Santa Clara County Planning Collaborative Regular Monthly Meeting Agenda + Notes

December 14, 2023 12pm - 1:30pm, Online via Zoom

Slide Deck: https://citiesassociation.org/documents/12-2023-meeting/

- Welcome and Agenda Collaborative Staff
- MTC-ABAG Announcements Manuel Ávalos (<u>mavalos@bayareametro.gov</u>)
 - Transit Oriented Communities (TOC) Policy Update
 - New resources for compliance available.
 - Priority Conservation Area (PCA) Grant Program
 - New funding available, applications due January 12, 2024.
 - o Funding Opportunity: Call for Letters of Interest for Priority Sites
 - Next Generation Bay Area Freeway Study: Engagement Opportunity
 - Vehicle Miles Traveled (VMT) Reduction Planning Guidance
 - o Transportation Electrification (TE) Initiatives: Notice of Upcoming RFQ
 - Bay Area Electric Vehicle (EV) Coordinating Council: Charging Infrastructure Planning Discussion
 - Regional Housing Technical Assistance Program
 - Planning Collaboratives
 - Webinar: Changes to the APR Form with HCD
 - Info Webinar on January 8, 2024. Register Here.

Collaborative Updates

- REAP 2.0 funding has been approved, approximately \$500k across two years.
 - Activities using new ABAG funding must comply with REAP 2.0 goals.
- Cities Association is becoming a Joint Powers Authority
 - Jurisdictions that don't participate in the JPA will still be welcome to participate in the Planning Collaborative.
 - Final decision about technical support contracting for the Collaborative will be made by the JPA in 2024.
- Grand Nexus Study
 - Interviews for a specialized technical assistance provider are underway
 - 7 cities interested in studies on residential and/or commercial nexus and feasibility studies
 - Once a specialist is under contract the participating cities will provide funding, rather than the Collaborative.
 - Collaborative members interested in reviewing draft studies.

Housing Element Status Updates

- 7 cities adopted and in compliance, 4 cities have drafts currently in HCD review,
 5 cities with adopted drafts but not certified compliant by HCD.
- Los Gatos received a correction letter on December 1.
- Sunnyvale received a compliance certification from HCD and has adopted a final housing element.
- Cupertino is expecting to hear from HCD this week.

2023 New Housing Laws Resources and Overview

- Webinar recording and summary document available through ABAG, work by Community Planning Collaborative and Goldfarb & Lipman.
 - Includes key action items for jurisdiction staff
- Key Takeaways
 - SB 35 New public informational hearing required
 - Small Subdivisions Consider adopting implementing ordinance (7/1/2024)
 - Replacement Housing Ensure non-residential development provide replacement housing
 - Density Bonus Law Update density bonus ordinance/administration documents to reflect changes
 - San Jose suggest additional TA on this topic may be a priority.
 - Parking Consider a shared parking ordinance
 - Mitigation Fee Act Update templates
 - New by-right process:
 - Faith and higher education institutions
 - San Jose suggests additional TA on this topic may be a priority.
 - Streamlined approval process for adaptive reuse to affordable housing
 - CEQA
 - New affordable housing CEQA exemption
 - Be prepared for new CEQA demands when processing HAA proposals
 - ADUs
 - Begin preparing for ADU preapproval program (1/1/2025)
 - Consider allowing ADU condo-ization
- Technical Assistance Priorities
 - Small Lot Subdivision
 - Affordable Housing on Faith-based & Higher Ed Land
 - CEQA Changes
 - Density Bonus
 - ADUs Pre-approved Plans and Condos
 - San Jose: Would be helpful to have a model ordinance for adoption, and overview of suggested program structure. The more complete the model ordinance the sooner jurisdictions can adopt.
 - Shared Parking

- Collaborative members should email Collaborative staff with assistance suggestions and requests for new laws.
 - Email Samantha Dolgoff (dolgoff@planningcollaborative.com)
- New assistance will be incoming in 2024, including staff checklists.

ADU Affordability Survey

- Developed by ABAG RHTA with verbal approval from HCD, this template survey collects data from homeowners on ADU use and rents.
- This online survey tool will launch in January 2024.
- Info Sessions:
 - Thursday, Dec 14 at 3:30 pm
 - Tuesday, Jan 16 at 2:00 pm
- More details on the ABAG website
- San Jose: Will the ADU survey include household size?
 - Answer: Since survey will be issued at time of permitting the homeowner likely won't know the tenant household size, so number of bedrooms will be used as a proxy for estimating household size.
- Use of the survey is optional for jurisdictions. Participating cities will be given a
 website link to share with ADU applicants, and ABAG will then share out data.
- If jurisdictions are interested in requiring survey completion as part of the permit application process, ABAG will generate an automatic email sent to the applicant upon completion that can be used as a survey record to submit to the jurisdiction.
- Intention is to document whether affordability goals outline in Housing Elements are being met.
- San Jose: Interest in understanding whether ADUs are being used for intergenerational family housing or other purposes.
 - Survey asks intended use of ADU (Yourself, a family member, renting to a non-family tenant, etc.)

• ADU Nonprofit Resource Center

- Previously Scott Johnson spoke with this group about the Napa Sonoma ADU
 Center and suggested structures for a Santa Clara ADU Resource Center.
- Purpose of an ADU Resource Center
 - Support jurisdiction ADU goals + increase ADU production.
 - Implement commitments from Housing Elements.
 - Meet AFFH goals (lower cost housing in high opportunity areas)
 - Relieve jurisdiction staff of time-consuming questions from homeowners.
 - Provide robust support to homeowners (not just in permitting process)
- Possible Services
 - ADU feasibility assessments
 - ADU hotline
 - Jurisdiction-specific in-person events
 - High quality educational materials and resources
 - ADU affordability programs

- Pre-reviewed plans coordination + resources
- Ongoing Growth
 - Napa Sonoma ADU Center expanding to Marin and Solano.
 - San Mateo County jurisdictions moving toward creating an ADU nonprofit.
 - Tiered support from jurisdictions (~\$25k \$40k per year)
 - Applying for other funds, plus potential community foundation support.
- Is there interest in expanding services to Santa Clara County?
 - Palo Alto: Yes, but need to check on funding.
 - San Jose: San Jose has plan sets and ADU resource staff already but needs to review functions to see whether there would be a value add.
 - Would be interested in seeing if there are ways to leverage San Jose's existing ADU staff person and whether there would be opportunities for additional funding to have this staff person or another staff person expand service area. Either way, need to understand how ADU Center would integrate with existing resources, including staff.
 - San Jose's Housing Element includes an ADU loan/grant program and would want to support efforts to expand that regionally, maybe through the new ADU Center.
 - Important to measure impact.
 - Mountain View: Would prefer to have more clarity on details to understand pros and cons. An ADU Resource Center is not named in the Mountain View Housing Element, but building more ADUs is. In general, need more information.
 - Morgan Hill: Funding is a primary concern, interested if the economies of scale would work, would prefer more info on how Napa Sonoma ADU Center functions and what would be required of jurisdictions in terms of funding and staff time.
 - Cupertino: Agree with Morgan Hill, need to better understand how ADU Center would integrate with existing resources and local planning department.
 - Collaborative staff will follow up with the ADU Resource Center group and plan a more in depth conversation on structure, financial contributions, demands on local staff time, and how the center would integrate with existing local resources and staff.
- Pre-Approved ADU Plans
 - New state law requires cities to have a process for pre-approval.
 - If a plan is approved once it must be considered pre-approved.
 - SCC ADU Plans Gallery will have built in functionality.
 - Building departments will need to be involved to check off which plans are pre-approved.
 - ADU Plans Gallery is designed to expand and add additional plans over time

■ Pre-fab ADUs will be considered pre-approved since they have already been reviewed by the state.

Multi-Family Housing ADUs

- How are cities interpreting new state law? When permitting interior conversion units where 25% conversion is allowed, are cities mostly rounding up or down?
- San Jose: Likely rounding up.

Regional Technical Assistance for REAP 2.0

- ABAG is interested in expanding technical assistance across Collaboratives in the region. Potential topics include:
 - ADU assistance
 - Regional working groups:
 - Equity and anti-displacement
 - ELI and Permanent Supportive Housing
 - New Housing Laws TA
 - Analysis / guidance for developing different land types
 - Recorded regional TA on development basics
 - Recorded webinar trainings for local officials
- San Jose: Missing middle is a priority, would be valuable to have regional guidance. Highlight the need for messaging tools to address community concerns.
- Cupertino: Housing Element includes new policy to allow additional multifamily housing, with a focus on 4-plexes and other missing middle options. Not yet clear how the community will react.
- Santa Clara City: Missing middle is a priority, need additional resources on ensuring rent prices meet middle income needs.
- ABAG Missing Middle Resources: https://missingmiddlehousing.com/about.
 ECOnorthwest provide strategy guidance for meeting middle income level needs.
- San Jose: Anti-Displacement tools are a priority, centered in most of San Jose's policy strategies.

Upcoming Affordable Housing Finance Training

- Silicon Valley at Home representatives have been invited to give a training workshop on affordable housing finance.
- Suggested content:
 - Understanding how affordable housing gets financed (at different levels of AMI).
 - The role of tax credits and local funding.
 - Location, location, location (what makes a site viable or nonviable).
 - The affordable housing development process (what's "baked in" before a project goes public).
 - Case study to show how financing can impact a specific project.
- Questions or Suggestions for Collaborative Members:

San Jose:

- Affordable housing and ground floor commercial space, how financing for that works and what it costs.
- Funding sources that a city can generate to help fund nonprofit partnerships, such as commercial in lieu fees.
- Role of tax credits and bonds.
- Prevailing wage requirements, how skilled and trained requirements impact feasibility
- Cupertino has a site allocated for affordable housing for which a project has been proposed. ELI housing focused on developmentally disabled tenants.
- San Jose

2023 Review and 2024 Planning

 Collaborative members discussed major accomplishments and challenges of the year, and priorities and needs for the upcoming year.