# 9/18/2023 REDLINED DRAFT

County of Santa Clara 2023-2031 Housing Element Update



# County of Santa Clara HOUSING ELEMENT UPDATE

2023-2031



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## How to Use the **Housing Element Update**

A Housing Element is a planning document required by California state law as part of the local government's General Plan. The Housing Element is intended to address the current and future housing needs of a community, including the development, preservation, and improvement of housing for all income levels.

The California Department of Housing and Community Development (HCD) sets forth specific requirements for the Housing Element, including an assessment of housing needs, identification of sites suitable for housing development, and policies to promote affordable housing. The Housing Element must be updated every eight years to reflect changing community needs and to ensure that the local government is meeting its goals for housing production.

The Housing Element plays a critical role in California's efforts to address its housing crisis by providing solutions to affordability and quality in housing. By requiring local governments to plan for housing growth and development, the Housing Element helps ensure that California's communities can provide a range of housing options for residents at all income levels.

The 2023-2031 update to the County of Santa Clara Housing Element is divided into the following chapters:

Chapter 1: Overview of Housing Element Update 2023-2031

**Chapter 2:** Housing Needs and Production

Chapter 3: Fifth Cycle Performance Review and Sixth Cycle Housing Strategies and Policies

Chapter 4: County Housing Strategies, Policies, and Programs, Projects, Studies, and Activities

How the Housing Element is used will vary greatly based on the user. This section gives some general suggestions based on different users. Please also review the Frequently Asked Questions section, for general questions about the Housing Element.

### **County Officials**

As an elected or appointed official, you have a duty to oversee the development, preservation, and improvement of housing for members of your community. This includes future members of the community and those of varying income levels, abilities, ages, and backgrounds.

Professional staff employed by the County will also need to be familiar with the Housing Element to implement the goals, strategies, policies, and programs it contains.

The Housing Element contains goals and policies to guide you in your work to ensure that these goals are met while still allowing for an appropriate level of local control. Some of the key sections County officials should be familiar with include:

- Chapter 2: 2.04b Development Capacity Analysis.
- Chapter 3: 3.05 Sixth Cycle Housing-Related Strategies and **Policies**
- Chapter 4: County Housing Strategies, Policies, and Programs.

### Homeowners

As a current or future homeowner, you may want to know how the Housing Element impacts you and your housing choices. The Housing Element contains information about housing-related programs for both first-time home buyers as well as current homeowners.

For those individuals looking to become first-time home buyers, the County has several programs that may be of assistance, including:

- Chapter 4: Program 1.02 Limited Equity Housing Cooperative Projects (LEHCs).
- Chapter 4: Program 1.04 Empower Homebuyers SCC.
- Chapter 4: Program 1.05 Mortgage Credit Certificate (MCC) Program.
- Chapter 4: Program 1.06 Below Market Partnership Program.
- Chapter 4: Program 1.31 Minor Home Repair and Maintenance.

Existing homeowners can find several programs and policies that can assist them as well. Some of these programs may include additional

information on how to add an Accessory Dwelling Unit (ADU) and/or Junior Accessory Dwelling Unit (JADU), programs to assist in home repair or maintenance, and information on how to keep your home safe from wildfires. Chapter 4 describes a number of these policies and programs including:

- Chapter 4: Program 1.31 Minor Home Repair and Maintenance.
- Chapter 4: Program 2.07 Streamline Accessory Dwelling Unit (ADU) Processing.
- Chapter 4: Program 2.18 Training and Support to Homeowners Aging in Place.
- Chapter 4: Program 2.22 Educate homeowners in high fire risk areas of hazards.

Please see Chapter 4 for the full list of programs and policies.

### Landlords/Tenants

The County of Santa Clara has housing programs geared at assisting tenants as well as landlords, including:

- Chapter 4: Program 1.18 Tenant/Landlord Dispute Mediation Services.
- Chapter 4: Program 1.19 Eviction Diversion Program.

Please see Chapter 4 for the full list of programs and policies.

## Developers

Coordination with housing developers, especially affordable housing developers, is crucial to seeing more housing built in Santa Clara County. Developers can use the Housing Element to learn more about the sites identified for additional housing development. They can also take advantage of some of the County's on-going efforts to

free up additional land for residential development such as: Program 2.12 - Update Zoning Ordinance for Re-use of Non-Residential Buildings to Residential. Some sections of the Housing Element that may be of interest to developers include:

- Chapter 2: Housing Needs and Production
- Chapter 4: County Housing Strategies, Policies, and Programs

### Affordable Housing Advocates

The provision of affordable housing is critical for the continued vitality of the Bay Area. The County of Santa Clara has partnered with affordable housing developers in the past and will continue to provide support through a number of programs and funding mechanisms. To learn more about past projects, as well as future opportunities, please read the following sections:

- Chapter 2: 2.04b Development Capacity Analysis.
- Chapter 3: 3.03 Review of County's Investment in Countywide Housing Efforts During Fifth Cycle and Beyond.
- Chapter 3: 3.05 Sixth Cycle Housing-Related Strategies and Policies.
- Chapter 4: County Housing Strategies, Policies, and Programs.

## **Special Housing Needs**

Part of the role of the Housing Element is to plan for a variety of housing types for a wide variety of individuals and circumstances. This includes looking at situations such as housing for agricultural workers, Seniors, individuals with disabilities, and temporary housing.

To learn more about these programs and policies please visit the following sections of the Housing Element:

- Chapter 3: Sixth Cycle Housing-Related Strategies and Policies.
- Chapter 4: County Housing Strategies, Policies, and Programs.

### Members of the Community

Community engagement is a key part of the Housing Element update process. Throughout the process, the County of Santa Clara has reached out to community members like you for your input and feedback. Thank you for your participation in the Housing Element process and for your continued interest. To learn about how public input was incorporated into the Housing Element, you can read more atplease refer to the following section:

• Chapter 1: Community Participation and Outreach.

### Housing Element FAQ

### What is the purpose of a Housing Element?

The purpose of a Housing Element is to address the current and future housing needs of a community, including the development, preservation, and improvement of housing for all income levels.

### What are the requirements for a Housing Element?

The requirements for a Housing Element include an assessment of housing needs, identification of sites suitable for housing development, and policies to promote affordable housing. The Housing Element must be updated every eight years and approved by HCD.

The main categories or types of information and analysis required in a Housing Element update are:

- Identification and analysis of existing housing needs and projected housing needs;
- A statement of goals, objectives, strategies, and policies relating to the maintenance, preservation, improvement, and development of housing;
- An analysis of the capacity of the existing General Plan and Zoning Ordinance to meet projected needs; and,
- A summary of housing programs and a five-year schedule of implementation measures.

The 2023-2031 update serves four additional important purposes:

- To document local housing needs in the context of existing County land use and growth management policies;
- To affirmatively further fair housing throughout Santa Clara County;
- To explain important components of planning policies in Santa Clara County, which has urban growth management policies that guide urban housing development to occur within cities and Urban Service Areas (USAs) in order to preserve open space and promote rural land use densities outside cities; and
- To document the many other ways, in addition to the approval of residential development, by which the County contributes significantly to meeting local and countywide housing needs.
- Who is responsible for preparing a Housing Element?
- Local governments are responsible for preparing a Housing Element. In this case, the County of Santa Clara is responsible for the preparation and update of the Housing Element for the unincorporated areas of the county.

### How often does a Housing Element need to be updated?

A Housing Element needs to be updated every eight years. HCD will release a detailed timeline of when Housing Elements need to be submitted to HCD and approved for compliance with State law.

### How does a Housing Element address affordable housing?

A Housing Element addresses affordable housing through policies that promote the production of affordable housing, such as inclusionary zoning and density bonuses. It also acknowledges the use of public funds (such as Measure A) to help subsidize the development of affordable housing.

### How does a Housing Element address the needs of different income levels?

A Housing Element addresses the needs of different income levels by identifying the housing needs of all income levels and developing policies to promote the production and preservation of housing for all income levels. The Regional Housing Needs Allocation (RHNA) identifies housing production targets for a range of income brackets—ensuring that the County plan for housing at all income levels.

### What role do public participation and community input play in the preparation of a Housing Element?

Public participation and community input are critical in the preparation of a Housing Element. Local governments are required to engage with the community in the development of the Housing Element, through public meetings and other outreach efforts, and the County of Santa Clara held numerous on-line and in-person events. Section 1.08 highlights the Community Engagement plan and all of the efforts that went into meeting with the community and integrating their feedback into the final draft of the Housing Element.

### How are housing needs assessed in a Housing Element?

Housing needs are assessed in a Housing Element through an analysis of demographic data, population projections, and housing market data. In the case of the County of Santa Clara, the Association of Bay Area Governments (ABAG) developed the methodology to assess the housing need in the region, and then assigned a certain number of projected units to each member jurisdiction. This is called the Regional Housing Needs Allocation (RHNA).

RHNA methodology adopted by ABAG and approved by HCD intends to achieve five primary objectives: increase housing supply and mix of housing types; promote infill development and socioeconomic equity; promote improved intraregional jobs-housing relationship; balance disproportionate household income distributions; and affirmatively further fair housing.

### What is the role of the state government in the review and approval of a Housing Element?

The state government reviews and approves Housing Elements to ensure they comply with state law and meet the state's housing goals. HCD provides guidance and technical assistance to local governments in the preparation of the Housing Element.





# Chapter 1: Overview of Housing Element Update 2023-2031

### 1.01 Introduction

This document serves as the Housing Element Update to the Santa Clara County General Plan for the planning period of 2023-2031 (2023 Update) and is Appendix No. 4 of the General Plan. The Housing Element is one of seven mandated elements of a jurisdiction's General Plan. Its content requirements are more detailed, extensive, and complex than other mandated elements within the General Plan. This document addresses the housing-related subject matter required under State law.

This 2023 Update is organized into four chapters:

Chapter 1: Overview of Housing Element Update 2023-2031

Chapter 2: Housing Needs and Production

**Chapter 3:** Fifth Cycle Performance Review and Sixth Cycle Housing Strategies and Policies

**Chapter 4:** County Housing <u>Strategies, Policies, and Programs</u>, <u>Projects, Studies, and Activities</u>

The 2023 Update primarily uses the same organizational structure as that of the 2015 Housing Element Update (2015 Update), an

approach consistent with State Department of Housing and Community Development (HCD) preferences and guidelines. This technique allows the review of the 2023 Update to qualify for streamlined review, facilitating comparison with the previous update for purposes of the State's review, and provides for continuity from one update to the next. The content of the 2023 Update is based on the State's publication "Building Blocks for Effective Housing Elements" and related checklists provided for the purpose of locating content and relating it to the various requirements set forth in State law.

The main categories or types of information and analysis required in a Housing Element update are:

- Identification and analysis of existing housing needs and projected housing needs;
- A statement of goals, objectives, strategies, and policies relating to the maintenance, preservation, improvement, and development of housing;
- An analysis of the capacity of the existing General Plan and Zoning Ordinance to meet projected needs; and,
- A summary of housing programs and a five-year schedule of implementation measures.

The 2023 Update serves four additional important purposes:

- To document local housing needs in the context of existing County land use and growth management policies;
- To affirmatively further fair housing throughout Santa Clara County;
- To explain important components of planning policies in Santa Clara County, which has urban growth management policies that guide urban housing development to occur within cities and

- Urban Service Areas (USAs) in order to preserve open space and promote rural land use densities outside cities; and
- To document the many other ways, in addition to the approval of residential development, by which the County contributes significantly to meeting local and countywide housing needs.

#### 1.02 **Executive Summary**

### **Planning Period for Current Update**

This section provides an executive summary of key information and findings of the 2023 Update.

### **County Produced Housing Consistent with Regional Housing Need Allocation and Forecast for the 2015 Update**

From 2015 through the end of 2022, 3,214 housing units were produced in the unincorporated county. This level of production meets and exceeds the 277 units assigned for the 2015-2022 planning period (fifth cycle) Regional Housing Needs Allocation (RHNA) by 2,937 units. In the 2015 Update, the County forecasted that permits would be issued for 2,082 units through 2022. Chapter 2 includes detailed information about the County's housing production in the last planning cycle.

### **Changes to Policy Direction and Strategies Proposed in 2023 Update**

The Housing Element Update is a part of, and is required to be consistent with, the County's General Plan, including the countywide growth management policies, health and transportation elements, and relevant portions of other elements. The goals, strategies, policies, and implementation measures described in the 2023 Update are consistent with, and promote the goals and policies of, the overall General Plan. However, with a RHNA assignment that has increased 1,028 percent from the previous cycle, from 277 units to 3,125 units, the County will need to make a few meaningful

changes to the County's General Plan policies. Furthermore, the County has added new strategies and policies to meet the challenges of present and future climate change impacts and to remedy longstanding systemic discrimination in housing policies and the inequitable outcomes of such policies.

The primary shift in the County's General Plan is to modify longstanding policies that confer long-range planning responsibilities for urban unincorporated pockets within the USAs (also known as unincorporated "islands") to the associated city jurisdiction. The County will need to modify its General Plan to allow long-range planning for housing in these areas, especially where the city does not have a plan for annexation during a specific Housing Element planning period.

Aside from these necessary modifications, the existing housing strategies and policies are effective, and they provide a broad and comprehensive framework to guide planning and decision-making related to housing issues in the unincorporated county during the period of 2023-2031. Chapter 2 includes detailed information about the County's completed, ongoing, and new housing strategies and policies.

### **Regional Housing Needs Allocation Description**

The County's RHNA is based on a model and assumptions about projected growth in housing need determined by the regional Council of Governments, in this case the Association of Bay Area Governments (ABAG). The RHNA assignment for the unincorporated areas of the county for the 2023-2031 planning period is 3,125 housing units, a dramatic increase from the 277 units allocated for the previous, 2015-2022 planning period. This increase is due to the RHNA methodology developed by ABAG, which includes three important components:

- 1. The baseline allocation based on ABAG's Plan Bay Area 2050 Final Blueprint;
- 2. Factors and weights for allocating units based on income categories (Access to High Opportunity Areas and Jobs Proximity); and,
- 3. Equity Adjustment based on the approach developed by ABAG's Housing Methodology Committee.

Figure 1.1 shows the RHNA assigned to the County, by affordability categories.

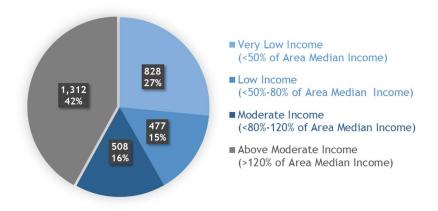


Figure 1.1 RHNA County Assignment

### **County Capacity to Meet RHNA and Accommodate Necessary** Housing

The 2023 Update includes detailed information and analysis to determine whether housing capacity exists within the existing General Plan and Zoning Ordinance to accommodate projected needs and production obligations assigned through the RHNA. Based on an evaluation of general housing capacity within urban

unincorporated areas, combined with capacity on Stanford University lands as defined under the Stanford Community Plan and 2000 General Use Permit, the County has identified sites providing 110 percent more capacity than is required under the RHNA. This extra capacity is necessary to ensure that if one or more large sites identified at Stanford or within the City of San José USA do not result in housing development projects during the 2023-2031 planning period, the County will still have enough capacity to accommodate its RHNA target. The County expects that by selecting sites sufficient to meet twice its RHNA target, it will ensure development opportunities remain available throughout the planning period, especially for lower- and moderate-income households, pursuant to Government Code Section 65863 (the No Net Loss Law). Chapter 3, section 3.05, and Appendix A includes the County's siteCounty sites inventory and more information on the County's ability to meet its RHNA assignment. Chapter 3, Section 3.03 includes more information on ABAG's process for determining the County's RHNA and Projected Housing Need.

### **Existing Housing Needs**

Chapter 3 provides detailed demographic and other statistical information required by housing element law and the State's Building Blocks for Effective Housing Elements. The primary purpose is to describe and assess existing housing needs for the unincorporated area population. The existing needs analysis is distinct and separate from the RHNA target for projected housing needs, based on projected population and economic growth.

Table 1.1: Summary Capacity to Meet RHNA Allocation

	Affordable Units					
Location	Affordable Units Share	Very Low Income (<50% of Area Median Income)	Low Income (<50%-80% of Area Median Income)	Moderate Income (<80%-120% of Area Median Income)	Above Moderate Income (>120% of Area Median Income)	Total
San Jose	33%	739	370	384	3,025	4,518
Fruitdale/Santa Clara Valley Medical Center	100%	186	69	45		300
Pleasant Hills	16%	228	114	114	2,394	2,850
Hostetter Station	58%	325	187	200	514	1,226
Parkmoor/Burbank Neighborhood	18%	-		14	62	76
Alum Rock/East Foothills	17%		-	10	48	58
Cambrian Park	13%	-	-	1	7	8
Stanford	50%	336	252	252	840	1,680
Quarry Sites	50%	196	147	147	490	980
Escondido Village	50%	140	105	105	350	700
ADUs	25%	-	-	92	276	368
Total		1,075	622	728	4,141	6,566
RHNA Assignment		828	477	508	1,312	3,125
Surplus Units		247	145	220	2,829	3,441
% of RHNA Target		130%	130%	143%	316%	210%

Section 3.02 documents unincorporated area housing needs through a series of tables and analyses based on available population, demographics, and housing data. Section 3.03 provides detailed analysis of housing capacity in relation to the RHNA target for projected housing needs. Section 3.04 documents recent unincorporated housing development, and Section 3.05 further describes issues relating to housing development potential for the unincorporated areas. The conclusion of Chapter 3, Section 3.05, is that the County has the capacity to accommodate the projected housing needs in the unincorporated area, as determined by ABAG.

### **Evaluation of Governmental and Non-Governmental Factors and Constraints**

Section 3.06 provides a broad review and evaluation of governmental factors that influence housing production and affordability. The section provides an overview of many topics, including land use policies and regulations referred to generally as "land use controls," impact fees, accessory dwelling unit provisions, building codes, development and site improvement standards, fees and exactions, processing and permitting procedures, special needs housing, and code enforcement, among other subjects.

The County's overall conclusions are that, in general, the County's policies, regulations, permit processes, and related factors support housing development in the unincorporated areas. However, certain areas are identified as areas where the County can further streamline development review or increase housing development in the county. These areas include:

- Additional housing on the Stanford campus for graduate students, staff, and faculty; and
- Updating the County General Plan policies to allow the County to plan for housing within urban unincorporated pockets that are

within the USA of an adjacent city and slated for future annexation.

Section 3.07 describes non-governmental factors influencing the production of housing, such as national and regional economic conditions, land costs, financing and mortgage industry trends, general labor and material costs, and similar information of relevance to the region and unincorporated Santa Clara County.

### Compilation of Housing Programs, Projects, Studies, and **Activities**

Lastly, the Housing Element provides an overview of the most important housing programs, projects, studies, and activities intended to promote housing supply, rehabilitation, preservation, affordability, and a variety of other related goals and objectives, including programs that affirmatively further fair housing (AFFH). This compilation is contained in Chapter 4 of the 2023 Update and is based upon and modified from the 2015 Update.

Chapter 4 documents the County's significant role in providing housing, especially affordable housing, despite only having land use authority over the limited amount of urban housing development that occurs within unincorporated areas. The County's significant involvement in housing-related programs and its long-standing philosophy and commitment to regional solutions to housing needs is evident in the program summaries provided in Chapter 4. Most of the programs and activities in which the County participates provide important funding and services throughout the cities and unincorporated areas alike, meeting the needs of residents across jurisdictional lines.

The County has included an Assessment of Fair Housing (AFH) as Appendix L, which is intended to provide a holistic look – informed by data, maps, community input, and policy analysis – into the trends and factors affecting access to housing and opportunity on the basis of protected characteristics under federal and state fair housing laws. The Housing Element must include such an AFH component as a result of A.B. 686, a law passed by the California Legislature in 2018 to incorporate a duty to affirmatively further fair housing into state law.

## 1.03 Terminology Used in the 2023 Update

For purposes of the 2023 Update, the terms "County of Santa Clara" and "County" refer to the governing body and not the geographic area.

The terms "unincorporated Santa Clara County" and "unincorporated county" refer to the geographic area under the jurisdiction and land use authority of the County of Santa Clara. The terms "Santa Clara County" and "county" refer to the geographic region that consists of unincorporated areas of Santa Clara together with the 15 cities located within Santa Clara County. The terms "countywide" and "county as a whole" are synonymous with "Santa Clara County."

The terms urban unincorporated "pocket" and "island" refer to unincorporated urban areas within USAs and surrounded by city boundaries, awaiting annexation by the surrounding city jurisdiction.

Lastly, the term "Urban County" consists of all unincorporated areas as well as the following jurisdictions that participate jointly in the HOME and Community Development Block Grant programs: Campbell, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill, and Saratoga.

### 1.03a Terms and Acronyms

- ABAG: <u>The Association of Bay Area Governments</u>. ABAG is the Council of Governments and regional planning organization for the jurisdictions of the nine counties of the San Francisco Bay Area. ABAG is now organizationally merged with the Metropolitan Transportation Commission (MTC).
- **ACS:** American Community Survey. The ACS is a Census Bureau product that provides yearly demographic information, to supplement the decennial Census.
- AFFH: <u>Affirmatively Furthering Fair Housing</u>. The Federal Fair Housing Act requires HUD and recipients of federal funds from HUD to affirmatively further the policies and purposes of the Fair Housing Act.
- AFH: Assessment of Fair Housing. Jurisdictions are required to prepare an <u>Assessment of Fair Housing</u>, which is a plan that examines barriers that people face in obtaining and keeping housing and measures that our jurisdictions can take to reduce these barriers and promote equal opportunity in housing.
- **AMI:** Area Median Income, as used for Federal and State funding purposes. For jurisdictions in Santa Clara County, including the unincorporated county, the Area Median Income in 2022 is \$168,500 for a household of four.
- DoF: <u>State Department of Finance</u>. The DoF provides population estimates and projections by city and by county.
- HCD: The <u>State Department of Housing and Community</u>
   <u>Development</u>. HCD reviews each jurisdiction's housing element for compliance with State housing law.
- HUD: <u>U.S. Department of Housing and Urban Development</u>.
- MTC: Metropolitan Transportation Commission. The MTC is the Bay Area region's transportation planning, coordinating, and

financing agency. MTC is now organizationally merged with ABAG.

- N/A: "Not Applicable"
- NDA: "No Data Available." Table cells marked with "NDA" are statistics that are not reported by the source agencies at the city or unincorporated area level of detail.
- RHNA: The Regional Housing Needs Allocation. The RHNA is the projected housing need for jurisdictions, as allocated to each jurisdiction by ABAG.
- **SOI**: Sphere of Influence. A planning boundary outside of a city's legal boundary (such as the city limit line) that designates the city's probable future boundary and service area as determined by the Local Agency Formation Commission (LAFCO). Factors considered in a sphere of influence review focus on the current and future land use, the current and future need and capacity for service, and any relevant communities of interest.
- USA: Urban Service Area. Delineates areas currently annexed and provided with urban services; or areas that a city intends to annex in order to develop and provide urban services, as determined by LAFCO.

## 1.04 Housing Policy and Development in Relation to Smart Growth General Plan Policies and Climate Change Policies

The County's housing-related policies reflect a smart growth approach to land use and development. The cities, County, and LAFCO have developed and implemented a system of urban growth management that has been in place since the early 1970s. Cities are generally responsible for planning and accommodating urban growth and development, including higher-density housing, within cities and their USAs. Outside the USAs, the unincorporated rural areas are intended to remain in farmland, open space, natural resource protection, and low-density land uses that support the rural resource base. In these areas, the allowed density of development is low by necessity, due to the lack of urban services, and minimum lot sizes for subdivision are typically five acres or larger.

Since the previous update to the Housing Element, the County has embarked on a significant planning effort to preserve agricultural lands and operations as a means of bolstering regional resilience to the effects of climate change. This effort began with the development and adoption of the Santa Clara Valley Agricultural Plan (Ag Plan), which studied the local effects of sprawl development and trajectory of farmland loss in the region. The Ag Plan concluded that local greenhouse gas emissions increased by nearly 77 times when rural unincorporated farmland was developed. This massive increase in emissions could be attributed to the increase in vehicle miles travelled (VMT) resulting from rural low-density residential development. The Ag Plan further concluded that, in addition to avoiding increased VMT as a result of residential sprawl, agricultural preservation in the county would also provide a rich opportunity for climate resilience. The County determined that the management of local agricultural lands can be optimized to sequester significant amounts of atmospheric carbon into the soil and provide enhanced climate resilience in the form of improved watershed management, wildlife habitat conservation, fire hazard mitigation, flood plain protection, groundwater recharge, erosion control, pest and disease

<sup>&</sup>lt;sup>1</sup> See Ag Plan Appendix G, Steve Shaffer (2016).

management, and air quality regulation. Through the implementation of the Ag Plan, the County has revised and redoubled its commitment to preventing sprawl development and to advancing smart growth policies from an affirmative rural land use perspective.

The County has also developed "Silicon Valley 2.0," which consists of a Climate Change Preparedness Decision Support Tool, a Climate Adaptation Guidebook, and high-resolution maps showing areas throughout the county that are vulnerable to extreme heat, riverine flooding, sea level rise, storm surge, and wildfire. These resources support the entirety of the county with climate risk assessment, adaption, and resilience planning. The County expects that the impacts of climate change will increasingly impact the location of residential development in the region, and that the County will increasingly bolster and rely upon its smart growth land use policies.

Within the USAs in the county, the urban unincorporated islands have long been identified by the cities, the County, and LAFCO for eventual annexation and incorporation. This policy reinforces the role of cities to plan for and accommodate new urban development within USAs. As the islands have been annexed, the unincorporated population has decreased by 37% from 1970-2010, while the total county population has increased by nearly 67%. Given the inevitable land use control by the City over these areas, the County policies have accorded indirect long-range planning authority in advance of annexation. Cities have therefore been responsible for planning infill development and higher-density housing in the USAs. Proposals by property owners for development of individual parcels within USAs also trigger the opportunity for the corresponding city to annex the property.

The methodology used by ABAG for determining the sixth cycle RHNA included and analyzed urban unincorporated pockets as the planning responsibility of the County, despite the expectation that those parcels will need to be annexed to gain access to sewer and water services, which the County does not provide. Given the County's longstanding collaborative policies with the cities and LAFCO, the County appealed ABAG's methodology, but the appeal was denied.<sup>2</sup> Therefore, by necessity, the County's approach to site selection for the 2023 Update reflects a departure from previous planning periods. Although annexation continues to be an expected prerequisite to any significant development within urban pockets, the County will now begin to plan for the projected housing needs in these areas. As needed and to accommodate this cycle's RHNA assignment, the County is amending its General Plan to enable such long-range planning for urban development in the unincorporated islands. More information on ABAG's approach to the urban pockets in its RHNA methodology is provided below in Section 1.06.

## 1.05 The County's Special Roles Role in Housing Production

Within the context of regional, long-standing growth management and smart growth policies, the County's primary role in housing development has been providing financial and technical assistance to create more affordable, below-market rate housing and special needs housing through the County's Office of Supportive Housing (OSH). Although the County's role in issuing permits for newaffordable and multi-family housing development (in unincorporated areas) is limited, the County makes other significant

<sup>&</sup>lt;sup>2</sup> ABAG appeal documents linked here.

contributions to housing affordability and development that are in line with AFFH guidelines, including, but not limited to:

- funding for construction, rehabilitation, and preservation of affordable and supportive housing for special needs populations;
- providing rental subsidies to special needs populations;
- creating and assisting shelters and special needs housing with operating funds;
- providing financing for first-time and low-income homebuyers;
- offering and funding services to address housing discrimination and landlord-tenant dispute resolution;
- generating opportunities for new housing on surplus Countyowned lands; and
- facilitating housing-related advocacy and education.

The County works in concert with non-profit organizations and local agencies, such as the Santa Clara County Housing Authority, to actively provide a wide variety of housing assistance countywide, not only within the unincorporated areas under the County's planning jurisdiction. These efforts include funding for non-profit buildersaffordable housing developers and local agencies to construct affordable housing, maintain affordable rents, and loans for rehabilitation. The County is also a significant funder of housing for residents who have special needs and receive other supportive services from the County, which include seniors and people with mental illnesses, substance abuse disorders, and HIV/AIDS. The County funds and provides emergency shelters, transitional and supportive housing, and housing for other special needs populations countywide. More information on the County's programs supporting housing production is provided in Chapter 4.

