



**COMMUNITY DEVELOPMENT DEPARTMENT
PLANNING DIVISION**

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CITY COUNCIL STAFF REPORT

Meeting: October 5, 2021

Subject

Update on the Housing Element Process and Housing Survey.

Recommended Action

That the City Council receive the report and provide input to staff on public engagement and next steps for the Housing Element update.

Discussion

Background

RHNA and Housing Element Update: The City is currently preparing for the 6th Cycle Regional Housing Needs Allocation (RHNA) and Housing Element update, which covers the planning period of 2023 to 2031. The Housing Element is part of Cupertino's General Plan and identifies policies and programs to meet the housing needs of the City's current and future residents at all income levels. State law requires that every city and county in California adopt a Housing Element approximately every eight years to reflect the RHNA for each jurisdiction. Determination of the RHNA is the first step to updating the Housing Element. Additional background on the RHNA have been detailed in prior staff reports dated:

- May 19, 2020¹: City Council study session provided background on Plan Bay Area 2050 and RHNA.
- July 8, 2020²: City Council special meeting provided a review of the CA Department of Housing and Community Development (HCD) RHNA Determination.

¹ 5/19/20 meeting available at:

<https://cupertino.legistar.com/LegislationDetail.aspx?ID=4524386&GUID=97E209AB-F8E2-4D11-8048-681A2ECB7C42&Options=&Search=>

² 7/8/20 meeting available at:

<https://cupertino.legistar.com/LegislationDetail.aspx?ID=4587061&GUID=3DE252BA-DD6E-4A22-9E07-A1CFD5F59113&Options=&Search=>

- November 10, 2020³: Planning Commission study session provided a review of the Association of Bay Area Government’s (ABAG’s) RHNA proposed methodology report.

The City’s current draft RHNA (as of May 2021) is 4,588 units⁴, which is a 331% increase from the last cycle. Draft RHNA obligations are subject to change pending the RHNA appeals process, which will be completed in late Fall 2021. The Final RHNA Plan is anticipated to be adopted by the ABAG Executive Board in December 2021.

Following determination of the RHNA, cities must demonstrate that they have adequate sites to accommodate the RHNA (see *Figure 1*). There are specific requirements on site selection, ensuring that the City has policies to support the development of housing for persons at all income levels and abilities, as specified in State law. The 6th Cycle Housing Element update is due to be completed by January 31, 2023.

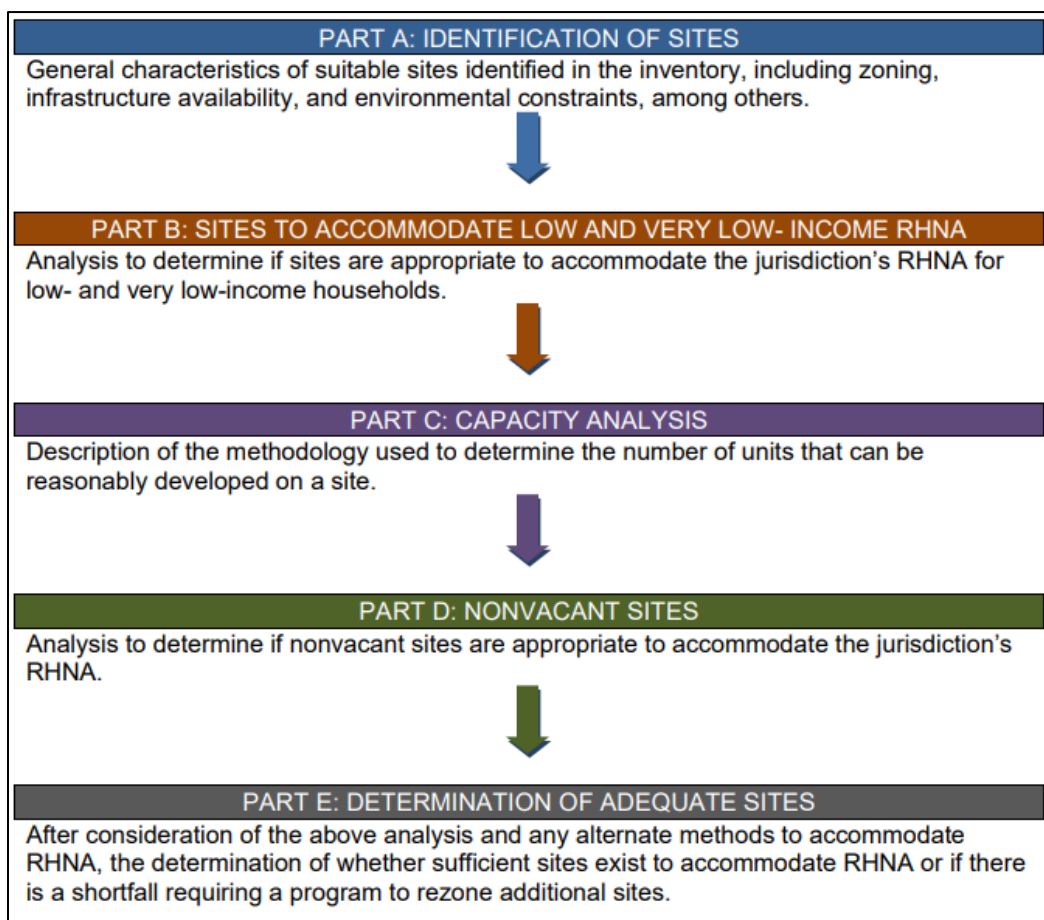


Figure 1. Sites Inventory Flow Chart from HCD’s Housing Element Sites Inventory Guidebook: https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf

³ 11/10/20 meeting available at: <https://cupertino.legistar.com/LegislationDetail.aspx?ID=4688247&GUID=56A8FD80-673B-4F1A-BAB4-5FBD7DA7FFC5&Options=&Search=>

⁴ ABAG’s Draft RHNA Plan with Cupertino’s allocation available at: https://abag.ca.gov/sites/default/files/documents/2021-05/ABAG_2023-2031_Draft_RHNA_Plan.pdf

Housing Survey: As part of the fiscal year (FY) 2020-21 City Work Program, the City Council established a Housing Survey Subcommittee comprised of Councilmembers Chao and Willey to develop a Housing Survey to poll interested persons on their thoughts and ideas about housing.

