

To: Planning Commission From: Ande Flower, EMC Planning Group; Date: April 26, 2022 Re: Update to Sites Inventory Analysis

#### **SUMMARY**

This memorandum furthers the Sites Inventory process following two prior Planning Commission meetings on January 25, 2022, and February 22, 2022, and incorporates growing participation with the Housing Simulator (Balancing Act).

#### **ACTION REQUEST**

Analysis of this list to add, subtract, or reconsider prior sites is requested during the public meeting, followed by a recommendation to the City Council to further analyze the draft Sites Inventory.

## BACKGROUND

The sites inventory analysis is the first step in the Housing Element update process because it will help us understand what kind of environmental review may be necessary. The Planning Commission met on January 25, 2022, and again on February 22, 2022, to discuss the first two initial draft Sites Inventory Lists.

Strategies for the second draft Sites Inventory List (February Planning Commission meeting) included a broader focus for all possible sites. Commissioners agreed to review the list on a site-by-site basis at a continued public meeting. The second draft list included all sites between 0.5 and 10 acres, consistent with State Housing and Community Development (HCD) guidelines. Further refinement and recommendations are included with this third draft Sites Inventory List.

#### **DISCUSSION**

The attached revised draft Sites Inventory List has been created via guidance from the prior two Planning Commission meetings. For this revised list of sites, the following has been considered:

- Pipeline projects with numbers confirmed with the City's HCD Annual Progress Report
- Property owner interest correspondence has been incorporated
- Hazardous sites discovery
- Deeper feasibility and density analysis

## **DISCUSSION**

The public continues to contribute to the conversation about sites with the Cupertino Housing Simulator tool (<u>https://city-of-cupertino.abalancingact.com/housingsimulator</u>). To date, there have been over a thousand independent page-views, with more than 150 hours spent on the site, and a total of 32 proposed housing plans. The following is a comparison between staff's refreshed capacity analysis (third version of the draft Sites Inventory) and the average submitted via the Cupertino Housing Simulator, according to area.

|            | Anticipated<br>Capacity<br>(Third version) | Simulator<br>Average<br>(32 plans from public) | Simulator Categories<br>(Balancing Act) |
|------------|--|--|---|
|            | -  | 141  | 1 - Oak Valley                          |
|            | 159  | 141  | 2 - Creston-Pharlap                     |
|            | 22   | 141  | 3 - Inspiration Heights                 |
|            | 41   | 164  | 4 - Monta Vista North                   |
|            | 39   | 155  | 5 - Monta Vista South                   |
|            | 17   | 109  | 6 - Homestead Villa                     |
|            | 50   | 144  | 7 - Garden Gate                         |
|            | 45   | 138  | 8 - Jolly man                           |
|            | 275  | 121  | 9 - North Blaney                        |
|            | 126  | 132  | 10 - South Blaney                       |
|            | 4  | 89   | 11 - Fairgrove                          |
|            | 1  | 106  | 12 - Rancho Rinconada                   |
| sub-total: | 779  | 1,581  | Neighborhoods only                      |
|            | 1,004                                      | 1,179  | A - Heart of the City                   |
|            | 2,402                                      | 791  | B - Vallco Shopping District            |
|            | 1,523                                      | 431  | C - North Vallco Park                   |
|            | -  | 331  | D - North De Anza                       |
|            | 156  | 381  | E - South De Anza                       |
|            | 624  | 230  | F - Homestead                           |
|            | 47   | 395  | G - Bubb Road                           |
|            | 21   | 338  | H - Monta Vista Village                 |
| sub-total: | 5,777                                      | 4,075  | Special Areas only                      |
|            | 6,556                                      | 5,657  | -                                       |

## **CONSIDERATIONS FOR NEXT STEPS**

Our process is focused on enabling a pattern of welcomed development to provide future housing in Cupertino. Our steps have used a convergence from multiple sources to identify the basic size requirements, owner interest in developing a site, community support to include certain sites, and expert analysis to support community goals from an urban design perspective. We continue to seek opportunities for convergence of goals and ideas so that the Sites Inventory List may be reflective of Cupertino's community goals.

Important assumptions and next steps for Council review of sites:

- Housing unit capacity for each site does not yet reflect the number of existing units at each site.
- Recommended zoning and/or general plan designation changes that correlate to anticipated changes in density will be explored and confirmed prior to the next round of review.

## PROPERTY OWNER INTEREST

Property owners of these sites that are not located in geohazard zones and meet the generalized size qualification, between 0.5 acre – 10 acres were sent a letter that invites them to consider whether they have an interest in becoming a potential Housing Element site. Property owners, both contacted and not, are encouraged to fill out this form: <a href="https://forms.gle/F7td3SE9bXLjyAPW9">https://forms.gle/F7td3SE9bXLjyAPW9</a>, to better inform our process of listing sites that have a reasonable chance of being developed in the next eight years. Opportunities exist for those with properties that are smaller than the generalized size, particularly if there is a willingness for consolidation among neighboring properties. To date, we have received 54 owner-interest forms, and this information has been integrated with the revised Sites Inventory List.

## PARKING

As part of the Housing Element update cities must look at potential constraints to housing development and establish policies to eliminate or reduce these constraints. For instance, creating a path towards more housing opportunities is often directly tied to how cities manage their parking development standards, especially in municipalities that are highly car-dependent. In a construction environment where aboveground, multi-level structured parking reaches \$35,000 per space, parking is often the deciding factor in whether a multi-family housing project gets built. Even surface parking is challenging due to the amount of land that it takes up: California stormwater requirements (C-3) enlarge the amount of area needed for an equivalent number of garage spaces – around 425 square feet per space in our experience, or the size of a small studio apartment, for each parking space.

Cupertino requires a large parking space in residential developments for each car (10' x 20' most residential; 9.5' x 20' for multi-family), and requires 1 covered space along with an uncovered space for each multi-family dwelling unit, and 3 spaces per duplex. Cupertino could consider the following options to minimize development constraints such as parking requirements as it works towards creating the best path to realizing additional housing stock:

- Allow for smaller space sizes: a typical parking stall of 9' x 18' is adequate for most situations and many cities have adopted a standard of 8.5' x 18", which is consistent with Cupertino's uni-size guidelines for 90 degree parking;
- Evaluate the need for covered parking;

- Review the number of spaces required while eliminating minimums, as many cities have done in recent years, may not be practical for Cupertino, setting a high per-unit bar requirement for spaces reduces opportunities for development and density;
- Integrate code changes to allow for a percentage of compact spaces (8' x 16') for each development;
- Consider adopting parking maximum requirements.

We will soon be discussing potential barriers and constraints to development. Parking standards are discussed here as an example of a regulatory hurdle that may unintentionally suppress affordable housing construction. It is beneficial to begin contemplating changes to standards like parking that greatly impact the potential for a site to be reasonably capable of yielding future development.

# **GENERAL TIMELINE**

Following compilation of a City Council-approved Sites Inventory List, the CEQA process will be initiated. While the environmental review begins, a deeper discussion of potential zoning and General Plan changes relative to total changes in density for the housing sites will be considered. As part of the State's Affirmatively Furthering Fair Housing (AFFH) requirements, listening sessions involving community-based organizations and leaders in housing policy throughout the region will be scheduled in the coming months. We'll then take our understanding and apply it to investigation of possible meaningful actions (policy) and apply appropriate metrics and milestones for review and submittal to HCD.

HCD is requesting an early draft review of city's Housing Elements in order to provide comments and guidance early in the update process. The sooner we can bring a rough draft to their attention, the better guidance our team will have in keeping our process on track to meet certification. To have enough content in a draft housing element, we will need a sites inventory, a rough needs analysis, and draft policy considerations. Our goal is to work towards an HCD submittal in summer of 2022.

## UPDATE TO PUBLIC OUTREACH NEXT STEPS:

- Initiate a new, stand-alone Engagement HQ website for Housing Element Update outreach and communications.
- EMC Planning Group to provide bi-weekly updates to Council and to subscribers to the website.
- Increased participation is encouraged, and we remain open to discovering additional ways to bring people to the Housing Element update discussion.

# ATTACHMENTS:

Attachment A: Maps of recommended Site Inventory (third version for review) Attachment B: List of recommended Site Inventory (third version for review) Attachment C: List of sites not recommended for the inventory (third version for review)