## 1.06 ABAG Allocation Methodology and Unique Aspects of County Planning

ABAG's housing allocation methodology and procedures apply to all nine Bay Area counties and 101 cities. In past cycles, the RHNA targets assigned to cities included the projected development of areas within the cities' Spheres of Influence (SOI), including unincorporated areas under the jurisdiction of counties. However, in a change of course, ABAG based the final RHNA methodology for this cycle on present-day jurisdictional boundaries instead of SOI and areas expected to be annexed. This change has the effect of significantly increasing the urban areas appropriate for higherdensity development falling under the County's RHNA obligation, due to the existence of unincorporated islands slated for annexation and city development. This is how the County's sixth cycle RHNA target grew by 1,028% from the fifth cycle target.

ABAG, through an ad hoc Housing Methodology Committee comprised of local elected officials, staff, and other stakeholders, elected to use a RHNA allocation method titled "High Opportunity Areas Emphasis & Job Proximity." This model incorporates household data from the Plan Bay Area 2050 Final Blueprint, the region's comprehensive land use, transportation, and housing plan, prepared by ABAG. A central feature of Plan Bay Area is the targeting of growth and infrastructure investment in existing developed areas near jobs and transit (Priority Development Areas, or PDAs). Plan Bay Area's focus on PDAs generally supplements and complements Santa Clara County's countywide urban growth management policies. The final RHNA methodology adopted by ABAG and approved by HCD intends to achieve five primary objectives: increase housing supply and mix of housing types; promote infill development and

socioeconomic equity; promote improved intraregional jobs-housing relationship; balance disproportionate household income distributions; and affirmatively further fair housing.<sup>3</sup>

Of the 441,176 total housing units assigned to the Bay Area region by the State, the County was allocated 3,125 units, which are further broken down by income category. In the past, ABAG's RHNA methodology generally allocated growth and housing need within a city's SOI to that city, resulting in a low RHNA target for the County, corresponding only to those unincorporated areas that are not within a city's SOI or within a City's USA boundaries within a SOI. Historically, such methodology and its low allocation to the County have been appropriate given the County's limited role in approving and issuing permits for new housing development in urban areas. This approach was consistent with the County's General Plan policies, which have thus far provided that cities in Santa Clara County plan for and annex areas appropriate for urban development, particularly those lands within USAs, where development is already most feasible.

ABAG's new approach to RHNA methodology requires the County to plan for development in the urban unincorporated pockets. The more rural areas of the unincorporated county are not suitable for significant increases to the housing stock, due to the lack of municipal infrastructure like water and sewer service, but also due to the increased VMT, traffic, and emissions associated with sprawl development.

A notable exception to the County's General Plan policies is Stanford University's unincorporated Community Plan Area, which is for the most part located within Palo Alto's SOI and USA but has not and will not be annexed into Palo Alto because of a 1985 land use policy

Housing element law requires that cities and counties take responsibility to plan for housing on lands under their planning authority and regulatory control. The County's 2023 Update therefore focuses on the unincorporated areas, in terms of population and demographic data and housing capacity and development potential - including, now, urban unincorporated pockets. However, the County has long recognized that housing needs and issues are regional in nature and require regional solutions. Therefore, the County has and will continue to administer most of its housing programs, activities, and projects on a countywide basis, not only for the unincorporated areas under its planning jurisdiction.

### Sustainable Communities 1.07 Strategy and Plan Bay Area

The Bay Area's implementation of Senate Bill 375 is its Sustainable Communities Strategy, which is an important component of Plan Bay Area 2050. Plan Bay Area 2050 provides for regional growth through 2050 and beyond by focusing on transportation infrastructure investment and housing capacity within the region's PDAs. PDAs are areas where local jurisdictions believe there is capacity and demand

agreement among the City of Palo Alto, the County, and Stanford University setting forth that academic land uses and lands held in reserve for future academic uses shall remain unincorporated. This agreement has resulted in the County having the long-range planning and permitting authority for the campus. Consequently, the responsibility of identifying housing opportunities and planning for growth and development on Stanford's academic lands appropriately resides with the County.

<sup>3</sup> https://abag.ca.gov/sites/default/files/documents/2022-04/Final RHNA Methodology Report 2023-2031 March2022 Update.pdf

for focused growth in population and infrastructure. Most PDAs are centered around existing transportation infrastructure. Relatively little growth is expected or planned for in the peri-urbanurban<sup>4</sup> or rural areas of the region. However, ABAG and the State recognize that for households to be successful, there is a strong need for access to opportunities. These opportunities may not be available in the defined PDAs. To that end, the State has mapped High Opportunity Areas, where jurisdictions are encouraged to add additional housing, particularly affordable and diverse housing unit types.<sup>5</sup>

In Santa Clara County, the High Opportunity Areas cover primarily high-income jurisdictions and neighborhoods. These areas only partially overlap some of the urban unincorporated pockets within USAs. Three significant unincorporated areas that the County has identified for housing development during the 2023-2031 cycle are High Opportunity Areas:

- Stanford University campus
- Cambrian Park
- **Hostetter Station**

In addition, the Pleasant Hills site is directly adjacent to a High Opportunity Area and is significant enough in size to support affordable and diverse housing types. The County will seek a greater share of affordable housing within new development in these areas. More detailed information on these sites can be found in the site inventory, Appendix A.

In addition to the High Opportunity Areas and PDAs, Plan Bay Area 2050 provides eight strategies to improve housing across the Bay

Area, listed belowto the right, using ABAG's "Hx" convention for housing strategies.

- **H1.** Further strengthen renter protections beyond State law.
- **H2.** Preserve existing affordable housing.
- H3. Allow a greater mix of housing densities and types in Growth Geographies.
- **H4**. Build adequate affordable housing to ensure homes for all.
- **H5**. Integrate affordable housing into all major housing projects.
- **H6.** Transform aging malls and office parks into neighborhoods.
- H7. Provide targeted mortgage, rental, and small business assistance to Equity Priority Communities.
- H8. Accelerate reuse of public and community-owned land for mixed-income housing and essential services.

To the extent feasible and appropriate, the County endeavors to further these strategies through this 2023 Update and future updates to the County Housing Element.

## 1.08 Community Participation and Outreach

Community participation and outreach played a critical role in the development of the 2023 Update. An iterative engagement program ensured stakeholders, community representatives, and members of the public were given opportunities to review project progression and provide input to influence the development of core components

<sup>&</sup>lt;sup>4</sup> The term "peri-urban" refers to an area surrounding an urban area, where urban development meets countryside, in contract to suburban areas.

<sup>&</sup>lt;sup>5</sup> The State mapping tools used to delineate different levels of opportunity is <u>available</u> here.

of the plan. Consultation with stakeholders and the broader community began in June 2022 and concluded in Spring 2023.

Extra care was taken to engage a diverse range of community members representing various economic and cultural backgrounds. To reach a broad cross-section of the community, advertisements were placed on social media in Spanish, Simplified and Traditional Chinese, and Vietnamese. The County also provided interpretation services at both public meetings. All stakeholder organizations consulted throughout the process were encouraged to serve as project champions and to communicate engagement opportunities through their networks (see the full list of stakeholder organizations further in this chapter). These organizations included housing advocacy groups, seniors' groups and other community-based organizations representing vulnerable populations. Additionally, community-based organization CARAS was onboarded to conduct surveys and an in-person listening session with Spanish-speaking residents and farm workers in the southern portion of the county. The online survey collected demographic information from participants through an optional question. The results can be found on page 3742.

The project's phased engagement approach is demonstrated in Figure 1.2 and described in detail below.

Figure 1.2: Housing Element Update Community Participation and Outreach Process



### 1.08a Phase 1: Information Gathering

The purpose of Phase 1 was to understand current conditions through information gathering with stakeholders and the public. Engagement included a series of two stakeholder workshops, two community workshops, and a community survey. Feedback from the community was used to identify opportunities and challenges that could be addressed in the Housing Element Update. Participant feedback informed the County's review of previous housing strategies and helped to identify new strategies for discussion in Phase 2.

### 1.08b Phase 2: Draft Policies

In Phase 2, the project team returned to stakeholders and the community with draft strategies and policy goals developed based on the information gathered in Phase 1. The project team hosted two stakeholder workshops, one community workshop, and one listening session. Participants were asked to provide feedback to refine the strategies and policy goals prepared by the project team. Feedback was used to inform the development of the draft Housing Element Update document for public review in Phase 3.

### 1.08c Phase 3: Public Release

The third phase of outreach occurred following the release of the draft Housing Element Update. The formal public review and public comment period began on March 21, 2023, and lasted 30 days, as required under State law. During this time, mailers were sent to all property owners within 300 feet of parcels identified in the site inventory. All comments received during this period were reviewed and considered carefully by the County team and staff. Where appropriate, clarifications and additional information were incorporated into this document in response to public comments. Such amendments were made during the minimum 10 business - day period following public comment, also required under State law. A table summarizing the public comments can be found in Appendix J.

### 1.08d Additional Engagement

Community feedback from similar Santa Clara County projects has also been considered. These projects are the Stanford Community Plan and Let's Talk Housing. While separate from the Housing Element engagement process, housing-related input from these projects has been considered by County consultants and staff.

Stanford Community Plan (SCP): Stanford lands within unincorporated Santa Clara County are governed by policies in the Stanford Community Plan (SCP). Development within the SCP area is currently regulated under the 2000 General Use Permit (GUP). Through several outreach efforts conducted in association with a new General Use Permit application, it was brought to the Board of Supervisors' attention that updates to the SCP are necessary. Despite Stanford withdrawing its GUP application in 2019, the County is currently proceeding with revisions to the SCP to, among other goals, support housing development on campus. The final SCP update will be completed along with the Housing Element Update.

The SCP includes chapters that guide the development of the Stanford academic lands, such as, Growth and Development, Land Use, Housing, Circulation, Open Space, Resource Conservation, and Health and Safety. Many of these chapters include strategies, policies, and implementation measures supporting housing development. As such, the updates to the SCP refer to the County's Housing Element and this 2023 Update.

Outreach efforts and public meetings regarding the SCP are listed below in Table 1.2:

Table 1.2: Outreach Efforts and Public Meetings

MEETING	AUDIENCE(S)
Community Outreach Meetings 2020 September 3, 22, October 1, 21, 22, November 10, 12, December 3, 7 2021 March 18, April 15 2022 April 26, May 19, May 25	General public and stakeholder and interest groups
Housing, Land Use, Environment, and Transportation Committee (HLUET)  Meetings 2020  May 19, June 18, October 15 2021  February 16, May 27, August 12, November 9 2022  February 17, May 19, September 15	HLUET Committee, general public, stakeholders, and interest groups (opportunity provided for written and spoken comment)
Planning Commission Meetings 2020 November 19 2022 May 26, July 14, August 4, August 31, October 27	Planning Commission, general public, stakeholders, and interest groups (opportunity provided for written and spoken comment)
Board of Supervisors Meetings 2020 February 11, October 20 2022 September 27, October 18, December 13	Board of Supervisors, general public, stakeholders, and interest groups (opportunity provided for written and spoken comment)

Let's Talk Housing: On August 11, 2021, the Santa Clara County Planning Collaborative held a virtual countywide community meeting to provide an opportunity for community members to learn more about upcoming Housing Element updates and gain a better understanding of how they can participate in the preparation process. The meeting was targeted towards community members

living in the Cities of Gilroy and Morgan Hill, and unincorporated areas of the county.

During the meeting, staff from the Santa Clara County Planning Collaborative provided an overview of the Housing Element followed by breakout rooms for Gilroy, Morgan Hill, and the County, where each jurisdiction could speak towards the current state of housing, RHNA targets, and goals for the jurisdiction's upcoming respective Housing Element updates. Timelines for the County's 2023 Update were also shared.

#### Communication Methods 1.09

Communication to promote the 2023 Update, raise awareness, and encourage participation, was a critical component of the engagement program. The communication methods utilized are set forth below in Table 1.3.

Table 1.3: Communications Methods

DATE	MEDIA	PURPOSE
June 27, 2022	Nextdoor* Facebook* Twitter Instagram Stories	Prepare community for upcoming outreach meetings and promote webpage
July 1, 2022	County of Santa Clara Press Release to Media Distribution List and County Webpage	Community encouraged to participate in the process from July – September 2022
July 14, 2022	Nextdoor* Facebook* Twitter	Promote Community Workshops No. 1 (July 19) & No. 2 (July 21)
September 5, 2022	Facebook* Twitter Instagram	Promote Community Meeting No. 3 (Sept 7)

DATE	MEDIA	PURPOSE
July 8, 2022 July 19, 2022 July 21, 2022	E-Blast (issued to participants registered for updates through the project website)	Promote Community Workshops No. 1 (July 19) & No. 2 (July 21)
August 31, 2022 September 2, 2022 September 7, 2022	E-Blast (issued to participants registered for updates through the project website)	Promote Community Meeting No. 3 (Sept 7)
Ongoing	Project Website*	Provide a schedule of upcoming meetings and events

\*Notes communications offered in Simplified Chinese, Spanish, and Vietnamese:



### 1.10 **Engagement Methods**

Community participation and outreach was implemented through a multi-method approach to maximize opportunities for involvement from local stakeholders and a broad cross-section of the community. Recognizing comfort level with in-person meetings following the COVID-19 pandemic, most of the public engagement was completed virtually. The following section describes the engagement methods

used to involve the public in the development of this Housing Element Update.

### 1.10a Project Website

The <u>project website</u> serves as the central portal for all Housing Element Update information. The landing page provides a concise overview of the project purpose and information about what the Housing Element is intended to accomplish. The website also



includes tabs to navigate to important information, such as, upcoming events, descriptions of major components to the update, data on housing trends in the county, links to previous Housing Element updates and the survey and registration form.

Social media posts, emails, and presentations all directed members of the community to the website for updated project information.

### 1.10b Stakeholder Workshops

The County of Santa Clara compiled a list of stakeholders representing service providers, housing advocates, affordable housing developers, government agencies, county departments, environmental advocates, and more. The County also included stakeholders involved in the Applicant Roundtable (representing the County's most frequent applicants), stakeholders suggested by the County Office of Supportive Housing, and elected and/or appointed

officials and their representatives. Stakeholders were invited to a series of workshops to provide feedback to the project team at key milestones. Formal invitations were issued to stakeholders prior to each workshop to encourage participation. Attendees were asked to act as ambassadors for the project, sharing community meeting opportunities through their networks. Approximately 52 organizations were represented at the stakeholder workshops and are listed below.

### **Participating Organizations:**

- **Adobe Services**
- Allied Housing
- Bay Area Building Industry Assn.
- Boys & Girls Club of Silicon Valley
- **Burbank Community Association**
- **CARAS**
- Charities Housing
- City of Gilroy
- City of Morgan Hill
- City of Santa Clara
- County of Santa Clara Agricultural Division
- County of Santa Clara Dept. of Aging and Adult Services
- County of Santa Clara Dept. of Planning and Development
- County of Santa Clara Dept. of Public Health
- County of Santa Clara Office of the County Counsel
- County of Santa Clara Office of Supportive Housing

- Habitat for Humanity East Bay/Silicon Valley
- **Housing Choices**
- Housing Trust Silicon Valley
- Latinos United for a New America
- Law Foundation of Silicon Valley
- MH Engineering
- MidPen Housing
- Midpeninsula Regional Open Space District
- Milligan Land Company
- New York Life
- Rebuilding Together Silicon Valley
- Ruggeri-Jensen-Azar
- San Antonio Hills Homeowners
- San Martin Neighborhood Assn.
- Santa Clara County Housing Authority
- Santa Clara County LAFCO
- Santa Clara Valley Open Space Authority

- County of Santa Clara Office of Sustainability
- County of Santa Clara Parks and Recreation Dept.
- **Dividend Homes**
- Eden Housing
- Gilroy Dispatch
- Gilroy Historical Society
- Green Foothills
- Greenbelt Alliance

- Silicon Valley at Home (SV@Home)
- Silicon Valley Coalition for the Unhoused
- Silicon Valley Independent Living
- Silicon Valley Leadership Group
- South Bay YIMBY
- Stanford University
- West Valley Community Services

All workshop materials – including the presentation slide decks, meeting recordings, and meeting summaries – were posted to the project website for public review. All summaries were translated into Spanish, Simplified Chinese, and Vietnamese, with some translated into Tagalog. Summaries of the stakeholder workshops can be found in Appendix B.

# 1.10c Community Workshops

Three community workshops were hosted over the course of the engagement program, to invite members of the community to provide input in Phase 1 (Q2 2022) and Phase 2 (Q3 2022). Community workshops were advertised through stakeholder partners, the County's social media channels (Facebook, Nextdoor, Instagram, and Twitter), and the County website. Interpretation services were made available at all community workshops in Spanish, Vietnamese, Cantonese, and Mandarin. Email invitations were issued to those who registered for updates on the project website. A total of 97 participants attended community workshops over the course of the engagement program.



All workshop materials were also made available on the project website for public review. All summaries were translated into Spanish, Simplified Chinese, and Vietnamese, with some translated into Tagalog. Summaries of the workshops can be found in Appendix B.

# 1.10d Community Survey

A community survey was available on the project website from June 21 to August 17, 2022, to seek information on community housing priorities as part of Phase 1: Information Gathering. The survey asked participants to rate a series of housing priorities for the 2023 Update on a rating scale also known as a Likert scale. Participants were able to add additional housing priorities not included in the survey for consideration. The survey was provided in English, Chinese (simplified and traditional), Spanish, and Vietnamese. A total of 167

survey responses were collected. Results of the survey are found under Online Survey Results on page 36.42.

# 1.10e Community-Based Organizations

Community Agency for Resources, Advocacy and Services (CARAS) was contracted to support the County in outreach to Spanish-speaking residents and farmworkers in South Santa Clara County. Established in 2014, CARAS provides supportive services to the community including



housing assistance programs, such as rental and deposit assistance to low-income families, especially those on the verge of eviction. In addition to housing programs, CARAS provides youth case management services, public benefit navigation services, community financial literacy training, expungements of criminal records, combatting housing discrimination and community forums addressing legal barriers to re-entry. CARAS also plays a role in supporting undocumented community members in learning about their rights, available resources, and information on current immigration policies.

CARAS's involvement in the 2023 Update included the following outreach initiatives:

- Promoting the County of Santa Clara Housing Element on social media platforms;
- Administering and promoting the community survey;
- Facilitating a listening session for community members at the CARAS office; and

Participating in community and stakeholder workshops.

Efforts were made to partner with Vietnamese American groups and associations within the county, including the Vietnamese American Service Center. However, responses from the contacted groups and associations were not received. To encourage participation from Vietnamese and other non-English-speaking community members, promotional efforts, the community survey, and meeting summaries were translated into Simplified Chinese, Spanish, and Vietnamese. Additionally, interpretation services were provided at community workshops in Cantonese, Mandarin, Spanish, and Vietnamese.

#### **Outreach Events** 1.11

Table 4 below provides the Stakeholder and Community Workshops hosted over the duration of the Housing Element Update's engagement program. The table identifies the dates of the workshops, presentation focus, and purpose of discussion.

Stakeholder meetings were inclusive of various organizations operating in both incorporated and unincorporated Santa Clara County. The list of stakeholders was developed by the County and was inclusive of housing developers, housing advocacy organizations, and a host of community-based organizations. All participating groups have been listed previously in this chapter.

Community meetings were open to the general public. Advertising was conducted via social media and through invitations issued to stakeholders and through the project website's listserv. Stakeholders were encouraged to invite their networks to attend and participate.

**Table 1.4 Stakeholder and Community Workshops** 

EVENT	DATE	WORKSHOP FOCUS
Phase 1		
Stakeholder Workshop No. 1	July 6, 2022	Presentation delivered to stakeholders to introduce the 2023 Update.  Input sought on priority opportunities and challenges to be addressed through the 2023 Update.
Community Workshop No. 1: Rural Focus	July 19, 2022	Presentation delivered to community members in rural areas of unincorporated Santa Clara to introduce the 2023 Update.  Discussion structured to identify priority housing opportunities and challenges in rural communities to be addressed through the 2023 Update.
Community Workshop No. 2: Urban Focus	July 21, 2022	Presentation delivered to community members in urban areas and urban service areas in unincorporated Santa Clara to introduce the 2023 Update.  Discussion structured to identify priority housing opportunities and challenges in urban communities to be addressed through the 2023 Update.
Special Stakeholder Workshop: Development Focus	August 2, 2022	Special meeting seeking input from the development and housing advocates on methods to streamline and/or simplify the development process.  Presentation delivered to review government and non-government related factors creating barriers to housing production.
Phase 2		
Stakeholder Workshop No. 2	August 17, 2022	Presentation delivered to review strategies from the previous update to the Housing Element (2015 – 2022)

EVENT	DATE	WORKSHOP FOCUS
		identifying priority areas where new strategies are needed.
		Discussion seeking feedback on how previous strategies could be updated to address current and forecasted conditions. Input sought to get participant suggestions for new strategies related to housing production, housing affordability, access to housing, homelessness, and climate change.
Stakeholder Workshop No. 3	August 29, 2022	Presentation to review policy goals to address six priority housing challenges: housing production, housing affordability, access to housing, AFFH, homelessness, and climate change.  Discussion focused on confirming or refining proposed policy goals and seeking ideas on new policy goals to address the priority housing challenges.
Community Workshop No. 3	September 7, 2022	Presentation to review feedback heard to-date, provide a refresh on the 2023 Update, introduce policy goals to address six priority housing challenges: housing production, housing affordability, access to housing, AFFH, homelessness, and climate change.  Discussion focused on confirming or refining proposed policy goals and seeking ideas on new policy goals to address the priority housing challenges.
CARAS Listening Session	October 24, 2022	A listening session hosted by CARAS and the County for Spanish-speaking community members and farmworkers in south county.

EVENT	DATE	WORKSHOP FOCUS
		A brief presentation provided information on the 2023 Update and sought feedback on five priority policy goals.
Phase 3		
Public Hearing		

# 1.12 Summary of Feedback

Over the course of the engagement program, recurring themes emerged from the feedback received the series of stakeholder workshops and community workshops, and the community survey. These recurring messages from participant feedback have been grouped into eight key themes. Each theme is described below with an explanation of how the County is addressing each issue in the 2023 Update.

# 1.12a Housing Affordability oo

Stakeholders and members of the community challenged the County to consider the definition of housing affordability to address the housing needs of people with extremely low-income (ELI), seniors on fixed income, and people living with chronic illness. Participants noted the County should prioritize, streamline, and incentivize the development of units that are affordable across a range of income levels. Stakeholders cited reducing requirements, taxes, and exactions, to make affordable housing development more feasible. New affordable housing ought to be in areas with amenities and services and dispersed throughout the County to avoid concentrations of poverty. Policies ought to be developed to support low-income residents through anti-displacement initiatives and

expanded tenant protections like stricter rent control, rent subsidies, tax credits, just cause eviction policies, and tenant right to counsel.

Response to Feedback: The policies under Strategies 1, 2, and 3 address the support for housing affordability. The existing policies (HG1-3, HG1-4, HG1-5, HG3-1, and HG3-2) prioritize funding for building more very low- and low-income housing. Under Strategy 2, the County has policies to work with other jurisdictions and nongovernment entities to facilitate the building of affordable housing across the jurisdictions in the county. The opportunity sites identified for the 2023-2031 planning period are dispersed across the county to avoid concentration and many of them are in areas determined by the State to be High Opportunity Areas.

# 1.12b Access to Housing

Participants noted that diverse housing types and informational resources are needed to improve access to housing in the county. Policies are needed to promote creative housing solutions, such as the adaptive reuse of underutilized warehouses and office buildings for residential development and streamlining and incentivizing affordable ADU development and microhomes. Programs are needed to promote the development of housing that considers universal design standards for seniors and people with disabilities. The County can also play an important role in providing information and education to those in need of affordable housing options or access to financial and legal aid.

Response to Feedback: The existing and updated policies under Strategies 1 and 4 will improve access to housing. Updates to policies under Strategy 7 (Ending Homelessness) and Strategy 6 (Special Needs Housing) also address these concerns.

# 1.12c Housing Production / Supply

Participant feedback highlighted the need to streamline the development process to facilitate housing development with incentives, particularly for affordable housing. Suggestions included policies for land dedication, zoning overlays, rezoning, percentagebased affordable housing dedications, and funding for affordable housing development. The County can also consider reducing processing times, fees, and exactions, rounds of application reviews, and pre-development meetings, to reduce developer expenses related to development timelines and the application process. Some participants recommended changes to the County's General Plan to allow for development through conforming zoning and revised densities. Dialogue and collaboration with LAFCO and city jurisdictions were also suggested to ease the annexation process and stimulate development in the cities' USAs. Finally, some suggested that the County could tailor incentives to sites deemed desirable for affordable housing development or consider partnerships with community developers.

In addition to new development, participants encouraged the County to consider programs and policies to preserve the existing affordable housing stock. Options include retrofit programs and rebates for property owners to keep affordable units and rental units in a state of good repair. The County should also conduct research to analyze threats to the existing housing stock and respond with safeguards tailored to address such threats.

Response to Feedback: Significant updates to policies under Strategy 1 (Balanced Housing Supply) will allow for the County to plan for housing within urban unincorporated pockets and help to address housing supply concerns within the jurisdiction of the unincorporated county.

# 1.12d Homelessness



The County received feedback regarding programs and policies that can address homelessness. Input centered around support programs to assist with re-entry and transition back into stable housing. A case management approach can also be utilized as a key protective measure to address chronic homelessness in the community. The Community Plan to End Homelessness can also provide assistance to the County and should be integrated into the Housing Element Update.

Response to Feedback: Strategy 7 (Ending Homelessness) has been significantly updated to add new policy directions and planning effort to reduce homelessness countywide.

# 1.12e Services



Participants noted that infrastructure and community services are needed to support the development of new housing within this Housing Element cycle. Sufficient municipal services are needed to accommodate housing in unincorporated areas of the county. This includes drinking water, wastewater treatment, and stormwater management infrastructure. Some participants raised incidents of recent sewage runoff in Morgan Hill and San Martin as a particular concern. A range of transportation options are also needed to support new housing development and reduce reliance on personal vehicles. This requires the County to coordinate with transit providers to increase service in newly developed areas and to allocate funds towards the creation of cycling and pedestrian facilities.

Several comments were received related to the need for soft services to support new development. Soft services can range from support (e.g., social services, healthcare, and community services) to amenities (e.g., grocery stores and recreation facilities). Development should be in proximity to parks and open spaces for the well-being of residents. Finally, the County heard about the need for

development to occur in the proximity of employment areas to facilitate opportunities for residents to easily commute to and from work.

Response to Feedback: Policies HG1-6 & HG1-7 under Strategy 1 address access to services and amenities in neighborhoods that have historically had low public infrastructure investments.

# 1.12f Environment & Climate Change



Feedback highlighted the importance of protecting the environment, reducing contributions to climate change, and planning for climate resiliency. Several participants urged the County to focus development in existing urbanized areas to avoid the conversion of valuable natural habitat, open space, and agricultural land into residential uses. For some, allowing more development in communities like Gilroy and Morgan Hill is a concern as it may stimulate unintended growth. New development should also avoid fire- and flood-prone regions of the county. Stakeholders and the community suggested that the County consider policies that direct new development to be energy-efficient and adhere to green development standards to reduce greenhouse gas (GHG) emissions. Such policies should apply to new development, renovations, and existing buildings. Resilience and climate change adaptation were also suggested by participants who encouraged the County to consider policies to address climate and environmental justice for communities of color and low-income populations.

Response to Feedback: Strategy 10 has been added to the 2023 Update to address housing and climate change, including reducing risks from extreme weather and reducing the GHG footprint of new and existing housing.

# 1.12a Equity

Participant feedback indicated that the Housing Element Update should make efforts to address inequity and unequal access to housing in the county. For example, some expressed the County should apply AFFH policies created by HUD. The policies should seek to rectify injustices related to economic segregation, racial segregation, and historic redlining in various communities in the county (e.g., Burbank and Seven Trees). Racism in housing should be addressed specifically and not covered under blanket terminology related to discriminatory practices. It was also recommended that the County create policies to provide housing or housing support programs for formerly incarcerated people and undocumented immigrants.

Response to Feedback: Strategy 5 has been updated with new policies that will identify key neighborhoods in need of improved access to

amenities

and services in those communities. The County will also support other jurisdictions in implementing fair housing programs through the Office of Supportive Housing.