Analysis

Housing Element Update: While the City Council initiated work for the 6th Cycle General Plan Housing Element update and awarded a consultant agreement to EMC Planning Group (EMC) for the work based on the approved scope of work, on September 21, 2021⁵, outreach efforts to engage and educate the public have been underway since Spring 2021.

The following outreach efforts, including a two-part joint study session series with the Housing Commission, Planning Commission and City Council, have been conducted to date for the Housing Element update:

- April 27, 2021⁶ : This first of two joint study sessions, facilitated by the Santa Clara County Planning Collaborative’s technical support team, Baird + Driskell, focused on an introduction and overview of the Housing Element structure and required sections.
- May 11, 2021⁷: The second joint study session by Baird + Driskell provided participants an opportunity to explore best practices for the required sites inventory, as well as example Housing Element policies.
- August 9, 2021: The City participated in a virtual community meeting series, “Let’s Talk Housing,” hosted by Santa Clara County’s Planning Collaborative. The meeting was specifically for the Cities of Cupertino, Los Altos, Saratoga, and Monte Sereno. Approximately 60 participants attended the event with an estimated 38 participants attending for Cupertino. Some of the topics discussed in the Cupertino break-out session focused on the importance of housing affordability at all income levels, a lack of senior housing, traffic safety issues, and limited public transportation.

The staff and consultant Housing Element kick-off meeting was held on September 28, 2021 to outline project goals, milestones, public outreach program, and the sites inventory. The draft Housing Element timeline has been prepared to highlight major milestones:

⁵ 9/21/21 meeting available at: <https://cupertino.legistar.com/LegislationDetail.aspx?ID=5139085&GUID=49F1DF23-27A3-4725-9BC5-DAE83FA58A66&Options=&Search=>

⁶ 4/27/21 meeting available at: <https://cupertino.legistar.com/LegislationDetail.aspx?ID=4920241&GUID=0529920D-3BC8-4A7B-AFEE-759CA6E1C0EC&Options=&Search=>

⁷ 5/11/21 meeting available at: <https://cupertino.legistar.com/LegislationDetail.aspx?ID=4939554&GUID=CB446516-C871-412D-9BBD-BF6A6B0AD561&Options=&Search=>

Milestone	Time Frame
Community Education and Engagement	Fall 2021 – Winter 2022
Review and update Goals, Policies, & Technical Analysis	Fall 2021 – Spring 2022
Preparation of Site Inventory	Fall 2021 – Winter 2022
City Council Approval of Draft Sites Inventory	Late Winter 2022
Preparation of Environmental Documents	Winter - Summer 2022
Preparation of Draft Housing Element	Winter - Summer 2022
City Council Study Session of Draft Housing Element	Fall 2022
Submit Draft Housing Element to HCD for Certification	Fall 2022
Preparation of Final Housing Element with HCD Feedback	Late Fall 2022
City Council Adoption of Final Housing Element	Winter 2022
Submit Final Housing Element to Required Agencies	By Jan 31. 2022

The Housing Element team will work to ensure that all milestones are met. Two of the primary focuses moving forward will be drafting and analyzing the sites inventory to account for the City’s RHNA and public education and engagement. The current scope of work includes a robust public engagement plan with public meetings and study sessions (11 in total), two community meetings, three stakeholder meetings, robust online engagement, an educational webpage, and translation/interpretation services in a manner to ensure that a state compliant Housing Element can be presented to the Council by the state mandated deadline.

Staff has evaluated other options for public engagement, such as a housing-element specific advisory committee (an approach used in other jurisdictions such as Los Gatos and Palo Alto). However, these jurisdictions lack an advisory commission equivalent to Cupertino’s Housing Commission. The current scope of work includes engagement with the public through the Housing Commission, in addition to other public engagement. Staff believes that the current public engagement plan is robust and therefore does not recommend forming a Housing Element advisory committee.

The content of the community meetings and online engagement will be designed to help obtain input from the public, which will inform staff, consultants, and decision makers to prepare and adopt a compliant Housing Element in a timely manner.

2021 Housing Survey: The Housing Survey Subcommittee met over nine public hearings between September 2020 and August 2021 to develop the survey, which was available to the public for six weeks between June-July 2021. The survey provided residents with an opportunity to submit detailed feedback on expectations regarding current and future housing in the City.

A total of 935 individuals completed the survey, of which 93% identified as Cupertino residents. Respondents identified as 76% homeowner/17% renter. Among other

responses (see Attachment A for complete 2021 Housing Survey Data), it is noted that 76% of the respondents indicated that they were most concerned with traffic impacts from higher density housing developments, and 75% were in favor of Accessory Dwelling Unit (ADU) type units. Survey responses will be used to inform the 6th Cycle Housing Element update.

Next Steps

Please refer to the timeline above. The Housing Element update must be completed by January 2023.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

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Attachment A - 2021 Housing Survey Data