

**Council Meeting: May 8, 2012****SUBJECT: 2011 Annual Progress Report on Implementation of the Housing Element of the General Plan (Information Only)****DISCUSSION**

California Government Code §65400 requires general law cities and counties to submit an annual progress report (APR) to certain state agencies to inform them of the progress the jurisdictions have made in implementing the housing elements of their general plans.

Government Code §65700 exempts charter cities such as Sunnyvale from the requirements of §65400. However, if charter cities wish to apply for certain state grants made available by HCD, they must have submitted an APR to the state for the prior calendar year. In addition, HCD encourages all cities to submit the report as a tool in meeting the state requirement to periodically review and update housing elements.

Although Sunnyvale is a charter city, staff has prepared and submitted APRs for calendar years 2010 and 2011 so the City will be eligible to apply for future HCD funding opportunities that may arise. Staff has been monitoring the grant announcements related to the APR since 2010, when the applicable regulations were updated, and has not yet found any viable grant opportunities. However there may be opportunities worth pursuing in future years, therefore it is prudent to submit the reports annually, as eligibility is determined based on APR submittal in the year *prior* to the year when the grant applications are due. In addition, the data gathered in these reports will greatly streamline the data-gathering process when the Housing Element must be updated in 2014.

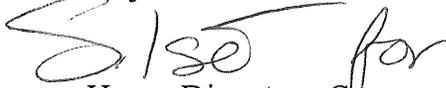
The attached 2011 APR provides the number of housing units for which the City issued building permits during 2011, both in the aggregate and by affordability level, according to state-defined income levels (extremely low through above-moderate income). The APR also reports on the City's progress to date on implementing the housing programs and objectives listed in the Implementation Plan of the Housing Element.

No Council action is required.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

Reviewed by:

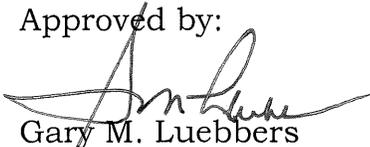


Hanson Hom, Director, Community Development

Suzanne Isé, Housing Officer

Prepared by: Ernie DeFrenchi, Affordable Housing Manager

Approved by:



Gary M. Luebbbers

City Manager

Attachments

1. 2011 Annual Housing Element Progress Report

Attachment A
2011 Annual Housing Element Progress Report

**Department of Housing and
Community Development**

ANNUAL HOUSING ELEMENT PROGRESS REPORT

City or County Name: City of Sunnyvale

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Sunnyvale, CA 94088

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Reporting Period by Calendar Year: from 1/1/11 to 12/31/11

These forms and tables, (see sample – next page) must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1, of each year for the prior calendar year; submit separate reports directly to both HCD and OPR (Government Code Section 65400) at the addresses listed below:

Department of Housing and Community Development
Division of Housing Policy Development
P.O. Box 952053
Sacramento, CA 94252-2053

-and-

Governor's Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

Jurisdiction City of Sunnyvale
Reporting Period 1/1/2011 - 12/31/2011

Table A

Annual Building Activity Report Summary - New Construction
Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information								Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions	
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income			See Instructions	See Instructions	
Fusion	5+	O	0	2	1	24	27	27	Other	Inc	0
(9) Total of Moderate and Above Moderate from Table A3 ▶▶					21	440	461				
(10) Total by income Table A/A3 ▶▶				2	22	464	488	27			
(11) Total Extremely Low-Income Units*											

* Note: These fields are voluntary

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Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity	0	0	1	1	City provided assistance to rehabilitate a 5-bedroom group home for very-low residents. A Regulatory Agreement was executed securing the restrictions for an additional 30 years.
(2) Preservation of Units At-Risk	0	95	0	95	City provided assistance to preserve affordability at 95-unit rental property (Aster Park) with expiring deed restrictions. A new Regulatory Agreement was executed securing the restrictions for an additional 55 years.
(3) Acquisition of Units	0	0	0	0	
(5) Total Units by Income	0	95	1	96	