# 1.12h Farmworker Housing



Stakeholders and community members noted that farmworker housing is critical to supporting the county's agricultural economy. Suggestions included providing streamlined permitting and financing to support the development of farmworker housing in proximity of agricultural operations. Along with farmworker housing production, community feedback included suggestions to ensure that services such as water and sanitary infrastructure are extended to rural areas to support increased farmworker housing.

Response to Feedback: During the previous Housing Element cycle, the County significantly streamlined the planning approval process

for agricultural employee housing and expanded the available options for establishing such housing in unincorporated areas. Strategy 8 addresses the ongoing need for such housing by maintaining and expanding the supply of homes available to farmworkers.

#### **Online Survey Results** 1.13

A community survey was launched simultaneously with the project website to collect insights from the community and register participants for the email list to receive updates on upcoming



Figure 1.3: Housing Issues Priority Rating Exercise (average scores out of five from 167 responses)

## meetings.

The simple survey, taking less than ten minutes to complete, asked participants to rank the importance of six predetermined housing issues and provide information on any additional housing issues to be addressed in the 2023 Update. The survey also asked for optional demographic information to assist in understanding the reach to various communities. The survey was made available in Simplified Chinese, Spanish, and Vietnamese. Three participants completed the survey in Vietnamese, one participant completed the survey in Simplified Chinese, and 48 participants completed the survey in

Spanish as a part of CARAS's efforts to reach the Spanish-speaking communities in the southern parts of the county.

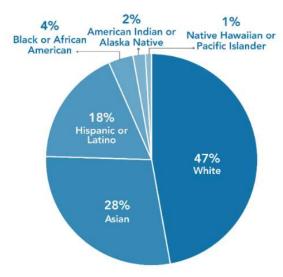
In total, 167 surveys were completed. The following illustrates the results of the survey.

## 1.13a Survey Summary of Housing Priorities

Participants were asked to evaluate the importance of six predetermined housing challenges facing the county. The guestion provided a scale of one to five to rate the individual priority of each listed challenge. One indicated the least amount of priority and five indicated the highest level of priority. Figure 1.3 shows the results of the exercise.

While all six issues were rated relatively high, out of a maximum of five, "housing affordability" was rated the highest priority to be addressed by the Housing Element. This was followed by "Access to Housing/Homelessness" as the second highest priority, with "Diversity in Choices" and "Access to Services and Amenities" tied for the third highest priority. "Fire Safety and Climate Resilience" and "Urban Sprawl" rounded out the priorities in fourth and fifth place, respectively.

# SURVEY RESPONDENT ETHNICITY

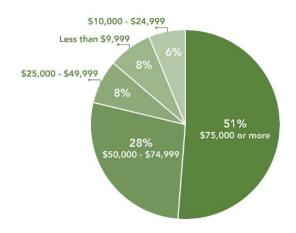


<u>Figure 1.4. Participant ethnicity (out of 99 responses - 20 participants chose not to answer)</u>

# 1.13b Additional Housing Priorities

In addition to the ranking exercise, participants were asked to identify additional housing challenges that should be addressed through the Housing Element Update. Input from this question has been included into the key themes in <u>Summary of Feedback</u>.

## SURVEY RESPONDENT INCOME LEVEL



<u>Figure 1.5. Participant income level (out of 80 responses - 39 participants chose not to answer)</u>

# 1.13c Participant Demographics

To conclude the survey, participants were asked to provide demographic information, including their income, ethnicity, and zip code. This information demonstrates the reach of engagement. The demographic questions were made optional to respect the privacy of participants.

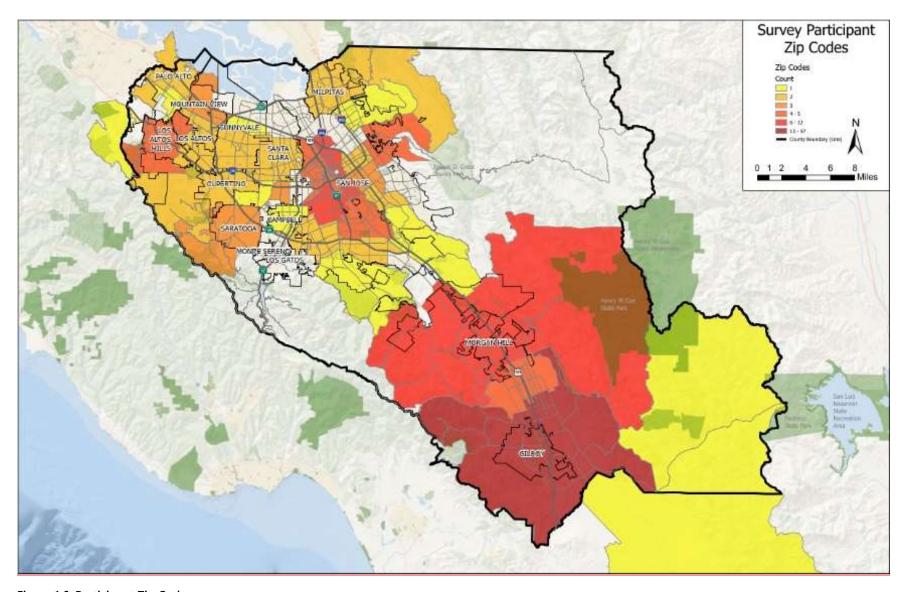


Figure 1.6: Participant Zip Codes

The majority of participants surveyed (53%) identified as persons of color, with 49% of participants making less than \$75,000.00 per year. Survey participants indicated their top issues of concern were housing affordability, access to housing, and diversity in choices. Figures 1.4, 1.5, and 1.3 show the results in visual detail.

# 1.14 Ongoing Reporting, Referral Requirements, and Program Maintenance

In 2009, the State standardized annual reporting regarding housing development and programs. The housing production statistics and program progress data in the 2023 Update rely upon and are consistent with the County's annual Housing Element Progress Reports. County staff will continue to be engaged with monitoring and reporting requirements over the duration of the Housing Element's sixth cycle.

# 1.15 Consistency of the Housing Element with Other Elements of the General Plan

The Housing Element is a component of the County's General Plan and State law requires that updates to a Housing Element be consistent with other Elements of the General Plan. Housing Elements are updated more frequently than other Elements, which could lead to internal inconsistencies.

For the 2023 Update, to meet the County's RHNA target resulting from ABAG's new allocation methodology discussed above, the County will need to amend certain policies in its General Plan.

Specifically, the County will need to modify its General Plan policies

that confer to cities long-range planning authority within their respective SOIs and USAs. This is especially true for urban unincorporated pockets under the County's jurisdiction, which the County will now need to plan for in order to meet its RHNA target.

Aside from the General Plan amendments that are required to accommodate ABAG's new approach to RHNA methodology, the policies included in this 2023 Update primarily update existing strategies and policies from the previous 2015 Update and are consistent with the rest of the County's General Plan. The 2023 Update does include Strategy 10: Plan for Climate Change Impacts on Existing and Future Housing Stock, which is a new strategy that strengthens the connection and consistency between the Housing Element and the other relevant provisions of the County's General Plan.

Additionally, under State law, every resolution amending the General Plan must contain a section attesting to an evaluation and conclusion of consistency with the General Plan. In addition to this requirement, the County will use the Annual Report process to review consistency of the Housing Element with other aspects of the General Plan as Housing Element programs are implemented and as other General Plan Elements are updated.

# **Chapter 2: Housing Needs and Production**

#### Introduction 2.01

Santa Clara County covers approximately 1,300 square miles that include significantly varied urban, rural, and academic communities. This chapter contains an assessment of the various factors that influence and affect the unincorporated county's housing needs. Understanding the housing needs of the communities in unincorporated areas of the County is the first step in the development of housing policies and programs that further the County's housing goals. Utilizing data collected from the U.S. Census Bureau, California Department of Finance, ABAG, and others, the County housing needs assessment takes stock of factors that illustrate existing housing needs as well as those that help the County identify and plan for future trends.

Figure 2.1 Santa Clara County Urban and Rural Areas<sup>6</sup>

Household income categories used in this Chapter are based on those established by U.S. Department of Housing and Urban Development (HUD) for use in its Section 8 Housing Choice Voucher Program. These categories are:

Extremely Low-Income (ELI): A household with income less than 30% of AMI.

Very Low-Income (VLI): A household with income less than 50% of AMI.

Rural (931 sq. miles) Urban (374 sq. miles)

<sup>&</sup>lt;sup>6</sup> "Urban" areas consist of the cities and the urban-base zoning districts within unincorporated areas.

<sup>&</sup>quot;Rural" areas consist of the rural based zoning districts in the unincorporated areas.

**Low-Income**: A household with income less than 80% of AMI.

Moderate-Income: A household with income less than 120% of AMI

**Above Moderate-Income**: A household with income over 120% of AMI.

Income category determinations are made with respect to both AMI and household size. The income category annual income maximums by household size for Santa Clara County are shown in Table 2.1:

# 2.02 Unincorporated County **Housing Needs**

A variety of statistical and demographic data provide the foundation for documenting and analyzing housing needs. State law requires local jurisdictions to analyze their communities' housing needs, in part through an examination of such data. ABAG has compiled the required demographic, economic, and housing stock data on behalf of the County, and all other member jurisdictions, in the form of a Housing Needs Data Report. The Housing Needs Data Report for unincorporated Santa Clara County prepared on April 2, 2021, and can be found in Appendix C.

One area of data collection and analysis, overall population characteristics, merits additional context here.

The Bay Area is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, as has Santa Clara County as a whole. As seen in Table 2.2, however, the

unincorporated areas of the County have seen an inverse trend in population over the same period.

From 1990 to 2000, the population in the unincorporated county decreased by 6.0%, then decreased by an additional 9.9% during the first decade of the 2000s. Between 2010 and 2020, the population decreased by 3.3%. In 2020, the estimated population of the unincorporated county was 86,989, which made up roughly 4.4% of the population of Santa Clara County as a whole.<sup>7</sup>

The overall decrease in population is due in large part to previously existing urban unincorporated areas of the County being annexed one-by-one into adjacent cities, over time. This dynamic, although not unique to Santa Clara County, is particularly pronounced here and factors significantly into where and how the County plans for future housing development on unincorporated lands.

population growth (i.e. percent change) in each of these geographies relative to their populations in 1990.

<sup>7</sup> To compare the rate of growth across various geographic scales, Figure 2.2 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the

Table 2.1: 2022 Household Income Category Thresholds by Household Size

	Household Size									
Income Category	1	2	3	4	5	6	7	8		
ELI	\$22,300	\$25,500	\$28,650	\$37,850	\$34,400	\$36,950	\$39,500	\$42,050		
VLI	\$37,150	\$42,450	\$47,750	\$53,050	\$57,300	\$61,550	\$65,800	\$70,050		
Low	\$59,400	\$67,900	\$76,400	\$84,900	\$91,650	\$98,450	\$105,250	\$112,050		
Moderate	\$88,600	\$101.300	\$113.950	\$126,600	\$136,750	\$146,850	\$157,000	\$167,100		

Note: the "Above Moderate-Income" category is, by definition, inclusive of any income level above the "Moderate-Income" thresholds, as determined by household size. Source: California Department of Housing and Community Development, State Income Limits for 2022.

**Table 2.2: Population Growth Trends** 

Geographic Area	1990	1995	2000	2005	2010	2015	2020
Unincorporated Santa Clara County	106,173	107,705	99,813	97,844	89,960	88,323	86,989
Santa Clara County as a whole	1,497,577	1,594,818	1,682,585	1,752,696	1,781,642	1,912,180	1,961,969
Bay Area	6,020,147	6,381,961	6,784,348	7,073,912	7,150,739	7,595,694	7,790,537

Source: California Department of Finance, E-5 series

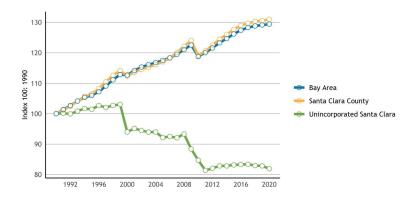


Figure 2.2 Population Growth Trends

Source: California Department of Finance, E-5 series Note: The data shown on the graph represents population for the jurisdiction, county, and region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year.

For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts.

DOF uses the decennial census to benchmark subsequent population estimates.

# 2.02a HCD's Projection of Regional Housing Needs

California State Government Code Section 65584(a) directs HCD, in conjunction with the State Department of Finance, to "determine the regional share of the statewide housing need" for each region of the state, or Regional Housing Needs Allocation (RHNA). These housing needs determinations are then forwarded to the councils of government in each region of the state.

HCD's regional RHNA numbers are developed using considerations including household size and growth, rate of household formation, and both existing and optimal vacancy rates. 8 In the Bay Area, ABAG is responsible for allocating the regional target number to cities and

counties throughout the Bay Area. The resulting RHNA goals for cities and counties are based on HCD's regional growth forecasts and are derived from the most current assessment of future housing needs by jurisdiction. ABAG's primary assessment is through Plan Bay Area 2050, the regional long-range strategic plan that covers the four interrelated planning elements of housing, the economy, transportation, and the environment. Plan Bay Area 2050 was adopted in October 2021 and covers the period from the present through 2050.

## 2.02b ABAG's Projection for Jurisdictional Housing Needs

ABAG's final RHNA methodology, adopted in December 2021, forecasts the 2023-2031 regional housing needs for each jurisdiction in the Bay Area. Development of ABAG's RHNA methodology was guided by the statutory requirements that the RHNA meet five objectives and be consistent with the forecasted development pattern from Plan Bay Area 2050. The five statutory objectives of RHNA can be summarized as:

Objective 1: Increase housing supply and mix of housing types, tenure and affordability in all cities and counties in an equitable manner.

Objective 2: Promote infill development and socioeconomic equity, protect environmental and agricultural resources, encourage efficient development patterns, and achieve greenhouse gas emissions reduction targets.

**Objective 3**: Promote improved intraregional jobs-housing relationship, including balance between low-wage jobs and affordable housing.

<sup>&</sup>lt;sup>8</sup> Govt Code Section 65584.01 (c) (1) (A)

**Objective 4**: Balance disproportionate household income distributions (more high-income RHNA to lower-income areas and vice-versa).

## **Objective 5**: Affirmatively further fair housing.

In addition to meeting the objectives above, State law governing Housing Element updates requires ABAG to consider a specific set of factors in the development of the RHNA methodology. The law also requires ABAG to survey its member jurisdictions to gather information on the factors that must be considered for inclusion in the51rogralogy.9 Based on the State Housing Element laws, the jurisdiction surveys, and the forecasted development pattern from Plan Bay Area 2050, ABAG developed a methodology for RHNA allocation that includes three primary components 10:

- 1. Baseline allocation based off the Plan Bay Area 2050 Final Blueprint;
- 2. Factors and weights for allocating units by income categories; and.
- 3. An equity adjustment based on an approach developed by ABAG's Housing Methodology Committee.

Based on the final RHNA methodology, ABAG allocated 3,125 units to the unincorporated areas of the County. The allocation is a 1,028 percent increase from the County's prior RHNA assignment of 277 units. The County will meet its RHNA assignment through a combination of housing development in urban unincorporated pockets within the USA of San José; graduate student, faculty, and staff housing at Stanford University; and single-family homes with accessory dwelling units built in other unincorporated areas. The County is also considering projections for units that will be built

under the County's ordinance update streamlining ADU development. For detailed explanation of the County's capacity to meet its RHNA targets, see section 2.04.

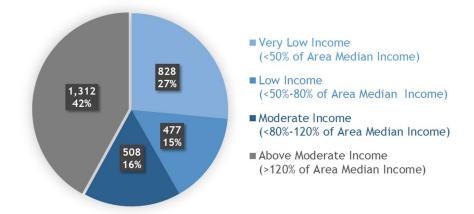


Figure 2.3 Unincorporated Santa Clara County Housing Need, by Income Category

# Affirmatively Furthering Fair Housing

The requirement to Affirmatively Further Fair Housing (AFFH) is derived from the Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex—and was later amended to include familial status and disability. The 2015 HUD Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful action to

<sup>&</sup>lt;sup>9</sup> State of California Government Code Section 65584.04(b)(1)

<sup>&</sup>lt;sup>10</sup> Final Regional Housing Needs Allocation (RHNA) Plan: San Francisco Bay Area, 2023-2031

address significant disparities in housing needs and access to opportunity.

State law now requires that the County affirmatively further fair housing through its Housing Element in several ways, including by analyzing integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty and affluence, disparities in access to opportunity and in housing needs, and displacement risk. The County is also required to assess the historical origins of these realities and identify the factors that contributed to them. After selecting those contributing factors that are particularly impactful in denying or limiting fair housing choice and access to opportunities, or negatively impact fair housing or civil rights compliance, the County must design priorities, strategies, and actions to address those priority contributing factors.

Toward this end, the County completed its Assessment of Fair Housing (September 2023) (Appendix L), prepared by the Lawyers' Committee for Civil Rights Under Law and Root Policy, with input from a wide range of stakeholders through a community participation process that began in 2019. The Assessment of Fair Housing (AFH) is intended to provide a holistic look – informed by data, maps, community input, and policy analysis – into the trends and factors affecting access to housing and opportunity on the basis of protected characteristics under federal and state fair housing laws. Complementing the AFH is the Affirmatively Furthering Fair **Housing Sites Inventory Analysis (September 2023)** (Appendix M) and the Assessment of Fair Housing Proposed **Goals and Actions and Corresponding Implementation Programs** (Appendix N) (September 2023), which directly analyze the nexus between the AFH and this Housing Element's Sites Inventory and programs, respectively.

In pursuit of fair housing, the County has undertaken manifold approaches to analyze and address housing inequities. In November 2016, Santa Clara County voters approved "Measure A" – a \$950 million affordable housing bond. Measure A provides the County with an unprecedented opportunity to partner with cities, residents, and the affordable and supportive housing community to significantly address the housing needs of the community's poorest and most vulnerable residents. It provides affordable housing for vulnerable populations including veterans, seniors, the disabled, low and moderate-income individuals or families, foster youth, victims of abuse, the homeless, and individuals suffering from mental health or substance abuse illnesses. The bond proceeds are contributing to the creation and/or preservation of approximately 4,800 affordable housing units and the development of numerous programs aimed at furthering fair housing.

The Housing Bond will-has enhanced the County's ability to achieve its fair housing priorities, which include:

- Increasing the scope and breadth of supportive housing for special needs populations, including homeless and chronically homeless persons;
- Increasing the supply of housing that is affordable to extremely low income (ELI) households; and,
- Improving coordination and collaboration among the County, the cities, other governmental agencies, and the affordable housing community.

Implementation of Measure A reflects the County's approach to fair housing more broadly – rather than focus on disparate pockets of unincorporated lands, the County takes a wholistic approach to affirmatively furthering fair housing, across the entire area of Santa Clara County. On policy and on projects, the County partners with the 15 cities of the county to develop and support fair housing

where it is most appropriate and effective, irrespective of jurisdictional lines.

The County has demonstrated an abiding focus on fair housing in recent years and has conducted several important and foundational<u>related</u> studies, although few make special consideration for the unincorporated areas of the county. Such studies form the basis for the County's approach to realizing fair housing and the programs of this Housing Element, including:

# Race and Homelessness in Santa Clara County (January 2020) (Appendix D)

Written in 2020, this report examines the relationship between racial equity and homelessness, which is disproportionately experienced by people of color in the county. The goal of the report is to improve and expand services and to make sure that supportive housing services do not exacerbate or perpetuate the racial and social disparities in the county. The report explores three themes:

- 4. Disproportionately high rates of homelessness among specific racial/ethnic groups.
- 5. Racial/ethnic variation in experiences of homelessness.
- 6. Structural barriers, including lack of affordable housing and economic opportunity.

Three underlying values emerge from the assessment:

- 1. Integrate people of color with lived experience of homelessness in all program, policy, and funding decisions.
- 2. Align racial equity work in the homelessness sector with other racial equity initiatives in Santa Clara County.
- 3. Use a racial equity lens and data-driven decision making in the homelessness system and across other systems.

These values have led the County to three strategies to address racial equity, which are reflected in programs contained in this Housing Element:

- 1. Center and raise the voice of people of color who have experienced homelessness in the policy and program decisions of the supportive housing system.
- 2. Partner with the safety net system to better understand and address the systemic causes of poverty and inequity.
- 3. Adopt new housing and land use policies that help reverse longstanding housing disparities that have negatively impacted people of color.

The full analysis of this report is included in this Housing Element as Appendix D.

# **Urban County Consolidated Plan and Annual Action Plan (2020)** (Appendix E)

This planning document presents a housing needs assessment, market analysis, and strategic plan for the "Urban County," consisting of unincorporated areas and seven smaller jurisdictions, which together receive and disperse HUD funds. Seven goals are identified in the plan and relate directly to AFFH and the programs in this Housing Element:

- Increase affordable and supportive housing;
- Promote fair housing Countywide;
- 3. Maintain and expand activities designed to prevent and reduce homelessness:
- 4. Preserve existing affordable housing;
- Provide essential services for special needs populations;

- Maintain, improve, and expand community facilities and spaces; and
- 7. Strengthen employment and workforce opportunities.

The plan identifies and describes numerous barriers or impediments to fair housing:

- Displacement of residents due to economic pressures;
- Loss of affordable housing;
- Land use and zoning laws;
- Income discrimination:
- Community opposition;
- Availability, location, size, and type of affordable units;
- Lack of affordable, accessible housing in a range of unit sizes;
- Lack of access to opportunity due to high housing costs;
- Lack of affordable housing for individuals who need supportive services;
- Lack of assistance for housing accessibility modifications;
- Lack of resources for fair housing agencies; and
- Private discrimination.

Using these goals and barriers, the document presents a strategic plan that informs two critical undertakings: the expenditure of affordable housing funds by the County and its partner cities, and the development of this Housing Element and its programs.

The full housing needs assessment, market analysis, and strategic plan are included in this Housing Element and can be found as Appendix E.

# Community Plan to End Homelessness (2015; updated 2020) (Appendix F)

In 2014, the County of Santa Clara Office of Supportive Housing and Destination: Home, a public-private partnership dedicated to collective impact strategies to end homelessness, convened a series of community summits to develop a coordinated strategy to address homelessness across the county.

Representatives of local cities, non-profit advocacy groups, service providers, philanthropic organizations, elected officials, universities, and people with lived experience of homelessness participated in the planning process. The resulting Community Plan to End Homelessness document was formally endorsed by the County's Board of Supervisors, Santa Clara County Housing Authority, Santa Clara Valley Water District, and the majority of the county's 15 cities, in addition to participating stakeholder organizations. The Community Plan was developed to enhance the community's work towards ending and preventing homelessness among all homeless persons and families and was intended to build upon and supersede previous plans including the County's 2005 Ten-Year Plan to End Chronic Homelessness, Keys to Housing, and the city of San José's 2003 Homeless Strategy.

In 2020, the Community Plan was updated for 2020-2025, serving as the County's ongoing roadmap for ending homelessness in Santa Clara County and organized around three main strategies: (1) Address the root causes of homelessness through system and policy change; (2) Expand homelessness prevention and housing programs to meet the need; and (3) Improve quality of life for unsheltered individuals and create healthy neighborhoods for all. These strategies are grounded in evidence-based practices, lessons learned over the prior five years, and robust conversation and input from more than 8,000 members of the community; including people with lived

experience of homelessness, subject matter experts, key stakeholders, and community members.

The Community Plan and its 2020 revision continue to be utilized and inform the County's programs and policies, including those of this Housing Element and are included in this Housing Element and can be found as Appendix F.

# **Ending Homelessness: The State of the Supportive Housing** System in Santa Clara County (2018-2022) (Appendix G)

In 2018, the County released the first of ten annual reports to provide the community with information and updates related to the County's Supportive Housing System, 2016 "Measure A" Affordable Housing Bond activities, progress towards the goals of the Community Plan to End Homelessness, and efforts to improve client outcomes in Santa Clara County. These annual reports are referred to as Ending Homelessness: The State of the Supportive Housing System in Santa Clara County and are included in this Housing Element as Appendix G.

# No Place Like Home Program: Technical Background Report (2018) (Appendix H)

In 2018 the County also prepared a technical background report to support the County's No Place Like Home program. This technical background report summarizes the available County and community resources addressing homelessness, including the County's efforts to prevent criminalization of homelessness and the Coordinated Entry System. This report is included in this Housing Element as Appendix Н.

What follows supplements the more holistic analysis of the AFH (Appendix L) and summarizes research and analysis in the ABAG Segregation Report (March 2021) (Appendix I).

What follows draws from research and analysis conducted by ABAG on behalf of the County in the form of an AFFH Segregation Report. The AFFH Segregation Report for unincorporated Santa Clara County was prepared on March 6, 2021, and can be found in Appendix I.

Santa Clara County is part of the U.S. Census Bureau's San José-Sunnyvale-Santa Clara, CA Metropolitan Statistical Area (Region), which consists of Santa Clara and San Benito Counties. The Region has a population of over two million people and is highly diverse, with no majority racial/ethnic group. Although less diverse than the Region, the unincorporated population also has no majority racial/ethnic group, as illustrated in Table 2.3. Trends vary significantly across different areas. High levels of jobs-housing imbalance (the disconnect between where job growth is occurring and where housing is being produced) plays a major role in these patterns, with Latino and Vietnamese residents having limited access to jobs-rich areas in comparison to White, Chinese, and Indian residents. 11

Countywide, there is a significant immigrant population, with top national origins of Mexico (7%), India (6%), China (6%), Vietnam (5%), and the Philippines (3%). These population shares are closely mirrored at the regional level. However, which cities these immigrant groups choose to settle in varies. Across nearly every entitlement jurisdiction, Black and Latino residents face the highest rate of challenges finding affordable housing. Additionally, throughout the county, there are clear disparities in access to opportunity in

<sup>2.03</sup>a Segregation Analysis

<sup>&</sup>lt;sup>11</sup> ABAG Segregation Report (March 6, 2021), Appendix I

categories that include environmental health, labor market, and school proficiency. Access to opportunity for these categories is higher for residents in Urban County cities like Los Altos and Saratoga and lower in San José.

Table 2.3 Population by Race in the Unincorporated County, 2000-2019

Year	American Indian or Alaska Native, Non- Hispanic	Asian / API, Non-Hispanic	Black or African American, Non- Hispanic	White, Non-Hispanic	Other Race or Multiple Races, Non-Hispanic	Hispanic or Latino
2000	445	11,099	2,021	55,274	225	28,444
2010	348	12,475	1,586	42,417	3,049	30,085
2019	142	13,232	1,583	38,599	4,089	26,054

Notes: Data for 2019 represents 2015-2019 ACS estimates. The Census Bureau defines Hispanic/Latino ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latino" racial/ethnic group represents those who identify as having Hispanic/Latino ethnicity and may also be members of any racial group. All other racial categories on this

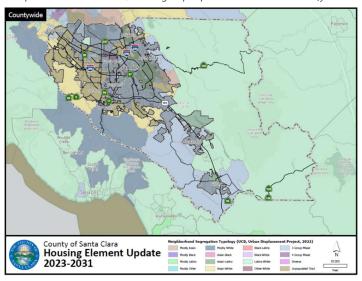


Figure 2.4: Diversity of Population in Santa Clara County Larger format available in Appendix A

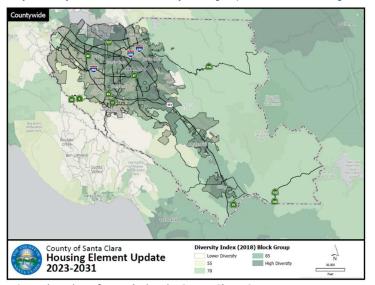


Figure 2.4: Diversity of Population in Santa Clara County

Larger format available in Appendix A

Source: California Department of Housing and Community Development. https://affhdata-resources-cahcd.hub.arcgis.com/

graph represent those who identify with that racial category and do not identify with Hispanic/Latino ethnicity. Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (20152019), Table B03002

Countywide, there is a significant immigrant population, with top national origins of Mexico (7%), India (6%), China (6%), Vietnam (5%), and the Philippines (3%). These population shares are closely mirrored at the regional level. However, which cities these immigrant groups choose to settle in varies. Across nearly every entitlement jurisdiction, Black and Latino residents face the highest rate of challenges finding affordable housing. Additionally, throughout the county, there are clear disparities in access to opportunity in categories that include environmental health, labor market, and school proficiency. Access to opportunity for these categories is higher for residents in Urban County cities like Los Altos and Saratoga and lower in San José.

