

Shared Vision for Sunnyvale's Housing Strategy - Inclusionary Housing Policy

We are a coalition of residents and community organizations working to make sure that Sunnyvale provides for the housing needs of its families and workers, while handling growth in a smart and climate-friendly way. Sunnyvale has put significant effort into meeting its affordable housing goals, but much work remains to be done.¹ It will take a bold vision to meet the need for deed-restricted affordable housing in Sunnyvale, given the significant increase of jobs in the city and the South Bay more generally. This is why we are excited to see Sunnyvale move forward with an inclusionary housing policy as part of its comprehensive Housing Strategy process.

We urge Sunnyvale to move expeditiously to adopt an Inclusionary Housing policy and to ensure that the policy includes the following strategies:

- **Adopt a requirement that 15% of all new rental and ownership housing be affordable,** consistent with the standard that most Santa Clara County cities have adopted.
- **Require homes built under this policy to be, on average, affordable to households with an income of 60% of area median income (AMI). In addition, require affordable units to be targeted to at least two distinct levels of affordability to serve a broad spectrum of household needs.** Units targeted at a household with an income of 80% of AMI, for example, could be balanced by equivalent units targeted at households with an income of 40% of AMI.
- **Allow developers to use alternative compliance methods, at a higher cost, when building affordable housing onsite is impractical.** When an alternative method is used, the fees or mitigation amounts should be set at levels that incentivize the delivery of deed-restricted units onsite.
- **Strengthen developer incentives in exchange for meaningful increases in the number of affordable units above the minimum required amount.** For example, Sunnyvale could strengthen the city's Density Bonus program to provide additional incentives for affordable housing production.
- **Adopt a reasonable Grandfathering Policy.** The city should move expeditiously to implement its policy to address the growing need for affordable housing while providing an adequate timeframe for developers to adjust to new inclusionary requirements. Our recommendation is to grandfather those projects that have applications that have been “deemed complete” by city staff prior to the ordinance’s effective date. The city should establish requirements that ensure that any project that is grandfathered continues to move forward through the development process.

By implementing these strategies to increase affordable housing production, we can help ensure that Sunnyvale continues to be a welcoming community for people of all income levels. Additionally, a comprehensive inclusionary policy would allow more employees of local businesses to live and work in the same community, reducing lengthy commutes, air pollution, and development pressure on the Bay Area’s farms and natural lands.

Greenbelt Alliance
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¹ See appendix below.

Appendix

Permitted Units and RHNA Allocation by Household Income Category in Sunnyvale, 2015-2018

	RHNA Allocation, 2015-2023 ¹	Permitted Units, 2015-2018 ²	Remaining Allocation, 2019-2023	Percentage Permitted
Very Low Income	1,640	89	1,551	5.4%
Low Income	906	21	885	2.3%
Moderate Income	932	167	765	17.9%
Above Moderate Income	1,974	1,606	368	81.3%

¹ Association of Bay Area Governments. *Regional Housing Need Plan 2015-2023*. https://abag.ca.gov/sites/default/files/2015-23_rhna_plan.pdf. 2013.

² City of Sunnyvale. *2018 Annual Progress Report on Implementation of the General Plan Housing Element*.

<https://sunnyvaleca.legistar.com/View.ashx?M=F&ID=7064420&GUID=3E18C6DB-9E46-43A9-BE26-8EF0BA4A26F2>. March 2019.