* Note: This field is voluntary

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	0	0	21	0	0	21	21
No. of Units Permitted for Above Moderate	21	0	419	0	0	440	440

* Note: This field is voluntary

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Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2007/2008	2009	2010	2011							Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
Very Low	Deed Restricted	1,073	0	0	124	0						124	949
	Non-deed restricted		0	0	0	0							
Low	Deed Restricted	708	132	12	101	2						247	461
	Non-deed restricted		0	0	0	0							
Moderate	Deed Restricted	776	0	4	0	22						26	219
	Non-deed restricted		0	0	531	0						531	
Above Moderate		1,869	693	100	93	464						1,350	519
Total RHNA by COG. Enter allocation number:		4,426											
Total Units ▶▶▶			825	116	849	488						2,278	2,148
Remaining Need for RHNA Period ▶▶▶▶▶													

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

Table C

Program Implementation Status

Program Description (By Housing Element Program Names)	Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.		
Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
1. Below Market Rate (BMR) Program	Review and refine BMR guidelines and codes to add program flexibility, accommodate current market conditions, and improve overall effectiveness.	2009-2014. Complete program modifications in 2009.	This project was delayed due to litigation in 2010. Staff will propose program changes to City Council in July 2012.
2. Homeownership Programs -First Time Homebuyer (FTHB) -Housing for Public Sector, Teachers, Child Care Workers (HPCC) -Mortgage Credit Certificate (MCC)	Revise program guidelines to improve effectiveness and adjust to market conditions. Assist 20 homebuyers per year with FTHB/HPCC and 8 with MCC.	2009-2014. Revise FTHB and HPCC program guidelines in 2009.	Completed, City Council approved revised FTHB Program in July 2009.
3. Affordable Housing Development Assistance	Provide financial and regulatory assistance for new affordable housing development, using available funds. Identify new sources of funding.	2009-2014. Evaluate expansion of Housing Mitigation Fee in 2011.	City evaluated increasing the fee in early 2011, however, due to the recession it was determined that it was not appropriate to increase the fee at that time. This item will be considered again in 2012.
4. Density Bonus Provisions	Update density bonus provisions; coordinate and publicize with BMR program.	Adopt ordinance updates in 2010.	This objective will be addressed when the BMR Program review (item 1) is taken to City Council with recommendations in July 2012.
5. Homeowner Rehab Programs 5a. Rehab Loans 5b. Energy Loans 5c. Paint Loans/ Grants 5d. Accessibility Grants 5e. Emergency Loans	Implement program modifications to enhance effectiveness. Assist 40 households/year under all 5 rehab programs.	2009-2014. Complete program modifications in 2009.	Program modifications have been completed. Households are assisted on an ongoing basis throughout this Housing Element cycle (2009-2014).

6. Multi-Family Rental Rehabilitation	Reconsider feasibility and demand for program, and recommend alternatives for program modifications.	Recommend revisions to Multi-Family Rental Rehab Program to City Council in 2010.	The program was evaluated and it was determined that program modifications are not needed at this at time. Since 2009, a number of large multi-family rehabilitation projects have been funded. Aster Park, Homestead Park, etc.
7. Multi-Family Rental Property Acquisition/ Preservation/ Rehabilitation	Assist at least one large multi-family rental project (60-100 units)	2009-2014	In 2009, City provided assistance to preserve a 95-unit rental property, known as Aster Park. This projected was completed in 2011.
8. Neighborhood Enhancement Program	Target one new neighborhood per year for comprehensive neighborhood improvements, enhancing approximately 200 homes annually.	Complete one enhancement area annually.	Completed areas in 2009, 2010 and 2011.
9. Preservation of Assisted Rental Housing	Monitor affordability controls in 245 at-risk units. If Section 8 expires - conduct tenant education and support in search of alternative housing.	Annually contact non-profit owners to confirm status of Section 8 contract.	City provided assistance to preserve affordability at 95-unit rental property (Aster Park) with expiring deed restrictions.
10. Section 8 Rental Assistance	Seek to maintain current levels of Section 8; encourage landlords to register units.	2009-2014	Ongoing.
11. Mobile Home Park Preservation	Implement current mobile home park protections. Evaluate ordinance modifications to enhance tenant protections.	2009-2014. Recommend revisions to Mobile Home Park Ordinance to City Council in 2011.	A study of this item is currently underway. Staff will bring the study results to City Council in 2012.
12. Foreclosure Prevention	Promote foreclosure counseling services through the City's website and newsletter. Coordinate with the Santa Clara County Board of Realtors.	Initiate foreclosure outreach in 2009.	Completed.
13. Condominium Conversion Regulations	Implement tenant protections under current ordinance.	2009-2014	Complete. The Condominium Conversions Ordinance was found to be complete and offered sufficient tenant protection.