In the unincorporated county, while the overall population declined between 2000 and 2019, there has been an increase in diversity of the resident population (see Table 8). The mapping in Figures 47 and 48 show that most of the unincorporated areas with significant populations (Alum Rock, East Foothills, Cambrian Village, etc.) are relatively racially diverse and do not consist of Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs) (Figure 49). The only R/ECAP that contains any unincorporated county land is in East San José and consists of incorporated San José neighborhoods and the County Fairgrounds facility. Rural communities in the county are also relatively racially diverse, and do not consist of

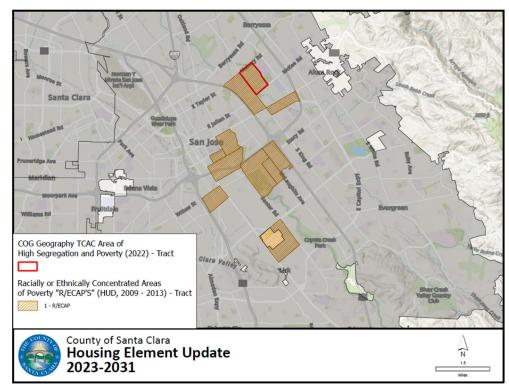


Figure 2.6: Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs) in Santa Clara County

Source: California Department of Housing and Community Development. https://affh-data-resourcescahcd.hub.arcgis.com/

R/ECAPs. There is one R/ECAP in the southern portion of the county but it is entirely within the incorporated area of Gilroy

In the unincorporated county, while the overall population declined between 2000 and 2019, there has been an increase in diversity of the resident population (see Table 8). The

mapping in Figures 2.4 and 2.5 show that most of the unincorporated areas with significant populations (Alum Rock, East Foothills, Cambrian Village, etc.) are relatively racially diverse and do not consist of Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs) (Figure 2.6). There are three R/ECAPs that are either partially or entirely in Unincorporated Santa Clara County, including: 1) in south-central San José, including the county fairgrounds, which is an unincorporated enclave with no residential development, along with the adjoining residential areas that are within city limits; 2) partially in Milpitas and partially covering parkland in an unincorporated area to the east of the city, with very few people residing there; and 3) Stanford University's campus.

Stanford campus's R/ECAP is the only one that includes a significant population in the Unincorporated County. However, the reasons for its race/ethnicity and socioeconomic demographics are very different from the vast majority of R/ECAPs and are not truly reflective of the composition of a more traditional R/ECAP. More specifically, Stanford has a comparatively larger student population than that of surrounding communities. Full-time students tend to have lower incomes and are more diverse than total residents in Santa Clara County and unincorporated areas.

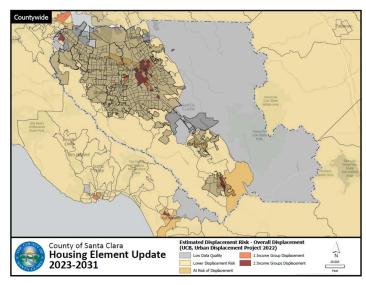


Figure 2.7: Affordability Index & Estimated Displacement Risk Larger format available in Appendix A

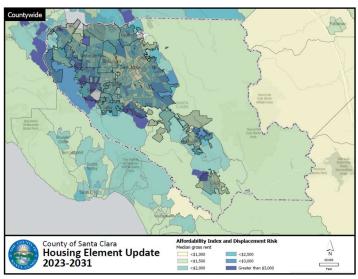


Figure 2.7: Affordability Index & Displacement Risk Larger format available in Appendix A

## 2.03b Access to Affordable Housing

At this time, Santa Clara County Housing Authority (SCCHA) operates very few units of public housing, defined as affordable rental housing for eligible low-income families, the elderly, and persons with disabilities that is owned and operated publicly. This is because SCCHA has disposed of or transitioned most of its public housing into non-public, project-based affordable housing. Now, affordable housing is primarily available through rental subsidy programs and the Low-Income Housing Tax Credit (LIHTC) program, which is an indirect federal subsidy used to finance the construction and rehabilitation of low-income affordable rental housing. Jurisdictions within the county use local programs, like inclusionary zoning, that encourage developers to set aside a certain percentage of housing units in new or rehabilitated projects to supplement their affordable housing stocks. The County of Santa Clara has an ordinance code provision, the Countywide Inclusionary Housing Ordinance, which requires, in the unincorporated county, that 16 percent of units within any new residential development of three or more units be dedicated as affordable housing units or that an in-lieu fee is paid into a fund managed by the County. Figures 2.7 and 2.8 reflect estimated displacement risk and affordability across the county using layers developed by ABAG. These figures and others are available in a larger format and with a focus on the sites inventory in Appendix A

# 2.03c Fair Housing Issues and Services

Fair housing issues are conditions that restrict fair housing choice or access to opportunity. As indicated in the section above, such issues are <a href="comparatively uncommon relatively rare">comparatively uncommon relatively rare</a>—in unincorporated county, and the focus for a countywide effort will address segregation and lack of integration, significant disparities in access to opportunity, and disproportionate housing needs. The Urban County and entitlement cities contract with private fair housing organizations

to provide fair housing and housing rights outreach and education, landlord-tenant dispute resolution services, and fair housing investigation, representation, and enforcement services to residents.

# 2.04 Unincorporated County **Housing Development Capacity**

#### 2.04a Overview

Section 2.04 first describes how the County has the capacity to meet the RHNA target assigned to it by ABAG for the 2023-2031 cycle, followed by an analysis of the probable development that may occur through the end of the planning period in 2031.

Prior to the adoption of the County's first General Plan, foundational Santa Clara County land use policies placed a high value on curtailing sprawl by focusing growth within incorporated areas and urban unincorporated areas, especially those within USAs. To facilitate greater cohesive development patterns between incorporated and unincorporated USAs, the County's General Plan (Book B) reflects that land use planning for the urbanized parts of unincorporated county should be conducted by the cities. It has been the longstanding policy of the County, the cities, and LAFCO that these urban unincorporated areas will be ultimately annexed into the respective cities. To that effect, the County's Zoning Ordinance does not allow any significant development projects within these areas

unless the project conforms with the affiliated city's General Plan, and that city has the option to annex the project area. In addition, the County works with cities to ensure all utilities and services to these unincorporated USAs are provided for by their respective cities. These policies have been in place since the 1970s and are actively utilized by cities to plan for the unincorporated areas within their respective USAs.

However, with the 3,125 housing units allocated to the County for the 2023-2031 planning period, the County is required to amend its General Plan to allow for the County to plan for housing in urban unincorporated areas. Table 11 below provides an overview of the sites in the County's 2023-2031 site inventory batched by neighborhood, along with the capacity of each group of sites by income category. Through the RHNA process, the County was allocated housing units at the Very Low-Income, Low-Income, Moderate-Income, and Above Moderate-Income affordability categories. Fifty percent of all Very Low-Income units will be made available as affordable to people with Extremely Low-Incomes. A table version of the full site inventory is in Appendix A, and detailed analysis of each site is below in sections 2.04b and 2.04c.

In addition to the below analyses of the sites inventory, the Affirmatively Furthering Fair Housing Sites Inventory Analysis, included as Appendix M, consists of additional site analysis within the context of AFFH.

Table 2.4 Summary Capacity to Meet RHNA Assignment

		Affordal	ole Units			Total	
Location	Affordable Units Share	Very Low Income (<50% of Area Median Income)	Low Income (<50%-80% of Area Median Income)	Moderate Income (<80%-120% of Area Median Income)	Above Moderate Income (>120% of Area Median Income)		
San Jose	33%	739	370	384	3,025	4,518	
Fruitdale/Santa Clara Valley Medical Center	100%	186	69	45	_	300	
Pleasant Hills	16%	228	114	114	2,394	2,850	
Hostetter Station	58%	325	187	200	514	1,226	
Parkmoor/Burbank Neighborhood	18%		-	14	62	76	
Alum Rock/East Foothills	17%			10	48	58	
Cambrian Park	13%	-	-	1	7	8	
Stanford	50%	336	252	252	840	1,680	
Quarry Sites	50%	196	147	147	490	980	
Escondido Village	50%	140	105	105	350	700	
ADUs	25%	-	-	92	276	368	
Total		1,075	622	728	4,141	6,566	
RHNA Assignment		828	477	508	1,312	3,125	
Surplus Units		247	145	220	2,829	3,441	
% of RHNA Target		130%	130%	143%	316%	210%	

The County prepared a detailed mapping analysis to identify areas within the urban unincorporated county that are suitable for housing development, which included mapping access to amenities such as transit, schools, parks, and grocery stores, as well as mapping of hazardous areas such as very high fire zones, flood zones, and fault zones. Based upon this mapping, the County selected sites for its 2023-2031 site inventory that were identified as having high access to amenities and low or no impacts from hazards.

Pursuant to California Government Code Section 65583.2(b)(6), all of the above sites identified as available for housing for above moderate-income households are in USAs and therefore served by public sewer systems. Nearly all of the rural unincorporated areas of the county, where above moderate-income single-family residences are often constructed, are not served by public sewer systems.

None of the sites identified as available for above-moderate households are in areas NOT served by public sewer.

The County considered public comments received regarding the inclusion of sites from property owners with written interest in residential development during the planning period. Those who provided public comment owned property located in rural unincorporated area outside the USAs. Sites in the rural unincorporated areas were not selected for inclusion in the Housing Element sites inventory due to the unavailability of adequate infrastructure, such as sewer and water connections to accommodate a multi-family development.

Table 2.5 presents all-the criteria utilized to map areas sites suitable for housing. Only sites scoring above a minimum threshold were considered for the inclusion in the County's sites inventory.

Table 2.5 Amenities and HazardCriteria utilized to map housing suitability areas

#### AMENITIES (SCORED BASED ON **HAZARDS & PRESERVATION ISSUES** DISTANCES AND URBAN/RURAL (WITHIN OR NEARBY THE AREA) LOCATION) 1. High or Very High Fire Hazard 1. Near high-capacity transit Near transit stops (2 or more lines) Severity zone Near transit stop (1 line) 2. 36-inch or 77-inch sea level rise 4. Near a public park or a community scenario inundation area 3. Floodplain center 5. Near a book-lending library Earthquake/Seismic hazard zone 6. Near grocery store / supermarket / 5. Liquefaction susceptibility zone neighborhood market/farmer's Landslide hazard zone California Protected Area 7. Near elementary/middle/high schools 8. Riparian area Near medical clinic or hospital Wildlife habitat 10. Williamson Act lands Near pharmacy 10. Has access to high-speed internet 11. Within HCD-identified High Opportunity Area

In sections 2.04b and c, the discussion of development capacity and site inventory is organized by the following subareas:

- Stanford University Lands;
- Urban Unincorporated Areas; and
- Accessory Dwelling Units.

Collectively, the sites selected on Stanford academic lands and in urban unincorporated areas, in combination with anticipated ADUs, have an estimated capacity of at least **6,574 units**, which is **110% more than the RHNA target** for unincorporated areas. This extra capacity is necessary to ensure that if one or more large sites identified at Stanford or within the City of San José USA do not result in housing development projects during the 2023-2031 planning period, the County will still have enough capacity to accommodate its RHNA goals. The County expects that by selecting sites sufficient to meet twice its RHNA allocation, it will ensure development opportunities remain available throughout the planning period, especially for lower- and moderate-income households, pursuant to Government Code Section 65863 (the No Net Loss Law).

# 2.04b Development Capacity Analysis – Stanford University Lands

# **Stanford University Lands**

Stanford University is a private university located in the northwest corner of Santa Clara County, adjacent to San Mateo County. It contains over 4,000 acres of land within Santa Clara County, the majority of which is under the land use jurisdiction and regulatory authority of the County. Stanford academic lands on which residential development may occur have full access to urban services and infrastructure. Stanford University has a high capacity for the development of housing units available to a range of income levels.

Stanford University development is governed by a Community Plan (Stanford Community Plan – SCP), the County Zoning Ordinance, and a General use Permit, consisting of policies that link academic development with housing development.

The Stanford Campus has been identified as a High Opportunity Area by the State, and therefore is an ideal location to add a variety of housing types and households. The County worked with the University to identify three sites on the campus for development of housing for faculty, staff, and students. One of the three sites (Escondido Village) is currently developed with student housing and associated parking lots, the second (Quarry Arboretum) consists of an existing parking lot, and the third (Quarry El Camino) is currently undeveloped open space.

The Escondido Village site contains existing housing, the existing use will continue to support the development of additional housing units and does not require any change in use for the construction of new housing units. The existing use including housing makes the site appropriate to accommodate the lower-income RHNA despite its size of over 10 acres.

The Quarry Arboretum site does not have an existing structure developed on the property. However, it is used as a parking lot on Stanford campus. The Stanford General Use Permit requires Stanford not to exceed 2,300 net new parking space above the base of 19,351 spaces. The removal of the parking lot at the Quarry Arboretum site will comply with General Use Permit requirements and the lot can be replaced elsewhere if deemed necessary as parking is not associated with individual structures and is assessed campus wide.

Lastly, the Quarry El Camino site is undeveloped open space that does not have an existing use that requires redevelopment to accommodate the construction of housing units.

By providing these units on campus, the County and University expect to see a significant reduction in VMTs and corresponding GHGs in addition to the provision of a significant number of affordable housing units in an area with one of the highest median home prices in the region. While this housing is directly accessible only to Stanford students, faculty, staff, and their families, it benefits the wider community by allowing more of the local housing supply to be available for non-Stanford affiliated community members.

Two of the three Stanford sites (Quarry Arboretum and Quarry El Camino) were previously identified in the fourth and fifth cycles, each time with a total capacity of 350 units at a density of 25 units per acre. These sites were not developed during the fourth or fifth cycles, as Stanford University focused on building housing in other parts of the campus. The third site (Escondido Village) is located in the residential district of the campus. During the fifth RHNA cycle, the University added 2,597 moderate-income units on Stanford lands and anticipates adding more units in the future.

The update to the SCP calls for increasing the supply and affordability of housing on the Stanford campus to meet the needs of faculty, staff, students, postgraduate fellows, hospital residents, and other workers. It requires Stanford to provide a sufficient level of affordable housing on campus to meet the affordable housing needs generated by new academic development. To facilitate the housing needs for the Campus, the SCP is anticipating an increase to the base density for residential development for the underlying zoning (A1) on the campus. Under the revised SCP, the base density would increase from 15 dwelling units per acre to 30 units per acre. The revised SCP also identifies the three sites included in the County's Housing Element site inventory as sites where the densities are being further increased to accommodate 1,680 to 2,150 new units. This can be achieved by building the two Quarry sites at densities ranging

between 70 to 90 units per acre. This density works well in the location as it is next to the Caltrain Station and the Stanford Shopping Center. The Escondido Village site has already seen an intensification of housing in the 2015-2023 cycle, and the University plans to further intensify the housing in the area to accommodate an additional 700 to 900 units.

Table 2.6 provides a summary of the potential capacity for the three identified sites, including the anticipated affordability. The low potential unit count is the realistic capacity based on the analysis discussed above.

The anticipated affordability level is based on Program 2.02 -Planning for Housing Development in Unincorporated USAs and

Stanford University Lands which requires new development to be multi-family or mixed-use on sites selected by the County in the site inventory. If the proposal includes a certain number of affordable units, then an expedited non-discretionary permit is required. The specific number of affordable units required for the nondiscretionary permit are identified as the low potential unit count in Table 2.6. The development of these sites will assist in meeting the need for additional housing on Stanford Campus.

**Table 2.6: Housing Capacity on Stanford Sites** 

		POTENTIAL UNIT COUNT		UNITS BY INCOME CATEGORY				
SITE	SIZE (ACRES)	LOW	HIGH	VERY LOW	LOW	MODERATE	ABOVE MODERATE	
QUARRY EL CAMINO	6	420	540	<u>84</u> 84 <del>-</del> 108	<u>63</u> 63 <del>-</del> 81	<u>63</u> 63 <del>- 8</del> 1	<u>210210 – 270</u>	
QUARRY ARBORETUM	8	560	720	<u>112</u> <del>112</del> – 144	<u>84</u> 84 – 108	<u>84</u> 84 – 108	<u>280</u> 2 <del>80</del> – 360	
ESCONDIDO VILLAGE	40	700	900	<u>140</u> 140 – 180	<u>105</u> 105 – 135	<u>105</u> 105 – 135	<u>350</u> 350 – 450	
TOTAL	54	1,680	2,160	<u>336</u> 336 – 432	<u>252</u> <del>252 – 32</del> 4	<u>252</u> <del>252 – 324</del>	<u>840</u> 840 - 1,080	

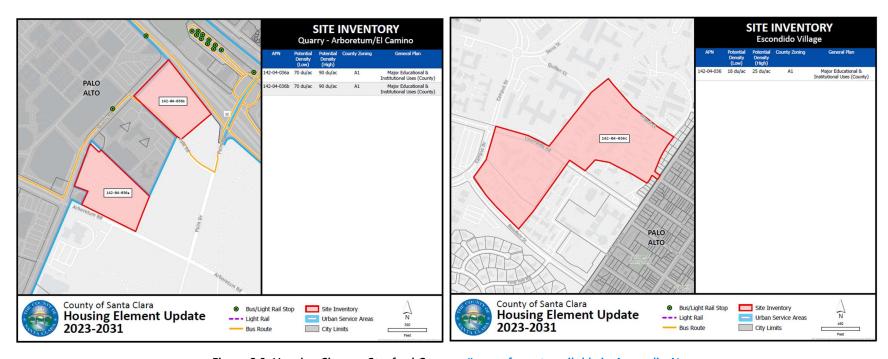


Figure 2.8: Housing Sites on Stanford Campus (Larger format available in Appendix A)

All three sites will include faculty, staff, and/or graduate student housing. The Arboretum and El Camino Quarry sites are within walking distance of the Caltrain Palo Alto Station, the Town and Country Shopping Center, and the Stanford Shopping Center. The Escondido Village area is serviced by Stanford Marguerite Shuttle, which is synchronized with the Caltrain schedule. While housing sites at Stanford are intended to house Stanford students, staff, faculty, other workers and their families, the housing benefits all members of the community. Family members housed at Stanford include children who attend local schools and spouses who work outside of Stanford. By making this housing available, Stanford is reducing the demand for housing in nearby communities, thus making more housing available to all members of the community.

These sites have been selected due to their proximity to existing infrastructure and general suitability for development. There is no known contamination on these sites, nor are they located within an airport influence area which could provide negative impacts to residents. The sites do not possess an unusual configuration and are not subject to any easements or contracts (such as a Williamson Act contract) which would limit the ability to develop on these sites, provided the projects comply with the SCP and GUP. The land is identified as urban and built-up land and is not suitable for farming. The California Natural Diversity Database identifies a number of species in the area, as is to be expected as much of the area in Stanford lands and the surrounding area have been preserved in their natural state. The Central Coast foothill yellow-legged frog (California Endangered), California tiger salamander (California Threatened), and Crotch Bumble Bee and western bumble bee (California Candidate Endangered) have been identified within the area in the early to mid-1900's, but urban development and fragmentation of land over the last century makes these sites less suitable as habitat for these species.

Through the SCP public outreach process, the issue of housing affordability was brought forth by staff and students. Based on the income levels of the Stanford population of faculty, staff, graduate students, and other workers, and the high income and high rental costs in the area, the County projects that the new housing provided by the University at these sites will primarily be affordable units. All 2,597 units built during the 2015-2022 cycle were reported as affordable to moderate-income households. As discussed further in section 3.02b, rents for 85% of graduate student housing spaces at Stanford have been found to be generally within a range affordable to low- or moderate-income households. The County therefore anticipates that no less than 50 percent of new units built at Stanford during the 2023-2031 planning period will be deemed affordable.

# 2.04c <u>Development Capacity Analysis - Urban</u> **Unincorporated Areas**

As discussed above, to meet ABAG's RHNA target for unincorporated areas, the County is required to amend its General Plan policies, reestablishing the County's authority for planning in urban unincorporated pockets for the purposes of meeting housing demand.

Although there are urban unincorporated pockets that are intended for annexation into several different cities, most of them are associated with the City of San José. Approximately 78 percent of the population in all the urban unincorporated pockets in the county (not including Stanford) is attributable to areas within the USA of San José. The County has identified 21 sites, spanning roughly 142 acres within the City of San José's USA. These sites range from .09 to 114 acres and are spread across multiple unincorporated urban islands within San José. To better accommodate the development of lowerincome RHNA on sites less than one acre, the County included a new program (Program 2.30 - Incentivize Lot Consolidation) that

encourages the merging of these lots and therefore furthers the potential of these lots to be redeveloped during the housing element cycle. In total, these sites have a capacity range between 4,517 and 6,282 units. This capacity estimate is based generally on the land use designations for these sites under the City of San José' General Plan. The one exception is the Pleasant Hills site, which is a decommissioned golf course that does not have a land use designation for housing under the City General Plan. However, a developer application has been submitted to change the General Plan designation for this property and the San José City Council has recently taken action to remove a policy barrier for housing and mixed-use development on the site. 12

The County has worked closely with the City to review all sites selected within the unincorporated pockets of San José and to verify with City staff that they are compatible for residential development at the densities proposed. Without the related rezonings concurrent with this Housing Element Update, the pre-existing County zoning ordinance would not allow many of these sites to develop with multifamily housing, but several sites have sought the maximum currently

allowed residential development. In particular, representatives for the former Pleasant Hills Golf Course have started working the County and City of San José to facilitate development of these parcels, and the County has committed to affordable housing development at the Valley Medical Center site which it owns.

To further ensure development of these sites, the County is implementing Program 2.02 - Planning for Housing Development in Unincorporated USAs and Stanford University Lands which includes the County's identified sites in a combining district which restricts development to multi-family residential and limited mixed uses. Any future development on these sites would be required to comply with the combining district. If the proposal includes a certain number of affordable units, then a streamlined non-discretionary permitting process is required under State law. This new program is a first for the County and is needed to meet the RHNA target for unincorporated areas. The County does not have a history of processing multi-family and limited mixed uses as previous General Plan policies relied on the respective city's long-range land use planning for the site.

Table 2.7 Housing Capacity on Sites within Unincorporated USAs of the City of San José

City Location	High	ı Transit*	ι Sites	ı Acres	Unit Capacity		Affordable Units
City Location	Opportunity Area	ITalisit	Sites	Acres	Low <u>**</u>	High	Low
Fruitdale / VMC	N	Υ	2	5	300	500	<u>300</u> 300
Parkmoor/Burbank	N	Υ	9	1.7	75	143	<u>1414</u>
Hostetter Station	Υ	Υ	2	15.32	1,226	1,532	<u>712</u> 712
Alum Rock/ East Foothills	N	N	5	5.51	58	101	<u>10</u> 10
Cambrian Park	Υ	Υ	1	0.78	8	16	<u>1</u> 8

<sup>&</sup>lt;sup>12</sup> On December 6, 2022, the City of San José City Council amended its Policy 5-1,

<sup>&</sup>quot;Transportation Analysis Policy." More information is available at this link.

Pleasant Hills	N	N	2	114	2,850	3,990	<u>456</u> 8 <del>55</del>
Total	2	4	21	142	4,517	6,282	<u>1,493</u> 1,899

<sup>\*</sup>Within one-half mile from a High-Capacity Transit stop/station

The intention of the County is to ensure that these sites are ultimately annexed into the City and that they develop in alignment with the City's long-term goals, in keeping with the longstanding goals of the County, its cities, and LAFCO.

The following tables and figures provide an overview of the urban unincorporated sites in the County's site inventory by neighborhood.

### Fruitdale/Santa Clara Valley Medical Center

The Santa Clara Valley Medical Center (VMC) is a County-owned facility that covers over 70 acres in the Fruitdale neighborhood. The County has identified two sites adjacent to the VMC campus. First, in the southwest part of the facility, there is a 3.5-acre surface parking lot that abuts a residential neighborhood along Thornton Way. Under the City's General Plan, supportive housing is allowed under the current land use designation of Public-Quasi-Public. Additionally, the removal of the existing parking use will not hinder the development of new housing units as the existing parking spaces can be replaced elsewhere as deemed necessary.

The second site near VMC, along Empey Way, is 1.5 acres in size and is also a surface parking lot. This site is classified under the City's General Plan as Neighborhood/Community Commercial, which also allows for residential development. The removal of the existing parking use will not hinder the development of new housing units as the existing parking spaces can be replaced elsewhere as deemed necessary. These sites are adjacent to the City's Bascom Urban Village Plan Area, which plans for a high-density, mixed-use neighborhood.

With the proximity to the various medical facilities and high-capacity transit along Bascom Avenue, both sites are well-suited for the development of supportive housing projects. As these properties are owned by the County, the County will plan for developing projects on these sites to be entirely affordable. These sites have been selected due to their proximity to existing infrastructure (such as water, sewer, and dry utilities) and general suitability for development. There is no known contamination on these sites, nor are they located within an airport influence area which could provide negative impacts to residents. The sites do not possess an unusual configuration and are not subject to any easements or contracts (such as a Williamson Act contract) which would limit the ability to develop on these sites. The land is identified as urban and built-up land and is not suitable for farming. The California Natural Diversity Database identifies a number of species in the area. The robust spineflower (California Endangered), California tiger salamander (California Threatened), and Crotch Bumble Bee and western bumble bee (California Candidate Endangered) have been identified within the area either over a century ago or in an unspecified area of San José, but urban development and fragmentation of land over the last century makes these sites less suitable as habitat for these species.

The southwestern site (APN: 282-03-016) is owned by the County of Santa Clara and is a part of the Valley Medical Campus. The following is an analysis of necessary steps to achieve development on the property.

<sup>\*\*</sup> Low unit capacity is considered to be the realistic capacity based on analysis of each housing site section

Upon completion of an internal space planning process in coordination with the County Facilities and Fleets Department, the site could be deemed a County-led Housing Development site under Program 1.07 and the Office of Supportive Housing (OSH) would serve as the project lead. However, in this case, because the sites are within the VMC campus there could be some additional barriers that are unforeseen or unique to other County-led sites.

The following serves as a summary of the process working in coordination with the City of San Jose:

- Stakeholder Mapping and Coordination: During this stage, OSH works with the respective Supervisorial Office to develop a stakeholder list and a draft of the community engagement strategy. Concurrently, OSH staff meets with the City of San Jose's Housing Planner to discuss the potential land use development path for the property including whether it could qualify under a streamlining process under SB 35 or AB 2162. Estimated completion date - December 2024
- Early Community Engagement: During the second phase our focus is to host a series of listening sessions to get a better understanding and buy-in from the community. These sessions help us identify opportunities to inform the future design of the housing and determine if there are resources that are needed in the community. For instance, there may be a desire to improve a neighboring park or creek trail. Knowing this information early helps identify different funding sources to fund potential public benefits. Given that the surrounding uses are healthcare related, OSH in partnership with the Facilities and Fleet Department would host a series of meetings with VMC leadership to assess

- vehicular and pedestrian circulation, safety, parking, and concerns with the proximity of housing to existing medical uses. Estimated completion date - August 2025
- Developer Selection: Information gathered during the listening sessions are incorporated into the solicitation process. Using the County's Developer Qualified Pool (DQP), a Request for Offer (RFO) is issued to select a development partner. The solicitation process includes a panel interview, scoring, and coordination with the City of San Jose. Once a developer is selected, OSH negotiates the County's early funding commitment to the project and development milestones through a development and disposition agreement. This process can take up to eight weeks including approval by the Board of Supervisors. Estimated completion date – January 2026
- Entitlement and Financing: Upon approval by the Board of Supervisors, the selected developer is introduced to the community and the formal community engagement process beings. The developer will spend the next 6 months working with the community to design a project and secure the necessary entitlements. During this time OSH helps coordinate engagement with the Lived Experience Advisory Board to provide input and coordinates with the City of San Jose's Housing Department about potential funding available. OSH continues to support the selected development partner with securing other financing throughout this phase. This includes but is not limited to local housing dollars, private philanthropy funding, and State funding applications. Assuming that the proposed

development project is competitive and they are able to receive an allocation of tax credits with their first submission, the project could be permit ready within a year and a half after a development partner is selected. Estimated completion date - July 2027

Construction and Operation: Once all financing is secured, it is anticipated that the construction finance closing and

completion of the project would take approximately 24 – 30 months. Estimated completion date - August 2029

The anticipated share of affordable units for this site is 100% because the County is the property owner (shown in Table 2.7 Housing Capacity on Sites within Unincorporated USAs of the City of San José, above).

Table 2.8: Fruitdale/ Santa Clara Valley Medical Center Sites

APN	SIZE (ACRES)	POTENTIA DENSITY	\L	POTENTIAL UNITS		EXISTING ZONING	GENERAL PLAN
		LOW	HIGH	LOW HIGH (COUNTY)	(SAN JOSÉ)		
282-03-016	3.5	60	100	210	350	R1-8 – SF Housing	Public Quasi-Public
282-02-037	1.5	60	100	90	150	CN – Neighborhood Commercial	Neighborhood/ Community Commercial

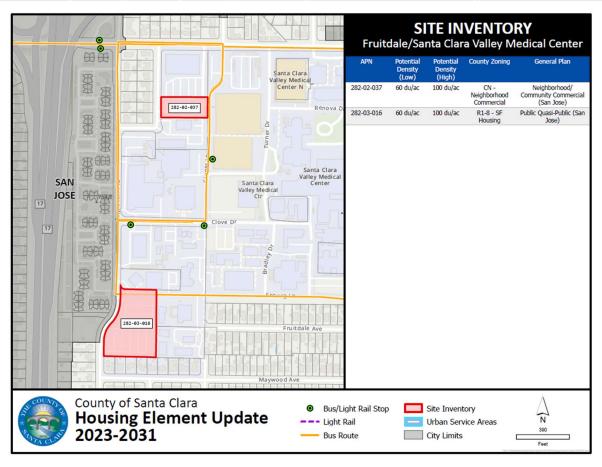


Figure 2.10: Housing Sites in Parkmoor, Burbank, and Fruitdale/VMC Neighborhoods (Larger format available in Appendix A)

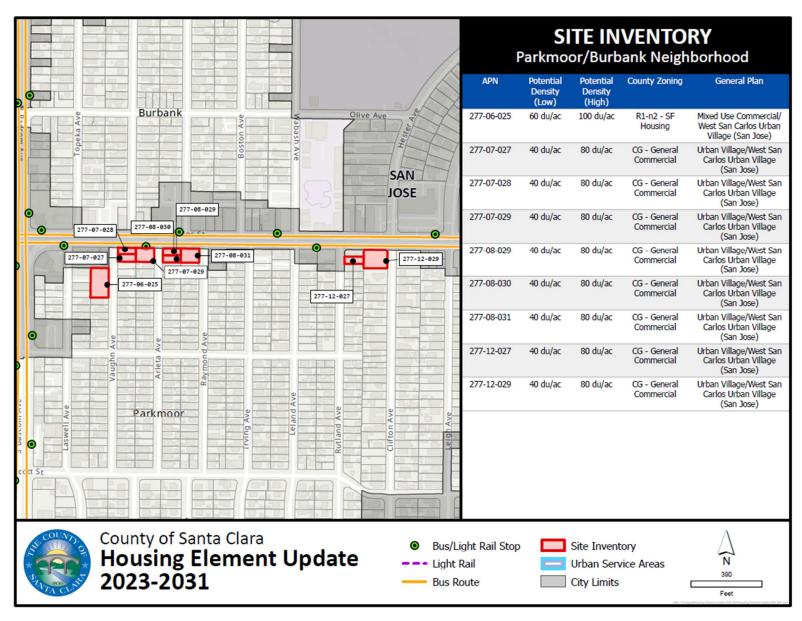


Figure 2.9: Housing Sites in Parkmoor, Burbank, and Fruitdale/VMC Neighborhoods (Larger format available in Appendix A)

## Parkmoor/Burbank Neighborhood

There are nine sites identified along West San Carlos Street that are within the City's West San Carlos Urban Village Plan Area. These sites are relatively small (between 0.09 and 0.36 acres) and would likely be aggregated to create a larger project. However, they can also develop independently as small-scale multi-family projects and, using that approach, the County anticipates projects that would range from 4 to 36 units on the individual parcels. These parcels are currently developed with commercial uses (used car sales facility and retail stores) as well as a parking lot (APN: 277-06-025), church (APN: 277-08-031), and one single family residence (APN: 277-08-029). Although these sites contain existing uses, there is a history of development in the nearby incorporated areas of San Jose which demonstrate the potential for redevelopment on the Parkmoor/Burbank neighborhood sites. Specifically, two parcels located a third of a mile east of the Parkmoor/Burbank sites on West San Carlos received approval in August of 2021 from the City of San Jose to demolish existing commercial and residential buildings to construct two new seven-story residential mixed-use buildings (City of San Jose Project No, SP20-004).

Program 2.02 - Planning for Housing Development in Unincorporated USAs and Stanford University Lands includes these parcels in a combining district which restricts development to multifamily residential and limited mixed uses. As such, any future development on these sites would be required to comply with the combining district. If the proposal includes the development of a minimum number of affordable units, a streamlined non-discretionary permitting processes is required. The anticipated affordability of each site is shown in Table 2.7 Housing Capacity on Sites within Unincorporated USAs of the City of San José (above). Additionally, Program 2.30 – Incentivize Lot Consolidation

encourages the merging of these lots and therefore furthers the potential of these lots to be redeveloped during the housing element cycle. Although the County does not have a history of multi-family and mixed-use development, the land use controls proposed in Program 2.02 would be a significant factor in the assumption that these sites will be built-out with affordable housing during the 6<sup>th</sup> cycle.

The County Inclusionary Housing Ordinance will apply to these sites, requiring a minimum of 16 percent of the units to be affordable. In certain cases where 16 percent yields less than one unit of affordable housing, the projection has been rounded up to one unit. West San Carlos Street is a high-capacity transit corridor, therefore housing in this location will have a high level of connectivity to amenities and resources.

These sites have been selected due to their proximity to existing infrastructure (such as water, sewer, and dry utilities) and general suitability for development. There is no known contamination on these sites, nor are they located within an airport influence area which could provide negative impacts to residents. The sites do not possess an unusual configuration and are not subject to any easements or contracts (such as a Williamson Act contract) which would limit the ability to develop on these sites. The land is identified as urban and built-up land and is not suitable for farming. The California Natural Diversity Database identifies a number of species in the area. The robust spineflower (California Endangered), California tiger salamander (California Threatened), and Crotch Bumble Bee and western bumble bee (California Candidate Endangered) have been identified within the area either over a century ago or in an unspecified area of San Jose, but urban development and fragmentation of land over the last century makes these sites less suitable as habitat for these species.

Table 2.9: Parkmoor/Burbank Neighborhood

APN	SIZE (ACRES)	POTENTIAL DENSITY		POTENTIAL UNITS		EXISTING ZONING	GENERAL PLAN I(SAN JOSÉ)	
		LOW	HIGH	LOW	HIGH	(COUNTY)	(3AN 103L)	
277-06-025	0.36	60	100	22	36	R1-n2	Mixed Use Commercial/ West San Carlos Urban Village	
277-12-029	0.31	40	80	12	25	CG – General Commercial	Urban Village/ West San Carlos Urban Village	
277-12-027	0.31	40	80	12	25	CG – General Commercial	Urban Village/ West San Carlos Urban Village	
277-07-028	0.09	40	80	4	7	CG – General Commercial	Urban Village/ West San Carlos Urban Village	
277-07-027	0.09	40	80	4	7	CG – General Commercial	Urban Village/ West San Carlos Urban Village	
277-07-029	0.18	40	80	7	14	CG – General Commercial	Urban Village/ West San Carlos Urban Village	
277-08-029	0.09	40	80	4	7	CG – General Commercial	Urban Village/ West San Carlos Urban Village	
277-08-030	0.09	40	80	4	7	CG – General Commercial	Urban Village/ West San Carlos Urban Village	
277-08-031	0.18	40	80	7	14	CG – General Commercial	Urban Village/ West San Carlos Urban Village	

#### **Hostetter Station**

There are two sites adjacent to the Hostetter Light Rail Station in North San José. The larger 13-acre site is largely vacant with an existing single-family residence. The smaller 2.3-acre site is a VTA Park & Ride facility. These sites are ideal for multi-family housing development because they are within an HCD High Opportunity Area and adjacent to the light rail station. The County has connected with VTA and representatives of the property owners and both are

amenable to the development of housing on these sites. VTA representatives were supportive of up to 100 percent affordable housing. As such, there is potential for these sites to be redeveloped throughout the housing element cycle.

Under the San José General Plan, the sites are designated Neighborhood/Community Commercial and are also identified as an Unplanned Urban Village area. The allowable density under the City's General Plan can go up to 150 dwelling units per acre within an

Urban Village area, with additional density bonuses provided to 100% affordable projects. These two sites were included in the City's fourth cycle RHNA site inventory and had a projected density at that time of 45 dwelling units per acre, with a total capacity of 630 units.

The County is anticipating that a housing project on these sites would be developed at a minimum of 80 units per acre, given its location near a transit station and the prevailing densities for more recent housing projects in San José that are near transit stations. The County will work with VTA, the City, and the project proponent to support affordable housing on this site to the maximum extent feasible.

These sites have been selected due to their proximity to existing infrastructure (such as water, sewer, and dry utilities) and general suitability for development. There is no known contamination on these sites, nor are they located within an airport influence area which could provide negative impacts to residents. The sites do not possess an unusual configuration and are not subject to any easements or contracts (such as a Williamson Act contract) which would limit the ability to develop on these sites. The land is identified as Unique Farmland. The California Natural Diversity Database identifies a number of species in the area. The robust spineflower (California Endangered), California tiger salamander (California Threatened), and Crotch Bumble Bee and western bumble bee (California Candidate Endangered) have been identified within the area either over a century ago or in an unspecified area of San Jose, but urban development and fragmentation of land over the last century makes these sites less suitable as habitat for these species.

Specifically, the County is intending to leverage two 6<sup>th</sup> Cycle Housing Element Programs that are designed to accelerate the production of affordable and supportive housing utilizing publicly owned land. First, the County will implement Program 1.08 (Joint Development Memorandum of Understanding (MOUT) to negotiate a partnership with VTA to incorporate this property as a priority housing development site. Currently the County is working with the VTA on four similar partnership projects that once completed will add 508 Affordable Units in partnership with the Office of Supportive Housing (OSH). The properties are in high opportunity areas and at least 25% of the units will be set aside for special needs populations.

Upon completion of the negotiations with VTA, the site could be deemed as a County-led Housing Development site under Program 1.07 and OSH would serve as the project lead coordinating with the VTA Transit Oriented Development (TOD)team. All County-Led Housing Development sites follow a similar workflow process, and it usually takes five years to develop a property into housing. However, in this case, because the site is controlled by another governmental entity, there are additional steps that could result in additional barriers that are unforeseen or unique to other County-led sites.

The following serves as a summary of the process working in coordination with the City of San Jose and VTA:

- Stakeholder Mapping and Coordination: During this stage, OSH works with the respective Supervisorial Office to develop a stakeholder list and a draft of the community engagement strategy. Concurrently, VTA staff meets with the City of San Jose's Housing Planner to discuss the potential land use development path for the property including whether it could qualify under a streamlining process under SB 35 or AB 2162. Estimated completion date - December 2026
- Early Community Engagement: During the second phase our focus is to host a series of listening sessions to get a better understanding and buy-in from the community. These

sessions help us identify opportunities to inform the future design of the housing and determine if any of the existing parking needs to be replaced. **Estimated completion date**- August 2027

- Developer Selection: Information gathered during the listening sessions are incorporated into the solicitation process. Using the County's Developer Qualified Pool (DQP), a Request for Offer (RFO) is issued to select a development partner. The solicitation process includes a panel interview, scoring, and coordination with the City of San Jose. VTA include OSH staff to serve on the panel. Once a developer is selected, the VTA TOD team takes the lead in negotiating with the selected developer and approval is considered by the VTA Board. Estimated completion date January 2028
- Entitlement and Financing: Upon approval by the VTA Board, the selected developer is introduced to the community and the formal community engagement process beings. The developer will spend the next 6 months working with the community to design a project and secure the necessary entitlements. During this time OSH meets monthly with the VTA team to stay apprised of any issues to

<u>ensure progress continues.</u> **Estimated completion date –** <u>July 2029</u>

Construction and Operation: Once all financing is secured, it is anticipated that the construction finance closing and completion of the project would take approximately 24 – 30 months. Estimated completion date – August 2031

Pursuant to Program 1.08, mentioned above, the County plans to enter into negotiations with VTA to initiate County-led housing development on the property and anticipates an affordability level noted in Table 2.7 Housing Capacity on Sites within Unincorporated USAs of the City of San José, Due to the County prioritizing this site for housing development, it is appropriate to accommodate the lower-income RHNA despite its size over 10 acres.

In support of development on this site, VTA's Transit-Oriented Development team and the City of San José recently nominated it for MTC's Priority Sites pilot program, which provides pre-development funding and technical assistance for projects providing affordable housing in either a Play Bay Area 2050 Growth Geography or a Transit Priority Area. The Priority Sites selected by MTC will also be included in Plan Bay Area 2050+, which can provide additional funding.

Table 2.10: Hostetter Station

APN	SIZE (ACRES)	POTENTIAL DENSITY		POTENTIAL UNITS		EXISTING ZONING	GENERAL PLAN ı(SAN JOSÉ)
		LOW	HIGH	LOW	HIGH	(COUNTY)	(SAN JOSE)
245-01-003	13	80	100	1040	1300	A- Agriculture	Neighborhood/Community Commercial. Unplanned Urban Village
245-01-004	2.3	80	100	186	232	A- Agriculture	Neighborhood/Community Commercial. Unplanned Urban Village

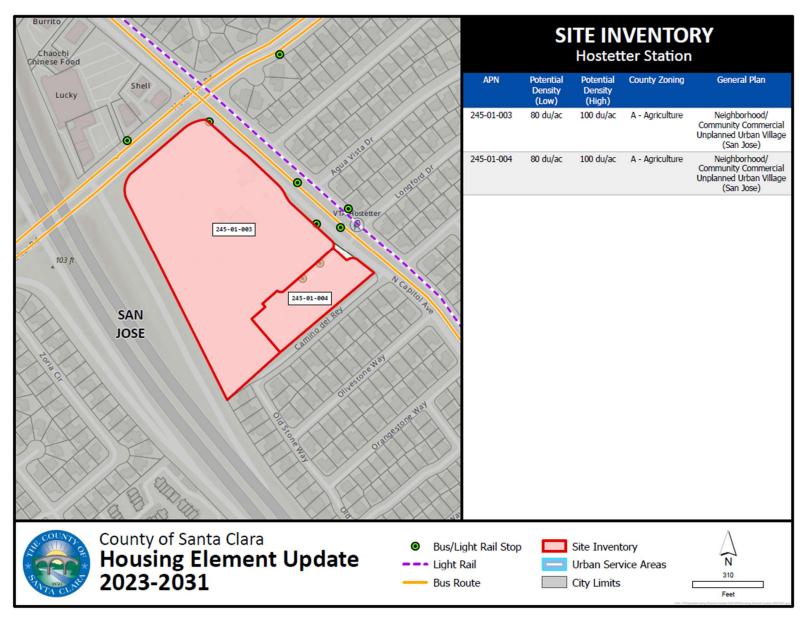


Figure 2-11: Housing Sites at Hostetter Station (Larger format available in Appendix A)

## **Alum Rock / East Foothills Neighborhoods**

The Alum Rock and East Foothills neighborhoods are established neighborhoods with few vacant parcels. They are currently developed with single family residences (APNs 599-39-047 & 601-07-066), shops and a restaurant (APN 599-01-064), an undeveloped lot (APN 612-21-004) and a church parking lot (APN 601-25-119). Three of the five parcels identified are within commercially zoned areas in an Unplanned Urban Village under San José's General Plan. These sites will be rezoned to accommodate multi-family housing with a density range between 40 to 80 units. The other two sites are within existing neighborhoods and their capacity reflects the density allowed under the current San José General Plan Residential Neighborhood designation.

Program 2.02 - Planning for Housing Development in Unincorporated USAs and Stanford University Lands includes these parcels in a combining district which restricts development on these sites to multi-family residential and limited mixed uses. As such, any future development on these sites would be required to comply with the combining district. If a certain number of affordable units are proposed, then a streamlined non-discretionary permit is required. The anticipated affordability of each site is shown in Table 2.7 Housing Capacity on Sites within Unincorporated USAs of the City of San José. Although the County does not have a history of multi-

family and mixed-use development, the land use controls proposed in Program 2.02 would be a significant factor in the assumption that these sites will be built-out with affordable housing during the 6th cycle, and would be able to accommodate the lower-income RHNA despite their lot sizes of less than one acre, and the proposed density being less than 30 dwelling units per acre for some sites.

These sites have been selected due to their proximity to existing infrastructure (including water, sewer, and dry utilities) and general suitability for development. There is no known contamination on these sites, nor are they located within an airport influence area which could provide negative impacts to residents. The sites do not possess an unusual configuration and are not subject to any easements or contracts (such as a Williamson Act contract) which would limit the ability to develop on these sites. The land is identified as urban and built-up land and is not suitable for farming. The California Natural Diversity Database identifies a number of species in the area. The robust spineflower (California Endangered), California tiger salamander (California Threatened), and Crotch Bumble Bee and western bumble bee (California Candidate Endangered) have been identified within the area either over a century ago or in an unspecified area of San Jose, but urban development and fragmentation of land over the last century makes these sites less suitable as habitat for these species.

Table 2.11: Alum Rock / East Foothills Neighborhoods

APN	SIZE (ACRES)	POTENTIAL DENSITY				EXISTING ZONING	GENERAL PLAN
		LOW	HIGH	LOW	HIGH	(COUNTY)	(SAN JOSÉ)
612-21-004	0.82	5	8	4	7	R1-6 – SF Housing R1-6	Residential Neighborhood

599-39-047	0.56	40	80	22	45	<u>CN – Neighborhood</u> <u>CommercialCN – Neighborhood</u> <del>Commercial</del>	Neighborhood/Community Commercial. Unplanned Urban Village
599-01-064	0.74	20	30	15	22	<u>CG – General Commercial</u> <u>CN – Neighborhood Commercial</u>	Neighborhood/Community Commercial. Unplanned Urban Village
601-25-119	1.9	5	8	10	15	R1 – SF Housing R1-6	Residential Neighborhood
601-07-066	1.49	5	8	7	12	R1/R1-6 – SF HousingR1 – SF Housing	Residential Neighborhood

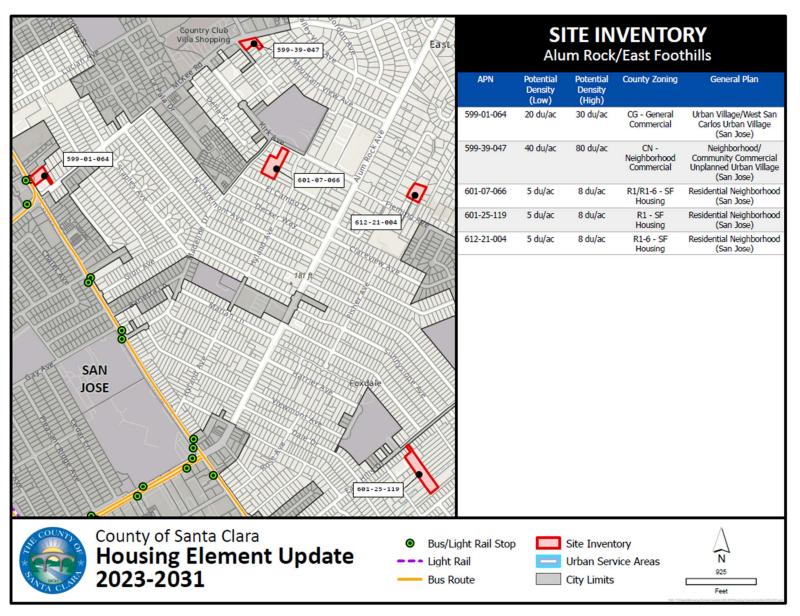


Figure 2.12 Housing Sites at Alum Rock/East Foothills (Larger format available in Appendix A)

## **Cambrian Park Neighborhood**

The single site within the Cambrian Park neighborhood is within a High Opportunity Area, therefore the County will seek to have a project on the site that is a hundred percent affordable. It is currently developed with a liquor store and cell phone repair shop. Although this site contains an existing use, there is a history of annexation and development in the nearby areas of San Jose which demonstrate the potential for redevelopment on the Cambrian Park neighborhood site. Specifically, two parcels located a quarter mile to the west of the subject site received approval in August of 2022 from the City of San Jose to annex the parcels into the City and demolish the existing strip mall into a planned development with residential, commercial, and open space uses (City of San Jose Project No. PDC17-040).

Program 2.02 - Planning for Housing Development in Unincorporated USAs and Stanford University Lands includes these parcels in a combining district which restricts development on this site to multi-family residential and limited mixed uses. Any future development on these sites would be required to comply with the combining district. If a minimum number of affordable units is proposed, then a non-discretionary streamlined permitting process is required. The anticipated affordability of each site is shown in Table

2.7 Housing Capacity on Sites within Unincorporated USAs of the City of San José. Although the County does not have a history of multifamily and mixed-use development, the land use controls proposed in Program 2.02 would be a significant factor in the assumption that these sites will be built-out with affordable housing during the 6th cycle, and would be able to accommodate the lower-income RHNA despite their lot sizes of less than one acre, and the proposed density being less than 30 dwelling units per acre.

-These sites have been selected due to their proximity to existing infrastructure (including water, sewer, and dry utilities) and general suitability for development. There is no known contamination on these sites, nor are they located within an airport influence area which could provide negative impacts to residents. The sites do not possess an unusual configuration and are not subject to any easements or contracts (such as a Williamson Act contract) which would limit the ability to develop on these sites. The land is identified as urban and built-up land and is not suitable for farming. The California Natural Diversity Database does not identify any species in the area.

Table 2.12: Cambrian Park Neighborhood

	APN	Size (acres)	Potential Density		Potential Units		Existing Zoning  (County)	General Plan . (San José)
			Low	High	Low	High	(county)	
,	419-12-044	0.78	10	20	8	16	<u>CN – Neighborhood</u> <u>CommercialR1 – SF Housing</u>	Neighborhood/Community Commercial. Unplanned Urban Village

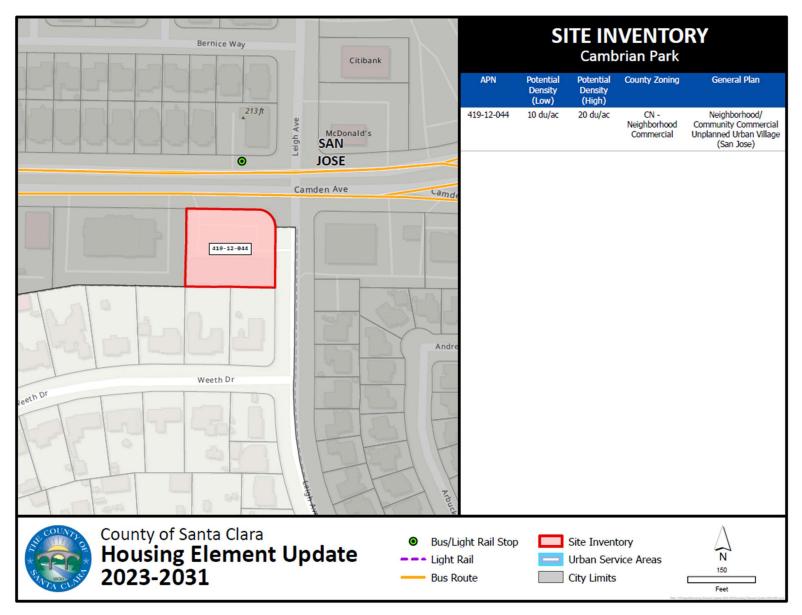


Figure 2.10: Housing Site in Cambrian Park Neighborhood (Larger format available in Appendix A)

#### **Pleasant Hills Site**

The 114-acre site of the decommissioned Pleasant Hills golf course promises to be one of the most significant sites for residential development within the unincorporated county during the 2023-2031 planning period. This site does not have a land use designation for housing under the City General Plan; however, a developer application has been submitted to change the General Plan designation for this property and on December 6, 2022, the San José City Council removed a policy barrier for housing and mixed-use development on the site. 13 The County anticipates that the City will process the application to change the General Plan designation, prezone the property for high-density residential and mixed-use development, and then annex the property to process the development application under the City's jurisdiction. This removal of the policy barrier and application for the General Plan change from the developer demonstrates the potential for development Pleasant Hills site which consists of an already decommissioned golf course.

The site is not within a High Opportunity Area; however, it is adjacent in the vicinity (within 1.5 miles) ofto San José's largest area of "Highest Resources" according to HCD's Opportunity Map. The site is less than one mile from a major transit stop, placing it just outside of but very close to a Transit Priority Area. Moreover, development of the site, and the nearby Reid-Hillview Airport (proposed to be closed in 2031 and with the potential for high-density residential redevelopment), is likely to result in major changes to transit service in the immediate vicinity.

Additionally, Program 2.02 – Planning for Housing Development in Unincorporated USAs and Stanford University Lands includes these parcels in a combining district which restricts development on these

sites to multi-family residential and limited mixed uses. As such, any future development on these sites would be required to comply with the combining district. If a minimum number of affordable units are proposed, then a streamlined non-discretionary permitting process is required. The anticipated affordability of each site is shown in Table 2.7 Housing Capacity on Sites within Unincorporated USAs of the City of San José. Although the County does not have a history of multifamily and mixed-use development, the land use controls proposed in Program 2.02 would be a significant factor in the assumption that the Pleasant Hills site will be built-out with affordable housing during the 6<sup>th</sup> cycle, and would be able to appropriate to accommodate the lower-income RHNA despite the lot sizes of over 10 acres.

The current development proposal seeks a City General Plan amendment that would allow up to 3,970 housing units (approximately 35 units per acre) on the parcel, in addition to 785,000 square feet of retail and hotel space. The County believes that a lower density of 25 units per acre is more likely based on discussions with City staff. The developer's proposal identifies the inclusion of affordable housing but does not specify any level or amount. Due to the significant and singular potential of this site, the County will work with the applicant and the City to support 30 percent of the new housing units being affordable. These discussions with the City and the developer demonstrate that the proposed density is appropriate to accommodate housing for lower-income households.

These sites have been selected due to their proximity to existing infrastructure and general suitability for development. There is no known contamination on these sites. The sites are located near the Reid-Hillview Airport, outside of the airport safety zone and therefore

<sup>&</sup>lt;sup>13</sup> On December 6, 2022, the City of San José City Council amended its Policy 5-1,

<sup>&</sup>quot;Transportation Analysis Policy." More information is available at this link.

suitable for residential development. The parcels are located between the MSL 283 and 433 lines, which limit the maximum height allowed (in feet) above sea level that development can build. These height limits do not present a realistic constraint to the type of housing likely to be developed on these sites. The sites do not possess an unusual configuration and are not subject to any easements or contracts (such as a Williamson Act contract) which would limit the ability to develop on these sites. The land is identified as grazing

land. The California Natural Diversity Database identifies a number of species in the area. The robust spineflower (California Endangered), California tiger salamander (California Threatened), and Crotch Bumble Bee and western bumble bee (California Candidate Endangered) have been identified within the area either over a century ago or in an unspecified area of San Jose, but urban development and fragmentation of land over the last century makes these sites less suitable as habitat for these species.

Table 2.13: Pleasant Hills Site

APN	SIZE (ACRES)	POTENTIAL DENSITY				EXISTING ZONING	GENERAL PLAN	
		LOW	HIGH	LOW	HIGH	(COUNTY)	(SAN JOSÉ)	
649-23-001	70.5	25	35	1,76 <u>2</u> 3	2,468	A- Agriculture	Private Recreation and Open Space	
649-24-013	43.5	25	35	1,088	1,523	A- Agriculture	Private Recreation and Open Space	

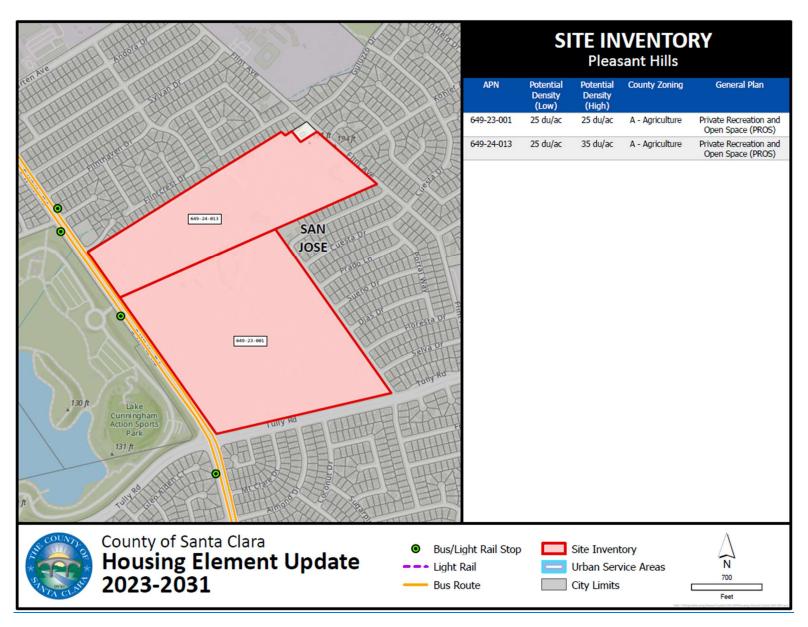


Figure 2.14: Housing Sites at Pleasant Hills Pleasant Hills Site Inventory (Larger format available in Appendix A)

During past RHNA and Housing Element update cycles, the County has not included unincorporated parcels within USAs because the County's General Plan has historically conferred to the cities longrange planning authority for these areas. As previously discussed, the County will be making amendments to its General Plan to reestablish the County's authority to plan for housing in the unincorporated urban pockets. The County has identified this as a policy update in Chapter 3 (Strategy 1, Policy HG1-7). However, the County remains committed to the existing General Plan goals that these areas be annexed by their respective cities and that highdensity urban residential development applications be processed by the cities, rather than the County, for alignment and compatibility with the immediately surrounding areas. The County will also work closely with the City of San José to support annexation of these parcels when housing development projects occur.

### **Projected ADU Development**

As explained in section 3.02c, after recent Zoning Ordinance changes the County has seen an increase in ADU permit applications and issuance. Therefore, the County is conservatively anticipating 46 ADU permits per year over the 2023-2031 period, which is reflective of the average annual rate from 2018 through 2022. This rate would yield a total of 368 dwelling units over the eight-year planning period.

The County does not plan to require any deed-restricted affordable housing requirements for ADUs; however, it does anticipate that approximately a quarter of these units would likely be moderateincome units based upon prevailing rents across different parts of the County.

## **Probable Housing Development**

The purpose of this section is to identify the probable development expected to occur over the planning period of the 2023 Update,

which ends in 2031. The analysis here is distinct from the previous capacity analysis, which indicates the feasible potential for housing development without focusing on what is most likely to occur.

There are many reasons to believe that the sites identified in this Housing Element—particularly the largest sites—will successfully be developed during the planning period. First, the County has been working with Stanford University on its near-term plans to provide on-campus housing for students, faculty, staff, and other workers. The University has confirmed its desire to build on the three sites identified in this Housing Element and anticipates realizing the density and number of units identified in the above capacity analysis.

Second, the County has spoken with owner representatives for the sites near Hostetter Station, who confirmed the desire to develop high-density housing on the site and that it would likely be available for such development within the next eight years.

And third, the owners of the Pleasant Hills site are seeking to sell the property to a developer. As described under the capacity analysis above, a development proposal has been submitted and the City of San José has affirmatively taken steps toward making the site developable for housing. Due to these recent developments, County and City staff believe that the development of Pleasant Hills is highly likely within the next eight years.

While the other smaller parcels identified within the City of San José USA may also develop, they are not included in the probability analysis as the County has not received any direct feedback or confirmation from the owners of these parcels.

In addition to the sites identified in the Site Inventory (Appendix A), the probable housing development analysis relies upon historical development trends to determine development potential, rather than merely counting vacant parcels. This is especially important for the

rural unincorporated areas, where there are significant environmental constraints to developing on certain parcels. Based on trends in recent development activity, the County anticipates approving roughly 46 ADUs per year and 40 single-family homes per year, on average, during the sixth cycle. Table 24 provides the probable number of units that are likely to be issued a building permit between 2023 and 2031, with the following assumptions:

- The Fruitdale sites are located on County-owned property utilized for the Santa Clara Valley Medical Center. Preliminary internal discussions have indicated that two areas of the campus are likely candidates for development during the sixth cycle, at 100% affordable.
- Stanford Campus housing, when constructed, provides housing that is generally affordable across income levels.
- Pleasant Hills Golf Course has area to supply affordable housing, with access to services and amenities, above and beyond the City's 15% inclusionary requirements and the County's 16% inclusionary requirements. Double the inclusionary requirements for affordability is manageable and appropriate. The County could work with the City and a developer to exceed 30% of the units being affordable for moderate- and below moderateincome households.
- Hostetter Station sites include a VTA-owned parcel and a privately owned parcel. The VTA has confirmed its support of 100% affordable housing on its parcel, and the County has conservatively applied a reasonable affordable number of units on the privately owned parcel.

## 2.04d Summary of Quantified Objectives

Table 25 estimates the number of units that are projected to be constructed or rehabilitated during the 2023-2031 planning period, as well as the conservation of existing affordable housing stock. From a housing needs perspective, new housing units, rehabilitated housing units, and preservation of existing affordable units are all important for a healthy housing market which serves all income levels. While the County has many programs to help construct new and preserve existing affordable units throughout Santa Clara County, this section will focus only on units in the unincorporated areas.

Unincorporated Santa Clara County has fewer existing affordable units and a lower capacity for new units than some of the county's constituent cities. Most multi-family development since 1970 occurs within one of the incorporated cities, or on unincorporated lands that are first annexed into one of the cities. The only three new multifamily developments constructed since 1970 that are still in unincorporated areas are an 8-unit and 18-unit development owned by the Emergency Housing Consortium of Santa Clara County, constructed in 1998, and the 29-unit Vivente I development on County land managed by MidPen Housing. The remaining 632 units of multi-family housing in the unincorporated areas of the county were constructed between 1900 and 1968. While the County has programs for minor home repairs that can benefit all housing types (refer to Program 1.31, Minor Home Repair and Maintenance Program), the focus on rehabilitation and preservation of affordability will be directed at multi-family units.

Programs 1.09, 1.12, 1.13, 1.14, and 1.16 help provide funds to create and preserve affordable housing. Program 1.30 will preserve the existing affordability of units constructed with financial and other forms of support from the County. Program 2.26 will see the County review options to allow rehabilitation or replacement of such multifamily units without compromising their legal nonconforming status. In 2025, the County will develop ordinance or policy updates to help streamline such rehabilitation and replacement of older multi-family

units. The County will also consider opportunities to preserve the affordability of existing units, whether required or naturally occurring. This may include partnering with community development corporations to acquire, rehabilitate, and preserve the affordability of units.

Lastly, the County will assess the housing stock and conditions of agricultural worker housing and explore related opportunities to streamline rehabilitation and replacement of such units, as appropriate (refer to Programs 2.05, 2.15, & 4.02).

Table 2.14: Total Probable Units in Unincorporated County 2023-2031

UNIT TYPE	VERY LOW	LOW	MODERATE	ABOVE MODERATE	TOTAL UNITS
Single Family Dwellings (40 units/year)	-	-	-	360	360
ADUs (46 units/year)	-	-	92	276	368
Fruitdale / Santa Clara Valley Medical Center	186	69	45	0	300
Stanford Campus	336	252	252	840	1,680
Pleasant Hills	<u>228</u> 128	<u>114</u> 128	<del>599</del> 114	<u>2,394</u> 1,995	2,850
Hostetter Station Site	325	18 <u>7</u> 8	200	514	1,22 <u>6</u> 7
Parkmoor/Burbank Neighborhood	=	=	<u>14</u>	<u>62</u>	<u>76</u>
Alum Rock/East Foothills	=	Ξ.	<u>10</u>	<u>48</u>	<u>58</u>
Cambrian Park	=	=	1	<u>Z</u>	<u>8</u>
Total Probable 2023-2031	<u>1,075</u> 975	637 <u>622</u>	<del>1,186</del> - <u>728</u>	<del>3,939</del> <u>4,141</u>	6, <u>566</u> 737

Table 2.15: Quantified Objectives Per Income Group

	QUANTIFIED OBJECTIVES PER INCOME GROUP								
HOUSING PROGRAM	EXTREMELY LOW	VERY LOW	LOW	MODERATE	ABOVE MODERATE	TOTALS			
New Construction	975		568	1,143	3,985	6,485			
Rehabilitation	<del>50</del> <u>79</u>		<u>79</u>	<u>0</u>	<u>0</u>	<del>50</del> 158			
Conservation & Preservation	<u>79</u>		<u>79</u>	<u>0</u>	<u>0</u>	<u>158</u> 0			

# 2.04e Zoning for a Variety of Housing Types

Table 2.16 sets forth how the County's zoning districts accommodate a variety of housing types described in State law.

Table 2.16: Zoning for a Variety of Housing Types

HOUSING TYPE	USE CLASSIFICATION	ZONING DISTRICTS	PERMIT REQUIREMENTS
Multi-family rental housing	Residences – Multi-family	R1S, R3, R3S, CN, CG, OA, A1	UP, ASA, UP/ASA for mixed use projects
Agricultural employee (temporary, small- scale permanent, large-scale permanent, seasonal)	Ag-Employee Housing	A, AR, HS, RR	SP, with time limits, 4.10.040 Suppl. Use Regs. C for temporary, small-scale permanent in A & RR
Group quarters up to 36 beds	Ag-Employee Housing – Long Term (Large-Scale permanent)	A, AR, HS, RR, A1 in rural areas	SP A1 with UP
Single-family/HH units up to 12 units	Ag-Employee Housing – Long Term (Large-Scale permanent)	A, AR, HS, RR, A1 in rural areas	SP A1 with UP
Emergency shelters	Emergency Shelters Small-Scale Large-Scale	Small-Scale (RR-R3-CN-CG-OA-ML-MH-A1-Rs) Large-Scale (RR-R3-CN-CG-OA-ML-MH- A1)	Small-Scale By right, or ASA in applicable urban zoning districts Large-Scale with UP
Transitional and supportive housing in structures designed for families and households of six or fewer people	Residential: Single Family, Two Family, Multi- Family	All Urban zones and All Rural zones-CN-CG-OA-A1-RS (single-family dwellings) -R1S-R3S-R2, R3- CN-CG-OA-A1 (duplexes) -R1S-R3S-R3- CN-CG-OA -A1(apartments)	By Right for structures designed as single-family dwellings, otherwise with ASA Single family in R3S with ASA CN-CG-OA- with UP Single family in RS with UP
Transitional and supportive housing in structures designed with communal dining and living facilities	Residential Communal Institutional	All Urban zones except R1S & R3S, All Rural zones, A1.	UP
Single-room occupancy	Rooming Houses, Fraternities & Sororities	R1, R1E, R2, R3, A1, R1S, R3S	UP, except ASA in R3
Mobile homes / Factory-built housing	Residences –Single Family	All zones	By right
Movable Tiny Homes	Accessory Dwelling Unit	All Urban zones All Rural zones CN-CG-OA A1-RS	С

Accessory Dwelling Units (including Junior Accessory Dwelling Units)	Accessory Dwelling Units	All Urban zones All Rural zones CN-CG-OA A1-RS	By right
Urban Primary Unit	Single-Family Residential	All zones	By right

Note: Permit Type abbreviations are C = Planning Clearance, SP = Special Permit, UP = Use Permit, ASA = Architecture and Site Approval.

The following sections elaborate on each of the housing types specified in the first column of Table 2.16.

## 2.04f Multi-Family Residential Development

Multi-family residences are allowed in R1S, R3S, and R3 zones with an Architecture and Site Approval (ASA) permit. ASA is a discretionary permit required for certain applications as detailed in the County Ordinance and require review by the Zoning Administrator or other hearing body at a public hearing. The required findings for an ASA approval are detailed in the Zoning Ordinance and are listed below:

- Adequate traffic safety, on-site circulation, parking and loading areas, and insignificant effect of the development on traffic movement in the area:
- Appearance of proposed site development and structures, including signs, will not be detrimental to the character of the surrounding neighborhood or zoning district;
- Appearance and continued maintenance of proposed landscaping will not be detrimental to the character of the surrounding neighborhood or zoning district;
- No significant, unmitigated adverse public health, safety and environmental effects of proposed development;
- No adverse effect of the development on flood control, storm drainage, and surface water drainage;

- Adequate existing and proposed fire protection improvements to serve the development:
- No significant increase in noise levels;
- Conformance with zoning standards, unless such standards are expressly eligible for modification by the Zoning Administrator as specified in the Zoning Ordinance;
- Conformance with the general plan and any applicable area or specific plan, or, where applicable, city general plan conformance for property located within a city's urban service area; and
- Substantial conformance with the adopted "Guidelines for Architecture and Site Approval" and any other applicable guidelines adopted by the County.

While some of these findings are necessary for health and safety, others could create uncertainty or barriers which could constrain the development of multi-family housing in desired areas. These include high parking requirements per unit, conformance to neighborhood character, and conformance to guidelines and policies which lack objective standards. To this end, the County will create a new process for review of multi-family residential development on properties located within designated Housing Opportunity zones under a nondiscretionary permit.

The non-discretionary permit will be ministerially reviewed and approved if they meet a set of objective criteria. These will include:

- Conforms with all requirements of the California Building Code as locally adopted and amended;
- Adequate traffic safety, on-site circulation, and loading areas, and compliance with County design standards for traffic improvements;
- Proposed landscaping will comply with the County's Water Efficiency standards;
- No significant, unmitigated adverse public health, safety and environmental effects of proposed development;
- Proposed development will meet County and Regional Water Quality Control Board standards for drainage;
- Adequate existing and proposed fire protection improvements to serve the development:
- Noise levels will not exceed those allowed in the County Noise Ordinance; and
- The project provides for at least the required number of inclusionary units as specified in the Zoning Ordinance.

By removing discretionary reviews, subjective criteria, parking requirements, as well as not imposing height, FAR, or lot coverage restrictions on these projects, developers will be able to apply with greater certainty that their projects would be approved.

## 2.04f2.04g Multi-Family Rental Housing

Multi-family rental housing is not differentiated from any other type of multi-family uses or occupancies under the Zoning Ordinance. Multi-family residences are allowed in R1S, R3S, and R3 zones with an Architecture and Site Approval permit.

## 2.04g2.04h Agricultural Employee Housing

Agricultural employee housing use classifications of the Zoning Ordinance define three subcategories of use – *small-scale* permanent, large-scale permanent, and seasonal. Seasonal housing can be in the form of movable tiny homes, which are on the property temporarily. Small-scale and large-scale permanent housing may be either in the form of a site-built single-family dwelling, duplex, multifamily dwelling, group quarters, mobile and/or manufactured homes. The Zoning Ordinance also allows for Temporary Agricultural Residences in the rural base zoning districts, which can be a recreational vehicle or movable tiny home that provides temporary housing to a person engaged in an on-site agricultural operation. The County's special zoning classifications and procedures for agricultural employee housing are in addition to applicable state statutes.

The California Employee Housing Act (Health and Safety [H&S] Code 1700 et seq.) generally requires employee housing for occupancy by six or fewer employees to be permitted by-right, without a conditional use permit, in single-family zones. Section 17021.5 requires such employee housing to be permitted by right. This requirement is satisfied by section 2.10.030 of the County's Zoning Ordinance, which specifically states that the definition of residence (which are permitted by right) includes "Employee housing that provides exclusive accommodation for six (6) or fewer employees, pursuant to California Health and Safety Code Section 17021.5."

#### **Emergency Shelters** 2.04h2.04i

An emergency shelter is a place for homeless people to live temporarily. Most emergency shelters provide shelter for a specific time-period e.g., 90 days after which the individual or family is expected to vacate it. Short-term shelter is needed to meet the needs of homeless persons lacking shelter due to a variety of reasons, including family violence, crime, fire, condemnation, or eviction.

The County's response to homelessness is led by OSH, which manages programs ranging from preventative measures, such as rental assistance and assistance to first-time home buyers, emergency, transitional, and supportive housing, and connection to training and services. OSH leverages funds from HUD as well as local funds (namely the 2016 "Measure A" Affordable Housing Bond). The County uses the Santa Clara County Community Plan to End Homelessness 2020-2025 (an extension of the Community Plan to End Homelessness in Santa Clara County 2015-2020) as its guide which amongst other things calls for the doubling of the number of shelter beds across the County.

## 2.04i2.04j Transitional Housing

Transitional housing is temporary, supportive housing for people. Transitional housing is generally provided for a limited period –from 2 weeks to 24 months.

## 2.04i2.04k Supportive Housing

Supportive Housing is an effective strategy that combines affordable housing with intensive coordination services to help previously unhoused individuals find and retain housing. The Santa Clara County Supportive Housing System includes two primary housing interventions that fall within the umbrella of Supportive Housing: permanent supportive housing and rapid rehousing.

Permanent Supportive Housing program provides permanent housing and supportive services to chronically homeless individuals and families. The target population for permanent supportive housing program are chronically homeless individuals with a disability. The program focuses on the population that has high acuity and high costs. The program provides rental subsidy, intensive

case management and health care (including behavioral health) to the program participants. There is usually no time limit for the program. PSH has been seen to have a high impact on housing stability. Nationally 84% of program participants have been observed to retain housing for at least a year. Locally our housing retention system goal is 95%.

Rapid rehousing is an intervention that has been seen to be a successful model in addressing the issue of homelessness in different parts of the country. There are three core-components of rapid rehousing: 1) Housing identification; 2) move-in and rent assistance; and 3) rapid rehousing case management and services. The clients are provided shallow or declining rent subsidy, other temporary financial assistance and time-limited case management. It has been observed that rapid rehousing helps individuals and families to quickly exit homelessness, return to housing in the community, and not become homeless again in the near future.

#### 2.04k2.04l \_\_Single-Room Occupancy

Single-room occupancy (SRO) housing is expressly defined in the Zoning Ordinance as a subset of the Rooming Houses, Fraternities, & Sororities use classification, where SROs are characterized by facilities that feature individually secured rooms and are individually rented to a one or two-person household. SROs do not typically involve on-site services. Single-room occupancies are allowed with a Use Permit in A1, R1, R1E, and R2 zones, and with architecture and site approval in R3 zones.

#### \_Mobile homes and Factory-Built Housing <del>2.04l</del>2.04m

Mobile homes and factory-built housing are recognized as a building form that is allowable for any manner of housing for single-family homes, ADUs, SB 9 urban primary unit, and agricultural employee

housing, and they are permitted forms of housing wherever dwelling units are permitted.

## 2.04m2.04n Accessory Dwelling Units

Accessory Dwelling Units are defined under the use classification "Accessory Dwelling Units" in the County's Zoning Ordinance. The use classification is based on the applicable provisions of state law and differentiates them from primary dwellings, agricultural employee housing, caretaker's residences, and all other forms of residential use. They are allowed by right in all zones where primary residential dwellings are allowed.

# 2.05 Opportunities for Energy Conservation

This section describes opportunities for energy conservation in the areas of Planning and Land Use, Energy Conservation Incentives, and Green Building and Energy Efficiency Standards.

## 2.05a Planning and Land Use

The joint urban development policies of the cities, County, and LAFCO recognize the benefits of energy conservation in promoting sound urban growth management policies. The cities are responsible for planning for and accommodating urban growth and development. The County's role has been and continues to be that of supporting the cities in such efforts by not acting as a promoter of urban sprawl and by restricting land use and development outside urban areas and Urban Service Areas (USAs) to rural, open space, and agricultural uses. These policies have been in effect since the early 1970s and they continue to serve the County and larger region well by using energy efficiently and minimizing carbon emissions. To integrate sustainability as a core function within County operations

and to coordinate and support cross-departmental efforts, the Board of Supervisors adopted the Sustainability Master Plan in January of 2021.

County policies strongly support increasing the proximity of housing to jobs by promoting infill development or "compact" urban development as urban areas redevelop. Accordingly, there has been relatively little need for urban expansion into unincorporated areas of the County to accommodate population and housing growth. These County policies both advance energy conservation and are consistent with the goals of SB 375, which are to coordinate land use, transportation, and housing policy and planning in pursuit of development patterns that emit fewer greenhouse gases than has been the pattern in the past.

County General Plan policies also promote making more efficient use of existing urban areas. As with many metropolitan areas that experienced significant growth after 1950, Santa Clara County contains underutilized lands, parking lots, and other properties within the core of existing urban areas. These areas, particularly those that can support and utilize transit, should be redeveloped for residential or mixed-use to the most appropriate and efficient densities possible.

Among the variety of programs or specific land use policies that contribute to energy conservation, the County supports and encourages the surrounding cities in the following ways:

- Transit-oriented land use and densities (e.g., San José has transit corridor and urban core minimum density policies, as opposed to maximum density limits). The Valley Transportation Authority (VTA) is currently working to utilize Senate Bill 791 by developing surplus agency-owned land into housing.
- Streetscape and similar policies of the County, cities, and the VTA, illustrate how major arteries and thoroughfares can be

retrofitted, redesigned, and planned to promote shared access for bus ways, bicycling, multi-level mixed uses, and pedestrian improvements. A successful instance of multi-jurisdictional collaboration in this regard has been the **Grand Boulevard** Initiative, an effort to revitalize the El Camino Real corridor.

## 2.05b Conservation Incentives for the Building Industry and Residents

Through the General Plan and other publications, the County promotes broader public understanding of the importance of conservation on a variety of subjects, such as natural resources, trees, land, energy, and open space. Energy saving incentives are primarily the domain of the utility companies, such as PG&E, which provides a significant rebate program for energy efficient appliances, insulation, and related activities.

The County offers incentives for energy efficiency through the Bay Area Regional Energy Network (BayREN) program to provide local energy efficiency and electrification resources for homeowners, renters, multifamily property owners, businesses, and jurisdictions in the county. Since its inception in 2013, the program has accelerated the County's transition to carbon neutrality, upgraded over 3,000 single and multifamily homes, and paid over \$2.7 million in rebates to residents and property owners.

Energy conservation in the building industry has widened its focus from simply retrofitting to green construction. The County promotes energy efficiency improvements in older housing stock through the housing rehabilitation and financial assistance programs it provides to support lower income housing—but the area where the County is making greatest strides is in mandatory green building standards because it can directly affect building standards through its own codes and ordinances.

## 2.05c Promoting Green Building and Greater Efficiency **Standards**

The County began efforts to promote green building over fifteen years ago, culminating with the adoption of significant new requirements for green building in single-family residential construction in 2008. Those new standards became mandatory for new single-family residences and major renovations ("rebuilds") in 2009. Since September of 2015, the County now follows the green building requirements for multi-family residential and non-residential buildings, as set forth in the California Green Building Standards Code (CalGreen) standards.

In addition to its Building Ordinance requirements, the County promotes green building information through handouts, displays, and its websites. The County's green building requirements include:

- Standards for use of passive solar heating, extended overhangs where consistent with building codes and zoning setbacks, and similar practices;
  - Use of tree planting and conservation through landscaping plans to assist in energy conservation;
  - Use of solar photovoltaic;
  - Efficient building framing design to reduce waste and incorporate framing concepts with other efficiency standards and methods;
  - Recycling of construction waste;
  - Water use reduction;
  - Use of renewable materials:
  - Efficient appliances, heating/ventilation/AC, and lighting standards;

Materials such as paints, adhesives, and finishes that improve indoor air quality, reduce hydrocarbon emissions, and improve the health of occupants.

In 2021, the County adopted all electric Reach Codes, requiring new buildings in unincorporated areas to use electricity (not natural gas) for water heating, space heating, cooking, clothes drying, indoor and outdoor fireplaces, and decorative appliances. The Reach Codes also require infrastructure for charging electric vehicles. These regulations go further than State requirements related to climate change. Within unincorporated areas, 43% of total GHG emissions are attributed to commercial and residential natural gas use and these requirements will ensure that no new emissions from natural gas use in new buildings are added to the atmosphere. This ordinance will also improve indoor air quality and safety, reduce new building construction costs, and help transition the County's building stock to the State's planned phase-out of natural gas infrastructure.

Enhanced energy conservation standards are not limited to green building. To increase native plant landscapes and prioritize water efficiency, the County of Santa Clara has implemented the state Model Water-Efficient Landscape Ordinance (MWELO) standards through a locally adopted ordinance. This policy prioritizes a holistic approach to the design, construction, and maintenance of landscaping to integrate with the local ecology and protect the watersheds. MWELO emphasizes the natural functions of the landscape to promote resiliency. The County's MWELO applies to residential development, which includes any landscaping over 500 square feet in area or earthwork subject to a Grading Permit.

Additional information regarding green building requirements is provided in section 2.06k, describing governmental factors and constraints to housing. Green building requirements add an increment of cost in terms of design, consulting services, material choices, and equipment. The long-term advantages significantly outweigh costs over the life of a building and help to reduce the County's carbon footprint.

# 2.06 Governmental Factors Influencing Housing

#### 2.06a Introduction and Overview

State law requires that the Housing Element contain an analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. This analysis is also required to discuss local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Government Code Section 65585. For the purposes of this discussion, 'land use control' is a term used to refer to any policy, regulation, or similar exercise of local land use authority.

The primary purpose of including a discussion of potential or actual governmental constraints in the Housing Element is to provide a means for identifying regulations and procedures that may unduly restrict housing potential within the jurisdiction. Such analysis helps to assess ways the jurisdiction may facilitate housing development and improve supply. The purpose is not to place housing needs above all other matters of public policy concerns but rather to balance those with other concerns including public health and safety issues, conservation, and open space.

#### 2.06b Land Use Controls

Land use controls include the General Plan and its control over residential densities, the Zoning Ordinance, the County's Subdivision Ordinance, County regulation of building sites, and specific development standards, such as parking requirements and height limits, any growth control measures employed, policies and regulations regarding accessory dwelling units, junior accessory dwelling units, SB 9 (2021) 'urban primary units,' and density bonuses. Discussion of specific standards is found in Section 2.06f, after an overview of the principal land use control mechanisms adopted by the County regarding residential development.

In alignment with the provisions and purpose of the Housing Crisis Act of 2019 (Government Code 66300 et seq.), any County-adopted rezoning or development controls shall not impose any new governmental constraints to the development of housing unless those increased constraints are offset by the removal or reduction of other constraints. A "new governmental constraint" is a Countyimposed requirement, including but not limited to process, fees, or design, that increases the cost of development, not including mitigation measures adopted in compliance with CEQA or a requirement adopted to specifically protect against a threat to health or safety. The County complies with these requirements, and has not rezoned or changed the designation of any parcels or districts to a reduced intensity since the adoption of the Housing Crisis Act. Any changes the County makes to zoning or land use designations in the future shall be done within the requirements of State law.

## 2.06c Santa Clara County General Plan: Charting a Course for Santa Clara County's Future, 1995-2010

The General Plan governs unincorporated residential land use and development potential in a variety of ways. The fundamental policies that most affect residential land use are:

- The countywide growth management policies shared by the County, cities, and LAFCO, also referred to as the "joint urban development policies," and
- The Land Use Plan and policies also referred to as the "Land Use Element."

The joint urban development policies stipulate that urban types and densities of development for all land use categories should be located within cities or their USAs. Outside of the USAs of the 15 cities within the county, these policies stipulate that the County will allow only non-urban land uses and densities of development, such as agriculture, low-density residential, and open space uses. The goal is to direct new urban development in existing urban areas, preserve rural character, maintain and enhance agriculture, conserve open space and natural resources, minimize exposure to extreme natural hazards, and limit demand for new public services and infrastructure. These policies have been mutually agreed upon and implemented by the cities, County, and LAFCO since the early 1970s and are the fundamental growth management strategies guiding long-term land use for the urban areas and the rural unincorporated areas outside the USAs.

These policies are also consistent with SB 375, passed in 2008, and its Bay Area implementation, the Sustainable Communities Strategy, adopted by the MTC and ABAG in June 2013. These are also broadly consistent with Plan Bay Area 2050, the long-range Strategic Plan for the region.

For urban unincorporated areas, inside cities' USAs, the County's General Plan policies promote eventual annexation of such unincorporated urban pockets. The General Plan also requires new unincorporated development in USAs to conform to the General Plan of each respective city, conferring to the city authority for allowable uses and densities of development to determine the appropriate

level of residential use within USAs. For example, where a city's General Plan land use element allows high-density, multi-family housing on an unincorporated urban parcel, the parcel may be annexed and redeveloped to meet the city's General Plan intention, through the necessary city approval processes.

The following are case studies that demonstrate implementation of agreements and policies between the County and the Cities that facilitate annexation and appropriate development of urban unincorporated areas.

#### **Case 1: Communications Hill**

Planning for the urban island of Communications Hill, the City Council of the City of San José adopted the Communications Hill Specific Plan in April 1992. The Specific Plan permits up to 4,000 dwelling units, primarily at a minimum density of 24 units per acre. The City of San José's Housing Element for 2007-2014 credits the site as having a total capacity of 5,421 housing units, of which over 2,500 have already been constructed. About one-third of the site's original 500+ acres have already been annexed and developed. The majority of the remaining 335 acres of the site is vacant and unincorporated. The City of San José's 2040 General Plan made no changes to the Communications Hill Specific Plan.

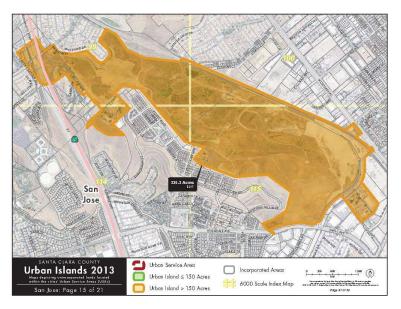


Figure 2.15: Urban Islands – Communications Hill

#### **Case 2: Cambrian Park**

The Cambrian Park Plaza project is within the unincorporated urban island of Cambrian Park in south San José. The project area covers just over 18 acres and is a mixed-use project planned for over 500 residential units that include senior and assisted living. It also has over 4 acres of open space and over 50,000 square feet of retail planned. The City of San José has filed for annexation of the project area, which was approved by the City Council in September 2022.



Figure 2.11: Urban Islands – Cambrian Park

As illustrated by the above two case studies, the County's policies and procedures help facilitate annexation and appropriate development of urban unincorporated areas. This is accomplished by requiring new development to conform to city general plans, mandating referrals to the city to enable annexation prior to any significant development. In the case of whole urban island annexations, subsidizing mapping and state filing fees are other incentives. In these ways, the County makes it possible for such sites to be developed to their greatest potential, involving only one jurisdiction, and in ways that consider and complement the development patterns and land uses of the surrounding area already located within city limits.

The lands outside the cities' USAs include the mountainous areas of the Diablo and Santa Cruz Mountain ranges, the agricultural lands of the south valley surrounding Morgan Hill and Gilroy, and the rural residential community of San Martin, located between Morgan Hill and Gilroy in the South County. To maintain rural densities of residential development and effectuate the goals and policies of other General Plan elements, the "Hillside," "Ranchlands," "Agriculture," and "Open Space Reserve" land use designations require a minimum lot size of at least 20 acres per dwelling unit for purposes of subdivision and lot line adjustments. "Rural Residential" allows densities of between 5-20 acres per dwelling, depending on average slope. These minimum lot sizes govern the creation of new parcels by means of subdivision and the adjustment of parcels by means of lot line adjustments.

The Stanford Community Plan (SCP) is an area plan adopted as part of the County General Plan. The SCP and the Stanford 2000 General Use Permit (2000 GUP) guide future use and development of Stanford lands in a manner that incorporates key County General Plan principles. Through the SCP and 2000 GUP, housing development is linked with academic land use (refer to Section 2.06u). The SCP is being updated to address the changing needs of the residents and workers on campus and the residential capacity on campus is being updated to include the following:

- Minimum residential density on Academic Campus (High-density housing for faculty, staff, and students) has been increased from 15 dwelling units per acre to 30 dwelling units per acres.
- At least 50% of the housing planned on the identified sites is anticipated to be affordable housing.

## **Constraints Analysis**

The fundamental policies of the General Plan governing rural land use and densities do not unduly constrain residential development in rural unincorporated areas. Most new residential development in rural areas occurs on existing lots of record, not on lots created by

subdivision under the current County Land Use Element. Furthermore, the County's policies and its Zoning Ordinance do not preclude residential development of substandard lots (those less than the minimum allowed lot sizes under current zoning) solely based on being substandard. The low densities of development prescribed for rural areas are based on the prevalence of numerous physical development constraints throughout the rural areas, such as high fire hazard, seismic and geologic factors, significant slopes, and accessibility limitations. These areas are also important for purposes of habitat preservation, water supply reservoir protection, water quality, scenic resources, significant flood zones, and agricultural land uses. The densities prescribed by the General Plan are intended to accomplish a variety of related conservation goals and objectives.

The County's fundamental growth management policies rely on the Cities to develop a plan for annexation of the unincorporated urban islands and plan for residential development within those islands on sites suitable for housing. This policy has been effective in the past, as described in the above case studies. However, the County's reliance on the Cities to annex and plan for housing in the unincorporated urban islands leaves the County constrained in its ability to plan for housing when a city does not have a plan for annexation in place.

## **Implementation Measure**

The County will be amending its General Plan policies and strategies (County General Plan Book B, Part 4 Urban Unincorporated Area Issues & Policies. Strategy No. 2: Ensure Conformity of Development with Cities' General Plans) to allow the County to plan for housing in the unincorporated urban islands during each RHNA cycle (See policy HG1-8 in Chapter 3 and Program 2.02 in Chapter 4).

## 2.06d Santa Clara County Zoning Ordinance

The Zoning Ordinance was updated through a comprehensive reorganization and evaluation of its regulations in 2003. No substantive changes were involved with the Zoning Ordinance Revision project that affected residential minimum lot sizes, development standards, or process and permit requirements.

The Zoning Ordinance controls residential development potential primarily through the individual zoning districts, minimum lot size standards, and use regulations defining types of residential development allowed. One set of zoning districts is applied to lands inside USAs, including the Urban Residential Base Districts, and another set of districts is applied to lands outside USAs, including the Rural Base Districts.

### **Urban Residential Base Districts**

Within USAs, the primary residential zoning districts are the R1, R1E, R2, and R3 districts. R1 and R1E are single-family districts. R2 is the Two-Family Residence district, which allows duplexes and singlefamily homes. R3 is Multi-Family Residential, allowing apartments and other forms of multi-family dwellings, as well as single-family and duplex units. RHS is the Urban Hillside Residential zone that is applied to some hillside lands within USAs; it is also a single-family district. There are two zones specifically for residential use on Stanford University lands, the R1S and R3S zones, which are lowdensity campus residential and medium-density campus residential zones, respectively.

Most urban areas zoned for residential use have base zoning districts of R1 and R1E. The County assigns a lot size "combining district" to an area's base zoning district to reflect the general pattern of existing lot sizes found when those lots generally exceed 5,000 square feet in size. The lot size combining districts most commonly applied to single family zones (R1 and R1E) are the "-6" (6,000 square feet

minimum lot size), "-8" (8,000 square feet lot size), "-10" (10,000 square feet lot size), and "-20" (20,000 square feet lot size) combining districts. R2 allows standard duplex or two-family residences with a 5,000 square feet minimum lot size, and R3 zoning permits multifamily residences of three units or more depending on the density permitted by the applicable city's general plan. New residential uses in commercial and industrial zoning districts are generally not allowed.

Most residential areas within USAs are already subdivided and built out to maximum allowed densities. However, urban infill subdivisions do occur as opportunities arise, governed by city general plan densities. The County typically approves two to three such urban infill subdivisions per year.

In unincorporated urban zoning districts, the base zoning districts permit one primary dwelling per lot "by right." ADUs and Junior ADUs are permitted by right in all urban and single-family residential zones (refer to section 2.06h for additional discussion). Urban Primary Units, additional units allowed by SB 9, are permitted by right in areas delineated under State law. Residential accessory structures are also permitted by right in residential zoning districts, but occupancy or habitation is prohibited within accessory structures.

#### **Rural Base Districts**

Like urban districts, in unincorporated rural zoning districts, the base zoning districts permit one primary dwelling per lot by right. ADUs and Junior ADUs are permitted by right in all rural and single-family residential zones (refer to section 2.06h for additional discussion). Urban Primary Units, additional units allowed by SB 9, are permitted by right in areas delineated under State law. Residential accessory structures are also permitted by right in residential zoning districts, but occupancy or habitation is prohibited within accessory structures.

Rural area base zoning districts include Hillsides (HS), Exclusive Agriculture (A), Agricultural Ranchlands (AR), and Rural Residential (RR). The Agricultural Ranchlands (AR) zoning district permits up to two primary residences per legal lot by right, but only on lots of 10 acres or more, provided one such dwelling is related to the agricultural use of the property. While single-family residences are allowed in these zones, only Rural Residential (RR) zoning district has the primary purpose to provide housing. The other rural area base zoning districts are intended to preserve natural resources such as sensitive habitats and agricultural lands, and reduce development in areas susceptible to fire, geologic, and flooding hazards. Density of development in these zones is consistent with the densities defined by the General Plan and Zoning Ordinance as described in the previous section describing the General Plan. In other words, the rural area zoning districts further implement the density controls provided by the General Plan for lands outside USAs.

In addition to the residential densities above, all four rural zoning districts allow for agricultural employee housing and temporary agricultural residences by way of a non-discretionary Planning Clearance or with a Special Permit, depending on the scale and base zoning. Please refer to section 2.06s for a more detailed discussion on these forms of housing in the county.

## **Constraints Analysis**

The allowable uses and minimum lot sizes for each zone are delineated in the Zoning Ordinance, which implements policies established in the General Plan. Single-family residences are permitted by right in all urban residential zones and all rural base zones. The use regulations and minimum lot sizes of the County Zoning Ordinance do not unduly constrain housing development.

## **Implementation Measure**

No changes are recommended or necessary to the County's Zoning Ordinance to accommodate projected housing demand. However, with ongoing improvements, clarifications, and updates to the Zoning Ordinance on an annual or bi-annual basis, the County reviews applicable provisions for opportunities to address potential constraints to housing. For example, when recent provisions for ADUs were under review, the County evaluated possible ordinance revisions and standards to ensure that they were practical, necessary, and appropriate. During such Zoning Ordinance amendments, the County considers revisions that could reduce regulatory requirements and facilitate establishment of ADUs and other new forms of housing.

## 2.06e Regulation of Building Site Approval

Building Site Approval (BSA) is generally required as a prerequisite to the issuance of a building permit for new primary residential development on vacant lots and for additions of over 500 square feet to existing residences on parcels that are not approved building sites. BSA is applicable to vacant, rural sites, specifically properties located within the A, AR, HS, RR, R1E, and RHS zoning districts. BSA is the land development application process used by the County to determine whether, and under what specific conditions, a parcel of land may be improved for residential use. BSA has been required by the County since 1965 for lots not created by subdivision processes that conferred site approval through the subdivision approval and subsequent recording of a parcel or tract map. At issue are parcels created by deed transaction or other means of land division for which site approval and accompanying improvement requirements have not been imposed. Numbered lots in a numbered subdivision tract map are approved building sites. Whole parcels shown on parcels maps for subdivision purposes are also recognized as approved building sites, if there is no formal pronouncement on the

map negating the status of a lot as an approved building site. Some lots created by subdivision were exempted from site approval requirements through the land development process in place up to the late 1970s and early 1980s. Since that time, all lots approved by subdivision maps are required to demonstrate site suitability and conformance to development standards that enable them to function as approved building sites.

## **Constraints Analysis**

BSAs ensure that a parcel proposed for residential development has safe and adequate access for emergency vehicles, an adequate water supply for potable water and for fire suppression, capacity for sanitary waste disposal, and other matters related directly to public health and safety standards. Drainage, road right-of-way (ROW) dedication and improvement requirements, and geologic hazard issues are also addressed through the site approval process. Although such requirements and exactions (a ROW dedication, for example) may impose costs to the residential development proposed, no residential development for unapproved sites would be feasible without such improvements. In summary, the site approval process functions as a means of ensuring that a subsequent building permit can be issued in conformance with all applicable standards and codes to facilitate housing production with adequate infrastructure for health and safety.

## **Implementation Measure**

No further change to BSA procedures or requirements is necessary or appropriate to accommodate projected need for housing development on rural, unimproved parcels.

## 2.06f Specified Development Standards

Development standards, such as maximum building height, parking space requirements, and similar standards, are contained within the Zoning Ordinance. The primary residential development standards in the unincorporated county are discussed below.

The Zoning Ordinance provides for Floor Area Ratio (FAR) or lot coverage requirements in specific, limited zoning districts. The purpose of FAR and lot coverage is to limit house size or mass. In most zoning districts, the amount of floor area possible is defined by the setbacks, height, and story limitations.

There are two combining districts used in unincorporated urban areas that have an FAR requirement, "-n1" in Los Altos, and "-n2" in the Burbank neighborhood of San José.

The –n1 combining district within the USAs of Los Altos and Los Altos Hills, FAR requirements fall into two categories:

- Lots of 10,000 square feet (net) or less have an FAR limit of 35%.
- Lots larger than 10,000 square feet have a FAR of 3,500 square feet plus one additional square foot of floor area per 10 square feet of lot area over 10,000 square feet, to a maximum of 5,700 square feet.

The -n2 combining district in Burbank has an FAR limit of 50%.

In December 2021, by way of a new combining district called the Coyote Valley Climate Resilience Combining District ("-cv"), the **Table 2.17: Residential Development Standards** 

County adopted development standards for all new development within the unincorporated agricultural area known as Coyote Valley. The new standards include a maximum lot coverage of 7,500 square feet for all non-agricultural structures and a maximum development area of one acre, unless there is onsite agriculture, in which case development area is allowed up to two acres.

In May 2022, the County adopted objective development standards for Stanford University's Upper San Juan neighborhood through the adoption of an "-n3" combining district, for the purpose of preserving the area's unique characteristics. The -n3 combining district requires single-family development to not exceed 20% of lot coverage and a maximum of 35% lot coverage for two-family and multi-family developments.

In all districts that are restricted by FAR or lot coverage, additional allowances are made so that property owners can accommodate ADUs, JADUs, and SB 9 urban primary units (where authorized) even if the property is already at or near its maximum allowed development.

The following table sets forth the primary development standards for each zoning district.

Base Zoning	Lot Size	Setback (Min)	Setback (Min)			Bldg. Height (Max)		
District	Lot Size	Front	Side	Rear	Dwelling	Accessory Buildings		
А	Per city GP in USAs or by combining district in rural	30′	30′	30'	35' (2 Stories)	In rural districts (generally) 35' if greater than or equal to 2.5 Ac., otherwise 12'.		
AR	20 to 160 acres Depending on slope	30'	30'	30′	'35 (3 Stories)	In rural districts (generally) 35' if greater than or equal to 2.5 Ac., otherwise 12'.		

HS	160 acres unless clustered, in which case it is 20-160 acres depending on slope <u>*</u>	30′	30'	30′	'35 (3 Stories)	In rural districts (generally) 35' if greater than or equal to 2.5 Ac., otherwise 12'.
RR	5 to 20 acres	30′	30′	30'	'35 (2 Stories)	In rural districts (generally) 35' if greater than or equal to 2.5 Ac., otherwise 12'.
RHS	1 to 10 acres	30′	20'	25'	'35 (3 Stories)	In urban districts (generally) 12' (plus gable allowance)
A1, R1E, R2, R1,	5,000 Sq. Ft, or by combining district	25'	5' (or by combining district)	25′	'35 (3 Stories)	In urban districts (generally) 12' (plus gable allowance)
R1S	Development density not to exceed 8 units per acre.	25'	5' (or by ASA)	25' (or by ASA)	'35 (2.5 Stories)	In urban districts (generally) 12' (plus gable allowance)
R3S	Development density to be 8-15 units per acre.				Determined by AS	AA

<sup>\*</sup>Note: In HS where cluster subdivision is proposed, minimum lot size is 20 acres: density based on 20-160 slope-density, and 90% of the remaining land area is preserved in permanent open space:

The following table describes standard parking space requirements for residential uses. Despite trends toward the increasing size of residential development and vehicle ownership per household, minimum parking space requirements have not been increased,

thereby minimizing development limitations. In transit rich areas, parking requirements have been reduced or eliminated for ADUs and SB 9 urban primary units in alignment with state law.

**Table 2.18: Parking Requirements** 

Housing Type	Minimum Parking Requirement
Single Family Residences	2 spaces / dwelling unit (1 shall be covered)
Two-Family	2 spaces / dwelling unit (1 per unit shall be covered)
Multiple Family Dwelling Unit	1.5 spaces / dwelling unit
Accessory Dwelling Unit (ADU)	
Standard (attached or detached)	1 space / dwelling unit
Movable Tiny Home	1 space / dwelling unit
Junior ADU	None
Caretaker's Residences	2 / residence
Home Occupations  General  Expanded	None 1 in addition to total residential Requirement
Recreational Vehicle Parks	<ul><li>1.5 per recreational vehicle space, plus</li><li>1 per employee</li></ul>
Residential-Communal Institutional	1 for each guest room, plus 1 for each employee (may be reduced if occupants normally do not have cars)
Rooming Houses, Fraternities, and Sororities	1 space / guest room, plus 1 space / employee

Accessible parking requirements are required by law and typically apply to non-residential and multi-family residential projects. Accessible parking requirements typically do not affect single-family residential development.

Table 2.19: Accessible Parking Requirements

<b>Total Number of Parking Spaces</b>	Number of Accessible Spaces Required
One-25	1
26-50	2
51-75	3
76-100	4
101-150	5
151-200	6
200-300	7
301-400	8
401-500	9
501-1,000	2% of total
1,001 +	20, plus 1 per 100 over 1,000

The County's land development requirements for on- and off-site improvements vary by zoning district and area. For new nonresidential land uses or subdivisions in an A, A1, R1E, R1, or R2 residential zoning district, the street dedication is typically a 30-foot half-street on the frontage of each parcel. Street and related improvement requirements are determined either by the County's Roads and Airports Department for streets that are or will become part of the County-maintained road system, or by the County's Land Development Engineering section of the Department of Planning and Development for private roads.

Additionally, the County Ordinance Code requires:

- Local streets shall have a right-of-way (ROW) width of 60 feet.
- Urban area streets with dedicated ROW of 40 feet will not require additional dedication, but may require road improvements (e.g., install drainage or close a sidewalk gap in front of the property.
- Private driveways serving a single residence may be 12 feet in width with one 3-foot shoulder. Driveways serving more than two residences must be 18 feet with two 3-foot shoulders.
- In some instances, such as cluster subdivisions, the street, court, parking, and turnaround areas may be varied, to minimize improvement requirements.
- All dwellings must have approved water sources and sanitary wastewater treatment and disposal plans, including onsite wastewater treatment systems if necessary. All dwellings must typically connect to sanitary sewer and public water, if available.

All dwellings that do not have access to adequate piped water supplies must have adequate storage of water, including above ground storage tanks and sprinkler systems when required to meet increasingly stringent fire protection requirements in wildland areas. All dwellings in urban areas must have access to public fire hydrants and minimum pressure and flow standards. Residential sprinklers as required by current ordinance or code adoption. Dwellings in the Wildland Urban Interface zone are subject to current Building Code Requirements for exterior fire protection. Roads and longer driveways over 150 feet must meet minimum width and clearance standards as well as loading capacity, grade, turnouts, and turnarounds to be accessible to emergency vehicles.

For certain parcels located in the County's rural resource areas, for example Hillsides (HS) zoning, the permit review process can take longer if the applicant is subject to State fire access requirements or State drinking water requirements.

## **Constraints Analysis**

The basic development standards applicable to residential use and development are consistent with those applied by most local jurisdictions; however, they and do not constitute an undue constraint on housing development. Parking requirements add an additional cost to development of any housing, a cost which is compounded for multi-family development. Minimum lot sizes and required setbacks beyond those necessary for fire safety also represent a constraint on the number, size, and types of units which can be developed. Height, FAR, and lot coverage standards similarly provide this constraint. Additionally, the County's current Zoning Ordinance and development guidelines limit multi-family development to relatively low densities. Other Sstandards described above are directly related to public health, safety, and general welfare objectives of the Zoning Ordinance and other County Ordinance Code provisions.

## **Implementation Measure**

The County will review and update parking standards to allow more flexibility for a variety of housing types particularly in urban areas that are within walking distance from High-Capacity Transit Corridors. The County will implement Program 2.02 Planning for Housing Development in Unincorporated USAs and Stanford University Lands which will create a zoning district for sites listed in the Housing Element Inventory and will require a streamlined nondiscretion permit review for multi-family and/or mixed-use development with a certain number of affordable units proposed.

This new process will remove as many constraints as possible for the approval of new multi-family development on these properties.

## 2.06g Growth Control Measures

Growth control measures are defined as programs and/or ordinances that place limits on population and dwelling units within a jurisdiction during a particular period. Within such period, the jurisdiction will typically implement those limitations on growth by establishing a cap on the number of building permits that may be issued annually for construction of new residential units. The County of Santa Clara does not employ any growth control measures that place numerical limits upon the number or type of building permits that may be issued in a given period.

## 2.06h Accessory Dwelling Units & Junior Accessory Dwelling Units

Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) are an important part of providing an adequate and affordable housing supply. The County recognizes that ADUs and JADUs can be particularly important to augment urban housing supply in a largely built-out metropolitan area, such as the urban areas of Santa Clara County. Regulations governing ADUs and JADUs are set forth in Section 4.10.015 of the County Zoning Ordinance. The regulations allow for ADUs (which includes Movable Tiny Homes or "MTHs") and JADUs on properties with single-family residences in accordance with Government Code Sections 65852.2 and 65852.22. ADUs and JADUs are permitted by right and do not require land use entitlements.

ADUs and JADUs are permitted in all zones within the unincorporated county except for Light Industrial (ML), Heavy Industrial (MH), Open Space and Field Research (OS/F), and Special Conservation Areas (SCA), as these zones do not permit single-family

residences. In the past, JADUs were not permitted, and ADUs (formerly known as secondary dwelling units) were regulated and limited in size depending on its location in an urban zoning district or a rural zoning district.

Since the 2014 Housing Element update, the Zoning Ordinance has been revised according to State law and allows for conforming ADUs and JADUs as a matter of right, reducing the regulatory burden on property owners and streamlining the approval process in terms of both cost and time. Furthermore, the County has applied the standards of ADUs and JADUs similarly across all sections of the County to ensure equitable access to housing type and size, with respect to ADUs and JADUs where lot coverage constraints do not exist. Additionally, the County has allowed JADUs to be attached to either a primary residence of an ADU, which surpasses the state's requirement and increases the opportunities to develop these types of units.

Within the unincorporated county, ADUs can be a maximum of 1,200 square feet, with a 400-square foot attached garage and 400-square foot attached deck. ADUs can be either attached or detached from the primary residence. The ADU, whether attached or detached, must be setback four feet from the side and rear property lines, with a front setback that is the same as the primary residence. Height requirements for ADUs are the same as the primary residence if all primary residential setbacks are adhered to. If the ADU encroaches into the primary residence setbacks (remaining four feet away from the side and rear property lines), the maximum height requirement is 16 feet. There are exceptions to setback and height requirements for the conversion of legal structures into ADUs. The County does not require owner-occupancy of the primary residence or ADU, and has made this amendment permanent, which exceeds the state law requirements.

JADUs can be a maximum of 500 square feet and must be attached to either the main residence or a detached ADU. JADUs share the same setback and height restrictions as an ADU. JADUs must contain cooking facilities and may share sanitation facilities with the existing dwelling unit. Owner-occupancy of at least the primary residence or the JADU on site is also required for all properties containing a JADU, as required by state law.

The County will continue to consider additional minor modifications to certain standards for ADUs and JADUs to provide greater flexibility and facilitate additional units as part of routine Zoning Ordinance review, and in accordance with any future amendments necessitated by State law.

#### 2.06i Senate Bill 9/Urban Primary Units

In 2021, the State adopted SB 9 to add Government Code Sections 65852.21 and 66411.7 (as well as amend Section 66452.6) to allow the development of two residential units on a lot within a singlefamily residential zone and/or the subdivision of a lot within a singlefamily residential zone by right if certain conditions are met. On January 24 and February 7 of 2022, the County amended its Zoning Ordinance (adding Section 4.10.387 and amending other sections) and Subdivision Ordinance (adding Sections C12-5.23 and C12-44 and amending Section C12-77) to reflect these changes, and to apply objective development standards allowed by the State.

SB 9 is intended to streamline and remove barriers to housing production in urban, primarily infill, development sites. For areas that are unincorporated, the parcel must be wholly within an urban area as designated by the U.S. Census Bureau. There are two designated urban areas within Santa Clara County: the San José Urban Area, which includes the thirteen northern cities, much of the Stanford lands, and unincorporated "urban islands," and the Gilroy-Morgan Hill Urban Area, which includes those two cities as well as the rural

community of San Martin between them. Properties with historic or conservation designations are not included, nor are properties on prime farmland or wetlands, or that contain habitat for protected species. Applicants with parcels with fire, flooding, or geologic hazards or identified as containing hazardous waste must show that these hazards are properly mitigated to use SB 9. Areas outside of the USAs must also show adequate access to water and wastewater management. Protections are built into the State law for renters, including a bar on short-term rentals to retain affordable housing. Applicants for subdivisions must state their intention to use the property as their primary residence for a minimum of three years, a provision designed to limit the involvement of large developers.

The County Zoning Ordinance mirrors state requirements that each Eligible lot be allowed to develop two residences, each at least 800 square feet in size. One of these residences is only restricted in size by the existing FAR, lot coverage, setbacks, and height requirements of the underlying zoning district, while the second unit may be up to 1,600 square feet in size, which is double the minimum standard. If a property owner does not split a lot, the owner may also add an ADU and Junior ADU. Objective standards adopted by the County focus on preserving privacy and neighborhood character, including minimum lot frontages, minimal design standards in design review districts, and restrictions on second story windows, balconies, and rooftops. Alternatives and exemptions from standards are included to ensure that all eligible parcels can utilize SB 9, unless the Building Official can make a written finding that the project would have a specific, adverse impact upon public health and safety or the physical environment and for which there is no feasible method to satisfactorily mitigate or avoid. Like ADUs, the County has applied an equitable approach to the size of an Urban Primary Unit of 1,600 square feet across all zoning districts that are permitted to utilize SB 9 for development. This ensures that all have access to the same

building structure type and size and that units are more likely to be affordable to rent to the public.

Unlike larger subdivisions, SB 9 development projects are exempt from the County Inclusionary Housing Ordinance. Parking requirements are reduced to one space per residence or eliminated for properties near High-Capacity Transit Corridors.

#### **Constraints Analysis**

The largest constraints on SB 9 development are the requirements in the State law regarding which parcels are eligible, which largely align with the County's General Plan and joint development policies regarding preservation of habitat for protected species and agricultural lands, and carefully vetting growth in hazard zones. Parcels in the urban islands and most of the rural community of San Martin are eligible if they are in single-family zones and do not have site-specific disqualifiers. The basic development standards applicable to SB 9 development in the unincorporated county are consistent with those found in the State Government Code and do not constitute an undue constraint on housing development. Standards described above are directly related to public health, safety, and general welfare objectives of the Zoning Ordinance and other County Ordinance Code provisions. Additional FAR allowances and exemption from the County's Inclusionary Housing Ordinance were included in the County's ordinances to ensure these measures are not constraining factors. SB 9 allows for higher-density development in infill areas and will allow for additional housing development. In no cases will it reduce the density or number of units allowed prior to SB 9's adoption.

#### **Implementation Measure**

The County will review implementation of SB 9-related measures in Fiscal Year 2023-2024 and again in 2025-2026 and further amend the County Zoning Ordinance and Subdivision Ordinance as necessary to

ensure eligible property owners can utilize SB 9 without undue constraints. Any changes to State law impacting SB 9 development will also be reviewed as they are adopted.

