



**COMMUNITY DEVELOPMENT DEPARTMENT
PLANNING DIVISION**

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CITY COUNCIL STAFF REPORT

Meeting: January 17, 2023

Subject

Status update on the 6th Cycle Housing Element update.

Recommended Action

Receive the report on the status of the Housing Element update and the next steps identified in this report to expedite the Housing Element review process.

Discussion

Draft Housing Element: Current Status

On November 15, 2022, the City Council unanimously voted (5-0-0) to direct staff to make the draft Housing Element available for public review and comment for a period of at least 30 days, as required by State law (Government Code, section 65585(b)(1)), prior to submitting the draft Housing Element to the California Department of Housing and Community Development (HCD), the State agency with oversight authority for Housing Element update compliance. Per the Council's direction, the draft Housing Element was made available for public comment on November 18, with the comment period ending on December 23, 2022, a comment period of 36 days. During this time, the City received written comments (Attachment A) from approximately 20 individuals and organizations. As further required by State law, staff is now in the process of reviewing and responding to the comments received since beginning the Housing Element update. Once the responses to comments have been prepared, the draft Housing Element can then be submitted to HCD for comment. HCD's typical review period takes 90 days. State law requires that comments received on the draft Housing Element must be reviewed for a minimum of 10 days from the close of the comment period prior to the draft Housing Element being submitted to HCD for its review.

The draft Housing Element that was made available for public comment on November 18 was prepared as an "administrative draft" and provided to staff by the City's original consultant (EMC Planning) in mid-October, shortly before termination of their contract with the City. An administrative draft is a first draft document that is intended for further review, editing and refinement with City Staff's input prior to the document being made available for public review.

However, on November 15, Council, consistent with staff's recommendation, elected to release the administrative draft for public review. The purpose of this decision was to expedite the

lengthy and often iterative HCD review and certification process, the first step of which is HCD's 90-day review of the City's draft Housing Element.

At the conclusion of HCD's 90-day review, cities typically receive a response from HCD in the form of a detailed comment letter. Having received the comment letter, cities are then in a better position to address HCD's concerns, as opposed to speculating as to what those concerns may be in advance.

Staff is presently working on the draft Housing Element and responses to comments received with the urban planning consulting firm, PlaceWorks, under a contract through the City Manager's office. Staff is also working with PlaceWorks on a revised and refined scope of work and new agreement that would include finalizing the updated Housing Element, completing an environmental impact report (EIR), and work related to the necessary zoning and land use changes to accommodate the new housing units identified in the draft Housing Element sites inventory. Staff anticipates the proposed agreement with PlaceWorks to be brought to Council on February 7, 2023. Preparation of an EIR will be a critical path for the project. It is estimated that the EIR process will take 9 to 12 months. The City Council is the legislative body required to certify EIRs, it is staff's goal to have the EIR certified in conjunction with approval of the Housing Element.

Next Steps/Estimated Timeline

At present, a Sites Inventory has been approved, extensive community outreach has been completed and the draft Housing Element has been made available for public review and comment. The upcoming steps necessary to complete and certify the Housing Element are as follows (see Figure 1, below, for a graphic representation):

- 1) Submit the Draft Housing Element to HCD for their review and comment. This will be done by January 31, 2023;
- 2) HCD's initial review period is 90 days. During the latter part of this review period (60-70 days into the 90-day period), prior to receiving HCD's comment letter, City staff and PlaceWorks will meet with HCD to discuss their main issues and the changes that will be necessary to make the draft Housing Element a certifiable document. It is estimated that HCD's review will be completed by the end of April 2023;
- 3) Once HCD's formal comment letter is received by the City, staff and PlaceWorks will make any necessary changes to the draft Housing Element, including addressing comments received from the public. The time involved to revise the draft is variable, depending on the extent of the changes that will be needed, but is estimated at 30-60 days;
- 4) The revised draft Housing Element will then be presented to the City's Housing Commission, Planning Commission and City Council for their review and comment. Additional review of the revised Draft Housing Element by HCD may be necessary (this would take up to 60 days). It is estimated that the review of the revised draft by the Housing Commission, Planning Commission and City Council will take two to four months and could occur between July and October 2023;

5) The City Council is the local legislative body that adopts the Housing Element. The Housing Element must then be certified by HCD and found compliant with state law. The City expects to adopt its Housing Element by December 2023.

6) An EIR will need to be prepared for the adoption of the Housing Element to enable the zoning land use changes necessary to accommodate the additional housing units and housing density to comply with the City's RHNA. Preparation of an EIR is a critical path for the project and is estimated to take 9 to 12 months. The EIR will be progressing on a separate but concurrent track with the Housing Element update. Staff expects to have the initial work on the EIR begin in February, with the Notice of Preparation (NOP), the first step in the EIR process, being released late in the month. It is staff's goal to have the EIR certified in conjunction with approval of the Housing Element in order to be in compliance with State housing laws. Staff will provide regular updates on the progress of both the Housing Element update and the EIR processes.

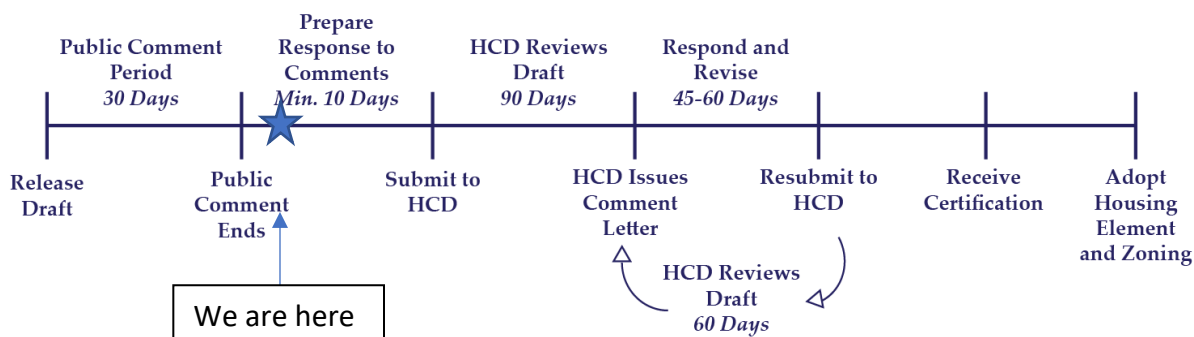


Figure 1: Upcoming Steps Roadmap

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<u>Approved for submission by:</u>	Pamela Wu, City Manager

Attachment A: Comments received on the Draft Housing Element