14. Zoning Text Amendments	Amend Zoning Code to make explicit provisions for a variety of special needs housing. Develop objective standards to regulate emergency shelters.	Complete ordinance revisions in 2010.	Zoning Code amendments were adopted on 12/6/2011. Included provisions for emergency shelters, transitional housing and supportive housing.
15. Multi-family and Mixed-Use Processing Procedures	Amend Zoning Code to replace multi-family use permit with an administrative hearing process in multi-family and mixed use zones for projects up to 50 units. For residential projects still subject to use permit, annually evaluate processing times and conditions.	Amend the Zoning Code in 2010. Annually evaluate processing times and conditions on residential projects subject to a CUP.	Zoning Code amendments were adopted on 12/6/2011.
16. Modified Parking Standards	Amend the Zoning Code to specify reduced parking standards for senior housing, housing for persons with disabilities, and housing in close proximity to transit.	Amend the Zoning Code in 2010.	Zoning Code amendments were adopted on 12/6/2011.
17. Residential Sites Inventory	Maintain current inventory of potential residential and mixed use sites; provide to developers in conjunction with information on incentives.	2009-2014	Ongoing
18. Minimum Densities	Inform developers of policy to develop to at least 75% of General Plan density.	2009-2014	Ongoing

19. Downtown Specific Plan	Facilitate site assembly through marketing and purchase of strategic parcels. Encourage provision of affordable housing by requiring BMR units to be provided on-site or within the boundaries of the Specific Plan, and by promoting density bonus and development incentives available in conjunction with the BMR program.	2009-2014	Completed/Ongoing
20. Accessory Living Units (ALUs)	Implement City's ordinance to accommodate ALUs, and place information on the City's website.	2009-2014. Add ALU information to CDD page on City's website in 2009.	Completed
21. Fair Housing Program	Contract with qualified agencies for comprehensive fair housing services and tenant/landlord mediation.	Annually review Fair Housing reports to assess any trends and develop appropriate actions.	Completed/Ongoing
22. Shared Housing Program	Contact cities and service providers about re-establishing a senior shared housing program.	Contact service agencies in 2010.	Catholic Charities provides this service.
23. Accessible Housing	Develop and adopt Reasonable Accommodations procedures and disseminate info on City's website and at City Hall. Provide grants for accessibility improvements.	Adopt Reasonable Accommodation procedures in 2010.	The City provided 11 accessibility grants in 2011. Reasonable Accommodation procedures were adopted and incorporated into the Zoning Code on 12/6/2011.

24. Emergency Shelter and Emergency Services	Financially support area homeless shelter and service providers. Facilitate provision of approx. 100 units of homeless housing in association with Onizuka base conversion.	2009-2014. Provide 100 units of homeless housing by 2012.	In progress
25. Sustainability and Green Building	Continue sustainability program. Adopt a local green building program.	Adopt Green Building Program in 2009.	Completed

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General Comments: