units	% of total
<b>Very Low Income</b> ( <small>&lt;50% of AMI</small> )	<b>1,193</b>	<b>26.0</b>
<b>Low Income</b> ( <small>50%-80% of AMI</small> )	<b>687</b>	<b>15.0</b>
<b>Moderate Income</b> ( <small>80%-120% of AMI</small> )	<b>755</b>	<b>16.5</b>
<b>Above Moderate Income</b> ( <small>&gt;120% of AMI</small> )	<b>1,953</b>	<b>42.5</b>
<b>Total</b>	<b>4,588</b>	<b>100</b>

**Affordable  
Units =  
2,635**

Buffer ~ 25 - 35% particularly for lower income levels recommended to ensure city does not have to update sites inventory before next HE update for "no net loss" purposes. RHNA + Buffer accommodates over 6,200 units.

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## Background: 6th Cycle vs. 5th Cycle

- RHNA 4x higher in Cupertino--4,588 vs. 1,064
- Few remaining undeveloped sites, reliance on redevelopment to meet RHNA
- 62 properties, 36 development sites
- 70% of properties 50 units/acre or more
- New legislation adds requirements in:
  - Developing policies/programs
  - Greater accountability to produce housing
  - Site selection
  - Less discretion approving housing developments
  - Affirmatively Furthering Fair Housing (AFFH)
  - More outreach and inclusion



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## Background: Noncompliance

- What can happen if City does not have a certified Housing Element?
  - Loss of local land use and zoning control – Builder's Remedy projects
  - Lawsuits and attorney fees
  - Ineligibility for grant funding
  - Financial penalties, court issued fines
  - Streamlined ministerial approval of projects
  - Court receivership appointing an agent to bring City's Housing Element into compliance



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## Affirmatively Furthering Fair Housing (AFFH)

- AB 686 (2018) defines AFFH as:  
*“taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.”*
- Three community meetings focused on AFFH held May-September 2022



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## Affirmatively Furthering Fair Housing (AFFH) - Cupertino

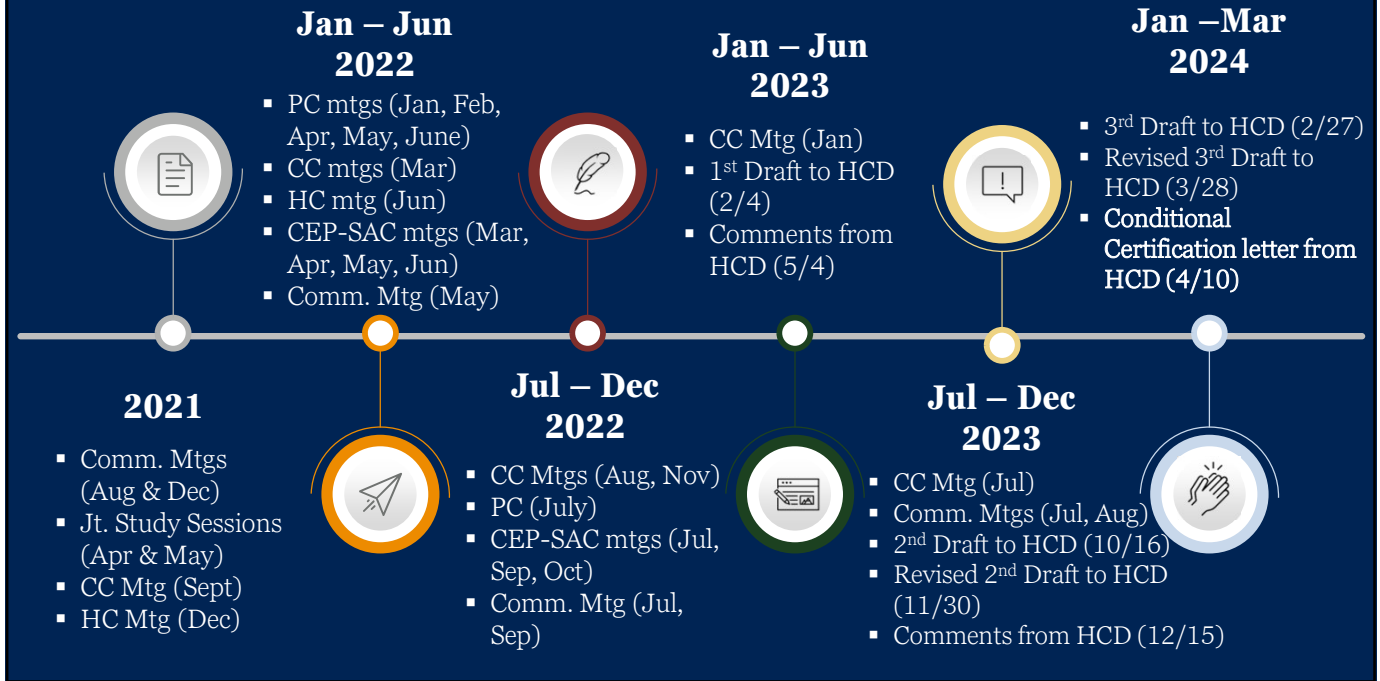
- City is designated High or Highest Resource regarding Access to Opportunities
- Housing anywhere in City would regionally Affirmatively Further Fair Housing
- City must look to accommodate persons who currently do not reside here
- Meeting RHNA alone does not equate to satisfying AFFH (Missing Middle Strategy)



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## What's happened so far?



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## Sites Inventory: Pre-HE Submittal

- Robust discussions in 2022 at Housing and Planning Commissions and City Council
- Started with all potential sites throughout the City which:
  - Met HCD size criteria: 0.5 – 10 acres
  - Properties outside of fire hazard and geologic hazard zones – *more environmental impacts*
  - Owner interest a factor

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## Sites Inventory: Direction Pre-HE submittal

- More interest in accommodating housing west of De Anza Blvd and south of Highway 85
- Less interest in accommodating housing east of De Anza Blvd due to recent approvals
- Locate housing sites to counteract declining school enrollment
- Avoid displacement of existing residents through redevelopment of residential properties



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## Policy Framework

- State laws: link land use and transportation (AB 32 and SB 375)
- Regional plans (Plan Bay Area 2050 and Regional Transportation Plan) align with state law
- AB 2011 (*eff. July 1, 2023*): Allows Residential development on Commercial-Office Corridors regardless of Zoning:
  - Density and building height varies depending on lot size and width of transportation corridor
  - Identifies min. development standards
  - Ministerial, exempt from CEQA



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## Current Site selection strategy

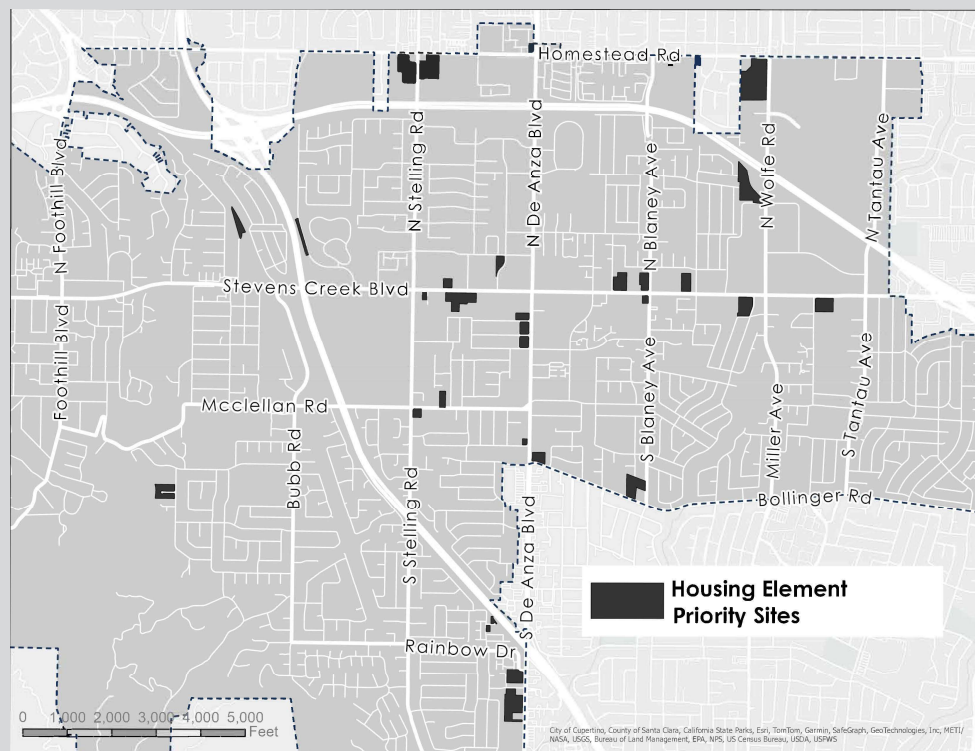
With Council direction in July 2023, site selection strategy adjusted based on:

- New State law realities – AB 2011/SB6
- Proximity to transportation – AB32/SB375
- Aligning with regional plans – PBA2050 & RTP
- City's existing policies – LU-1.1 & CAP
- Consultant experience based on likelihood of site acceptance by HCD
- Development potential of site
- Size of sites – 0.5 acres (min.) to 10 acres (max.)



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## Current Housing Element Priority Housing Sites



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