#### 2.06j Density Bonuses

State Government Code Sections 65915 through 65918 address density bonuses and other incentives to providing affordable housing. "Density bonus" is a term generally used to refer to an allowance granted by the local jurisdiction to a developer to build more units per acre than otherwise permitted under the General Plan or zoning regulations. State law requires, in certain instances, a city or county to grant a density bonus when certain affordability provisions are met, namely, when a specified percentage of affordable housing is proposed and will be maintained as such for a period of 55 years. 14 The city or county is required to grant the concession or incentive proposed by the developer unless it finds that the proposed concession or incentive does not result in identifiable and actual cost reductions, would cause a public health or safety problem, would cause an environmental problem, would harm historical property, or would be contrary to law. 15

The County's Zoning Ordinance provides for a density bonus in accordance with State laws under Section 4.20.030. The County's regulations refer to and rely upon existing State laws, including California Government Code Sections 65915 through 65918 and California Health and Safety Code Sections 50052.5 and 50053, rather than adopting extensive and complex provisions in the County's Zoning Ordinance, as density bonus laws are frequently updated. These regulations were adopted as part of the County's comprehensive Zoning Ordinance revision in 2003, which both

simplified density bonus provisions and brought them into compliance with State laws. In June 2014, the County amended the density bonus requirements to ensure that they reflected the 2005 update to State density bonus laws. Additionally, the County will implement Program 2.23 - Facilitate State Permit Streamlining Laws, which will establish application requirements, eligibility criteria and decision making and processing criteria for applications associated with State Density Bonus Law.

Pursuant to the County's Inclusionary Housing Ordinance, at least 16 percent of new units in multi-family development shall be made available to rent or purchase at an Affordable Housing Cost to lower, very low, or extremely low income households earning no more than eighty percent (80%) of the Area Median Income. The Applicant for a multi-family development providing Inclusionary Units upon the same site as the Market Rate Units may, at the Applicant's sole option, submit a written request for density bonus, waivers or incentives pursuant to California Government Code Section 65915 et seq. and Section 4.20.030 of the County Code, if the multi-family development includes the provision of affordable Inclusionary Units within the development that meets the minimum thresholds for density bonus pursuant to California Government Code Section 65915 et seg. The incentives requested by the Applicant of the multifamily development shall be included in a proposed Affordable Housing Plan, and any incentives authorized by the County pursuant to Section 4.20.030 of the County Ordinance Code shall be included in the Affordable Housing Plan, if approved by the County, for the development.

<sup>&</sup>lt;sup>14</sup> Guide to the California Density Bonus Law, Revised 2021, by Jon Goetz and Tom Sakai, accessed 9/8/22 https://www.meversnave.com/wp-content/uploads/California-Density-Bonus-Law 2021.pdf

<sup>15</sup> Ibid.

#### **Constraints Analysis**

The use of the density bonus provisions of the Zoning Ordinance in urban unincorporated county projects has been limited. Most urban residential areas were fully subdivided and developed by the 1970s. Hence, the major subdivision tracts of 100-300 single-family residential lots that might have taken advantage of density bonuses were approved before density bonus provisions of State law took effect. Where urban area multi-family dwellings are permitted uses and eligible for redevelopment, and therefore might take advantage of density bonus provisions, the typical development process involves annexation to an adjacent city if the property is contiguous with existing city boundaries. Consequently, the remaining urban unincorporated areas, which are predominantly single-family tracts, do not produce development proposals capable of utilizing density bonus provisions. New single-family residential subdivisions of 10-20 parcels do not occur, given the larger minimum lot sizes within rural areas and limited number of larger parcels in urban areas. Developers have not elected to pursue density bonus opportunities because the number of units involved in a typical subdivision of two or three lots does not provide the economies of scale necessary to incorporate more affordable units or benefit from density bonuses sufficiently to be profitable.

In the rural areas, major subdivisions of five lots or more are infrequent. Those that might qualify to take advantage of the County's density bonus allowance are even more rare. As stated above, given the allowable densities in rural areas, minimum lot sizes, and lack of public services, new residential development typically is for above-moderate income households, and the cost of including affordable housing is not covered by the additional density that might be available through density bonus.

#### **Implementation Measure**

To expand opportunities and locations for development of affordable housing, the County adopted an Inclusionary Housing Ordinance that requires a 16 percent requirement for affordable units and allows for paying in-lieu fees in certain circumstances. Since the County has largely conferred the planning and multi-unit housing project development in urban areas to cities, the density bonus provisions of cities are those applicable to most of such projects. As detailed in Programs 2.23 and 2.24, the County will streamline the permitting process for multi-family units by providing the public with checklists and information about the processing online, and will create an administrative permit system for applications which meet basic objective standards, including at least the minimum required affordable housing units.

### 2.06k Green Building Requirements

Currently, the County's Ordinance Code incorporates and requires conformance with the State of California's 2022 Building Code, Mechanical Code, Plumbing Code, Electrical Code, Green Building Standards Code and Energy Code. Codes establish the minimum acceptable standards for construction of all kinds, including code requirements for energy conservation and fire protection in most rural areas. Costs associated with meeting code requirements for energy conservation are typically recouped through energy savings over a short time.

The County adopted the California Green Building Standards Code (CalGreen) regulations in 2014 to require minimum green building standards for single-family residential development, in particular new homes and rebuilds, effective September 2015. CalGreen Tier 1 requirements apply to all new single-family and duplex residential buildings over 3,000 SF, and new multi-family or non-residential construction of buildings over 25,000 SF.

In 2021, to further reduce carbon emissions and air pollution, the County adopted amendments (Reach Codes) to the 2019 California Green Building Standards and 2019 California Energy Code to require electrification (electricity as the only source of energy) of new buildings, with certain exceptions, and increase the electric vehicle infrastructure in new construction. Pairing electrification of vehicles and buildings with the high amounts of renewable energy generation is considered a lower-cost and lower-risk emission-reduction strategies. Since 2017, unincorporated Santa Clara County communities have been able to receive 100 percent carbon-free electricity.

Green building is "a holistic approach to design, construction, and demolition that minimizes the building's impact on the environment, the occupants, and the community" (California Building Standards Commission). Green building is also an important part of the Santa Clara County Climate Change and Sustainability program. The County is committed to energy efficiency, resource conservation, waste reduction, and the health and productivity of building occupants.

The overall costs associated with utilizing green building concepts and materials have been estimated as typically 5-7% of total construction costs for non-residential uses, such as office buildings. The cost for residential development may vary depending on house size. Green building requirements may also contribute to meeting future greenhouse gas emission reductions and lowering the carbon footprint of an individual residence.

# **Constraints Analysis**

Although green building requirements may add certain upfront costs to housing production, both in terms of services and design, there are a variety of ways green building requirements reduce the overall cost of construction and maintenance over the life of a building. For example, in terms of energy efficiency requirements alone, high-

efficiency heating and appliance choices can pay off through lower utility costs in as little as five years. In terms of water use efficiency and savings, there can be similar short-term and lifetime benefits. Insulation, lighting choices, and material choices can improve indoor air quality and comfort as well as benefit the environment. A study conducted by Silicon Valley Clean Energy (SVCE) and Peninsula Clean Energy found that the construction of all-electric buildings, including single-family homes, are typically less expensive to build without the cost of natural gas plumbing, metering, and venting. Green building has become an integral, mainstream aspect of development in recent years, due to its environmental benefits and market value. Green building is now generally viewed as an indispensable part of the State's efforts to meet AB 32 goals for greenhouse gas emission reductions and addressing impacts of climate change.

The County anticipates meeting or exceeding the minimum State requirements for energy and environmental design in building structures.

#### **Implementation Measure**

The County will continue to monitor and adopt CalGreen standards as the baseline requirements are raised. The County is continuing to develop its regulations to promote energy conservation and green building beyond the CalGreen standards, in both the private sector and in County Government buildings.

#### 2.06l Site Improvement Requirements

Site improvement requirements include streets, driveways, parking and turnaround areas, road construction standards, undergrounding of utilities, water service connections or on-site water wells and storage tanks, drainage, stormwater treatment, and similar requirements. It also includes providing septic tanks and leach fields or sanitary sewer connections. Such site improvements are typically addressed and imposed as components of either subdivisions,

grading or drainage permits, or building site approval processes. They are also imposed through ministerial approvals, such as a building permit, where applicable and required by County codes. In some urban unincorporated areas, where road and utility improvements already exist, there may not be significant on-site improvements required on an individual, parcel-by-parcel basis for new residential development.

In rural areas, where urban services are not provided and there may not yet exist any road, infrastructure, or utility improvements to facilitate development, site improvements can represent a significant component of overall development costs. For example, the cost of road or driveway access improvements can be substantial when developing remote, rural, hillside parcels.

A private driveway serving one or two parcels must be 12 feet wide, with one three-foot shoulder. Access roads serving three developed parcels or more must be 18 feet wide with two three-foot shoulders for a total of 24 feet of pavement surface. Additionally, access roads in the State Responsibility Area and/or the Very High Fire Hazard Severity Zone, as designated by the California Department of Forestry and Fire Protection (CAL Fire), must comply with the State Minimum Fire Safe Regulations, which includes requirements for two ten-foot-wide travel lanes and limits to the length of dead-end and one-way roads. Grade limitations are also imposed for the purpose of ensuring that emergency vehicles can gain access to a given site.

The County adopted a periodic update to the Fire Code based on the 2022 California Fire Code that went into effect on January 1, 2023. The updates included administrative and operational requirements in alignment with the requirements of neighboring jurisdictions, creating a more consistent application of the California Fire Code throughout Santa Clara County and enabling the County to enforce these provisions should the need arise in the unincorporated areas.

Amendments include requirements for fire apparatus access roads, fire water supplies, fire sprinklers, fire extinguishing systems in chemical fume hoods, energy storage systems, fire site safety during construction, and hazardous materials use and storage. The amendments require that all access roads have a 20-foot drivable width and clarify when sprinkler systems must be installed. According to these updates, no final inspection or certificate of occupancy can occur prior to clearance that fire protection facilities and access have been installed. When access roads cannot be installed because of topography, waterways, non-negotiable grades, or other similar conditions, an approved alternative means of fire protection shall be provided.

There can also be drainage improvements on rural properties not served by a storm drainage system to ensure no harmful off-site impacts or additional drainage problems are created by new impervious surfaces and buildings. Stormwater treatment improvements may be required to meet the permitting requirements of the State Regional Water Quality Control Board. Sediment and erosion control plans are required for all construction projects larger than 500 square feet and review is based on standards for the applicable drainage basin (San Francisco Bay or Monterey Bay).

# **Constraints Analysis**

Basic site improvements of the type discussed in this section are necessary pre-requisites to residential development. The individual standards and requirements are not deemed excessive. They provide the basis for meeting the fundamental public health, safety, and welfare objectives of the Zoning Ordinance, Ordinance Code, and other development-related standards of the County. The County reviews these standards regularly and reduces them where appropriate. County requirements are in line with State requirements as well as federal and international standards. These constraints

encourage housing to be developed in already urbanized areas where services are currently in place and hazard risks are greatly reduced, which also support other County and State priorities discussed in this chapter. While these constraints are the minimum necessary, they are not without a cost. The grading, pavement, and retaining walls necessary for access roads and driveways, especially in areas of wildfire risk, can cost millions of dollars. Similarly, the development of onsite wastewater treatment systems (aka septic systems) requires costly testing to site in addition to construction costs. Because of their relation to public health and safety, these are not constraints the County can reduce beyond encouraging development to be sited in areas which already have adequate access and can be serviced by existing sanitary sewers. However, this does not impede the ability for the County to meet its RHNA as the County's site inventory is located within the city's Urban Service Areas which can provide services to those sites.

#### **Implementation Measure**

Given the recent update to the County Fire Code, and the lack of site inventory locations in the rural unincorporated areas, no additional implementation measures are forthcoming. The County Fire Code will be reviewed and updated every three years in line with the California Fire Code and International Fire Code updates.

# 2.06m Building Permit and Inspection Fees

The County has, since the mid-1990s, adopted a full cost-recovery policy for fees imposed to cover direct services to customers. This policy reflects a perspective that development should not be subsidized by County General Fund monies and that fees cannot exceed the cost of services.

The County adopts the current version of the California Building and Residential Codes every three years, including supplements and errata. The building codes of the County are based on the International Building and Residential Codes (IBRC), as compiled and published by the International Code Council. The IBRC are further modified in the County's Ordinance Code with additions, deletions, and amendments.

Typical building permit and inspection fees charged by the County for residential development are based on a formula that factors construction type, floor area, and valuation. Most new residential development in the unincorporated county is that of single-family residences and ADUs; few multi-family housing developments are in the unincorporated county other than at Stanford University. As part of the County's SB9 implementation effort, County staff used Assessor's Office data to determine the median size of a single-family dwelling and found it to be approximately 1,500 square feet. [2]

Fees are collected at the time of application submittal and itemized in the receipt provided at the time of application. County building permit fees are updated on an annual basis, as necessary. Additional fees are also imposed to recover the costs of permitting, inspecting, and administering permits for violations of building and housing codes when required by citations or notices of violation.

# **Comprehensive Planning Fee Surcharge**

In 2010, the County updated its Comprehensive Planning Fee (CPF) surcharge on building permits of \$25,000 valuation or greater to the rate of \$0.00123 per dollar valuation of a project, with a maximum fee of \$7,000.00 per permit, regardless of valuation. The fee indirectly

<sup>&</sup>lt;sup>[2]</sup> San Martin Advisory Committee Staff Report, July 27, 2022 meeting, Item No. 5 http://sccgov.igm2.com/citizens/FileOpen.aspx?Type=1&ID=12852&Inline=True

benefits individual project applicants by enabling the County to maintain the General Plan.

#### **Impact and Additional Fees**

The County does not assess any impact fees for residential development, beyond a limited option to pay an Inclusionary Housing fee in lieu of constructing affordable units. This is the case for both single-family residential development (which are exempt from the County's Inclusionary Housing Ordinance) and multi-family residential development, in both urban and rural parts of the unincorporated County. Other entities and special districts do collect additional fees, such as the school impact fee and the Santa Clara Valley Habitat Conservation Plan development fee as appropriate for the particular development.

## **Building Permit Review and Processing Times**

Typical building permit review and processing times can vary depending on the size and complexity of the project, and on available staff. For a typical single-family residence that is not subject to a prerequisite building site approval process, standard plan check and review time is four weeks for the initial plan review. Subsequent reviews to address any comments from the first round of review take approximately two weeks. Express plan check and permit issuance is available for small projects that are typically additions of less than 500 square feet. Express plan check service is appointment-based and enables the applicant to submit a building permit application with the goal of obtaining a permit in one business day.

# **Constraints Analysis**

Building permit and inspection fees, including associated surcharges, do not impose an undue burden or constraint to housing development. As a percentage of total construction costs for a typical 3,500-square-foot home with a 500-square-foot attached two-car

garage, building permit and inspection fees represent only approximately 2.25% of costs.

#### **Implementation Measure**

Each year, the County evaluates and adjusts fees as necessary to comply with the full cost recovery mandate set by the Board of Supervisors. Fees may be adjusted downward as necessary to reflect real processing costs.

The Department of Planning and Development recommends no changes to current fees for building permit plan check, review, and inspection. The Department continually reviews and implements procedural improvements as appropriate that may enable applicants to obtain services faster and with fewer complications. For example, for new homes that could require building site approval or other land use processes as a pre-requisite, the Department implemented a new checklist procedure to ensure that applicants are informed of the sequence of applications and help avoid situations where building permit applications are inadvertently submitted prior to obtaining necessary land use approvals, or where the proposed project scope would make the project site subject to annexation by an adjacent city. These changes have significantly reduced complications and the need to extend building permit approvals or re-apply and pay new fees for building permit approvals that expire prior to obtaining prerequisite land use approvals, such as site approval or Williamson Act compatible use determinations.

#### 2.06n Land Use and Development Application Fees

Since the mid-1990s, the County has adopted a full cost-recovery policy for fees imposed to cover direct services to customers. This policy reflects a perspective that development should not be subsidized by County General Fund monies and that fees cannot exceed the cost of services.

The land use and development application fees listed below are collected by the Department of Planning and Development for necessary zoning and land use approvals. These are distinct from the building permit and inspection fees. State law requires land use and development fees to be commensurate and reasonably related to the cost of providing services. Permit processing fees charged by the

County are in conformance with this requirement. For certain application types, there is a minimum fee for initial application costs, and if processing costs exceed the initial fee or deposit, the applicant is charged for the total cost of processing the application prior to issuance of the permit.

Table 2.20: Land Use and Development Application Fees

Application Type	Fee as of 12/07/2021
Architecture & Site Approval	\$9,198*
Building Site Approval (inside USA)	\$4,860*
Building Site Approval (outside USA)	\$10,984*
Certificate of Compliance	\$1,488
Design Review-No Hearing- Tier I- Gross Floor Area= < 5,000	\$995
Design Review-ZA Hearing- Tier II- 5,001 < Gross Floor Area = <12,500	\$3,963
Design Review – PC Hearing- Tier III- Gross Floor Area>12,500	\$8,932
Environmental Assessment	\$4,069*
Petition for Categorical Exemption/ Use of prior CEQA document	\$532
Geologic Report review (letter report)	\$621
Geologic Report review (in-depth report)	\$1,634
Grading Approval	\$3,587
Grading Approval filed concurrently w/ other land development permit	\$2,364
Special Permit (agricultural and temporary)	\$5,973*
*Subdivision (minor, 4 lots or fewer)	\$12,078*
*Subdivision (major, 5 lots or more)	\$16,562*

*Use Permit (standard)	\$9,258		
Variance (standard)	\$2,030		
Zone Change	\$6,651		
Notes:			
1) *Asterisk indicates minimum fee for initial filing of application. Full cost of the fee is assessed at the completion of processing and charged to applicant.			
2) There are also final inspection fees for Fire Marshal and Land Development Engineering.			

#### **Single Family Dwelling Development Cost Example**

The first example of land use approval costs represents a typical rural area land development scenario, to provide a better understanding of the application fees associated with development of a new singlefamily dwelling used as a primary residence. Where the parcel is not an approved building site, it is not uncommon for the project to involve Building Site Approval and a Grading Approval and permit. Combined fees for these typical land use applications are \$14,411, including a petition for exemption from CEQA. These fees are based on typical processing costs and are in addition to the building permit fees discussed in the previous section. They represent the most common fees associated with residential development in rural areas. Neither a Building Site Approval nor Grading Approval would require a public hearing.

In areas subject to Design Review requirements, a Design Review process is required for a new single-family residence. The Design Review would be processed concurrently or bundled with Building Site Approval and Grading Approvals, if also necessary. Design Review zoning applies to most rural hillside lands immediately adjacent to and visible from the urban area or valley floor areas of the County. It may also be required as a condition of subdivision approval.

The Design Review process is intended to achieve excellence in residential design and make sure development blends with the natural hillsides as much as possible. Standards can require low reflectivity of painted surfaces and landscaping to blend with the natural hillsides and mitigate for visual impacts and may affect the placement of a home on a site for visual mitigation. The process allows for a residence that is 5,000 square feet or less to be processed without a public hearing. For structures that trigger design review that exceed 5,000 square feet in size up to 12,500 square feet in size, a public hearing by the Zoning Administrator is required. Design Review residences that exceed 12,500 square feet in size require a Planning Commission public hearing. Minor projects, such as additional to an existing residence or accessory structures, may apply for an exemption or for administrative review without a public hearing. Decisions of the Zoning Administration Hearing Officer may be appealed to the Planning Commission, and Planning Commission decisions to the Board of Supervisors. Companion land use actions (i.e., Grading and Building Site Approval) are completed concurrent with Design Review and are referred to as Concurrent Land Use applications by the County Zoning Ordinance. Generally, Design Review takes 2-4 months. Design Review rarely results in project denial because the process is intended to identify and resolve issues

that would result in an unacceptable final project design. Conditions of approval often include grading quantities, architectural refinements/limits, landscape requirements, and protection of existing vegetation.

Costs commonly associated with Design Review process include the County application fee (\$3,963) and consultant fees for design and modification of site improvements. Additional costs are often offset by savings associated with reduced grading, since Design Review (especially in conjunction with Grading review) often results in less grading on the site.

#### **Multifamily Dwelling Development Cost Example**

This second example of land use application costs represents a fourunit apartment project in an urban area zoned for multifamily development, in R1S, R3S, or R3. The project would require Architecture and Site Approval (ASA). There is no mandatory preapplication meeting requirement as there is for a non-residential Use Permit or Subdivision. Accompanying the submittal is a form indicating that the density of the proposed development conforms to the applicable city General Plan. The ASA process is designed to ensure conformance with applicable development standards and reasonable conditions of approval. Generally, ASA addresses the adequacy of parking and driveways, landscaping, site layout, and design of the structure. ASA may also evaluate the relationship of the lot and its development with adjacent uses. Standard ASA fees are \$9,197, plus \$531 for the processing of a Categorical Exemption under CEQA.

#### **Constraints Analysis**

Each annual budget cycle, fees are assessed relative to service costs. In the current fee evaluation process, certain fees will be reduced to address the general or average cost of processing, while other lesser

fees will become minimum deposit fees without being raised, to enable compliance with full cost recovery mandates. Fees may not be significantly increased except for the amount necessary to cover inflation in personnel costs. Fees for service is now a common means for local governments to address the costs of development-related services without relying on General Fund revenues. Fees are set by the Board of Supervisors to recover full costs of the services provided, thereby avoiding reliance on General Fund revenues to the greatest extent feasible. Reducing fees would necessitate increased reliance on General Fund revenues for planning and land use approval services.

#### **Implementation Measure**

Each year, the County evaluates and adjusts fees as necessary to comply with the full cost recovery mandate set by the Board of Supervisors. Fees may be adjusted downward as necessary to reflect real processing costs.

No changes to current land use and planning application fees are proposed to facilitate or accommodate projected housing demand or substantially reduce costs of development.

# 2.060 Impact Fees and Exactions

A development impact fee is a monetary exaction other than a tax or special assessment that is charged by a local governmental agency to an applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project (Gov. Code § 66000(b)). The legal requirements for enactment of a development impact fee

program are set forth in Government Code §§ 66000-66025 (the "Mitigation Fee Act"). 16

Two typical fees or exactions charged on housing development are permit processing fees for planning and land use entitlements and impact fees or exactions imposed to defray all, or a portion, of the public costs related to the development projects. <sup>17</sup> The County does not impose development impact fees of its own upon private residential development. Local school districts collect impact fees when a building permit for a new residence is being processed and provide documentation of payment to the County prior to the issuance of permits. Certain ADUs are exempt from this impact fee under State law. No other impact fees are levied upon private singlefamily residential development in the unincorporated area. Projects which create three or more housing units (not counting ADUs or Junior ADUs, or units developed following an SB 9 urban lot split) are subject to the County's Inclusionary Housing Ordinance, which requires one out of every six units to be deed restricted affordable, or for the applicant to pay an in-lieu fee to the County's Office of Supportive Housing. This minimal application of impact fees helps reduce housing costs and it contrasts with the practices of most cities and many counties, which impose impact fees for libraries, parks, and a variety of other services to ensure new development pays a share of the costs of new facilities or upgraded facilities incurred due to new development.

# 2.06p Permit Process and Procedures

The County seeks to be as transparent as possible with applicants on permit processing and procedures. This includes posting checklists of required submittal materials on the Department of Planning and

Development website, with helpful descriptions of required items and helpful links to examples, ordinance sections, fee schedules and guidelines to provide direction and context to the applicants. Throughout the processing of applications, the County complies with the State's Housing Accountability and Permit Streamlining Acts.

Ministerial projects are reviewed by the County's subject matter experts for compliance with relevant State and County requirements (such as the California Building Code, County Grading Ordinance, and the County Zoning Ordinance) and permits issued unless the project does not comply.

Processing of land use and development applications that are not permitted by-right require a discretionary land use application administered by the Department of Planning and Development. In 2023 that process includes the following basic steps:

- **Application Submittal** Intake of development application, receipt of fee or fees, review of submitted application materials to determine if submittal is acceptable for distribution to reviewing departments/agencies.
- **Application Review** Referral to reviewing departments/agencies, receipt of comments. Review of development application for completeness within 30 days of submittal in accordance with Assembly Bill 884. If incomplete, letter sent indicating necessary revisions for re-submittal.
- California Quality Act (CEQA) Compliance & Staff Report **Preparation** – When the application is deemed complete, preparation of environmental review, as applicable, in addition to

<sup>&</sup>lt;sup>16</sup> A Short Overview of Development Impact Fees, by Peter N. Brown City Attorney, City of Carpinteria and Graham Lyons, Deputy City Attorney, City of Carpinteria, Dated

February 27, 2003, http://www.ca-ilg.org/sites/main/files/fileattachments/resources overviewimpactfees.pdf accessed 8/16/22

<sup>&</sup>lt;sup>17</sup> Fees and Exactions, https://www.hcd.ca.gov/fees-and-exactions accessed 8/16/22

the preparation of preliminary conditions and staff evaluation documents.

- **Public Hearing** Upon completion of review process, development applications requiring public hearing are scheduled for hearing before the hearing authority.
- **Hearing Authority Decision** Granting authority approves, denies, or approves permit application, with conditions, as appropriate.
- **Appeal** 15 calendar day appeal period following action by granting authority, after which, if no appeals are filed, land use entitlement becomes effective, and applicant may submit building permits for plan check.

Throughout the application review process, the County complies with the Permit Streaming Act and CEQA timeline requirements to ensure timely processing of applications. Other steps taken to ensure timely application review may include:

• Use of pre-application meeting requirements, intended to review prospective applications for completeness and feasibility prior to

- formal application submittal (example: use permit, subdivision, lot line adjustment).
- An optional pre-screening meeting available to property owners considering applying for a land use permit. Pre-screening meetings are scheduled approximately four weeks from the customer's submittal of development materials. Costs are as listed in the current fee schedule. The pre-screening can give customers insight regarding next steps and identifies challenges an applicant might need to address.
- Tracking of compliance with initial 30-day Permit Streamlining Act review period for completeness determination after initial submittal or any formal re-submittal.

Typical timelines for land use entitlement and planning permits are indicated in the table below. These processing times are general averages. Where circumstances vary and projects may be more complicated or require more than one resubmittal, processing times may increase. The County does not require any period of time to elapse between the approval of a project and the submittal of development permit applications, although applicants are advised to wait until the 15-day appeal period has passed.

Table 2.21: Land Use and Development Application Processing Timelines

Application Type	Typical Processing Time
Architecture & Site Approval (residential)	2-4 months
Building Site Approval (inside USA)	3-9 months
Building Site Approval (outside USA or > 30% slopes)	12-24 months
Certificate of Compliance	3-6 months
Design Review	3-4 months

Design Review Exemption	3-4 weeks
Environmental Assessment	2-3 months
Environmental Impact Report	6-12 months
Geologic Report review (letter report)	1 month
Geologic Report review (in-depth report)	1-2 months
Grading Approval	2-4 months
Grading Small	4-6 weeks
Special Permit (agricultural and temporary)	2-4 months
*Subdivision (minor, 4 lots or fewer)	2-6 months
*Subdivision (major, 5 lots or more)	6-12 months
*Use Permit (standard)	3-6 months
Variance (standard)	2-3 months
Zone Change (conforming with General Plan)	6-8 months

#### **Constraints Analysis**

A great deal of attention is often focused on permit processing and expediting such procedures as a primary means of facilitating development approvals, reducing processing costs, and speeding residential development to construction phases. Some aspects of the typical development processing and review procedure are under the control of the local government, and some are not. Departments must assure that enough adequately trained staff are assigned to manage the workload of application processing. Adequate coordination and internal review are also critical to ensuring that initial completeness reviews are performed within the 30-day period prescribed by State Permit Streamlining Act requirements. However, lack of competently prepared, legible, and adequate plans and supporting documents can lengthen review times, and the state of

these documents is not within the control of the local government. In addition, depending on site-specific environmental factors and constraints, environmental assessment for potential adverse impacts and mitigation may be either simple or complex and time consuming.

County staff routinely monitors processing times to promote compliance with Permit Streamlining Act provisions. Changes to reduce permitting requirements, such as reduced requirements for minor grading projects, have also been implemented to reduce permitting costs and time consumed.

The Department of Planning and Development, including Planning, Development Services, and Fire Marshal Offices, has implemented three components of development review to potentially streamline and improve land use and permit review. First is a "developer's

roundtable" with staff to dialogue and discuss common issues that hamper efficient development review. Second, as described previously, the Department also offers an optional pre-screening meeting available to anyone considering applying for a land use permit. One benefit of pre-screening meetings is that applicants are subsequently more likely to have complete submittals and are better prepared to manage the application process. The Department also offers in-person and virtual meetings with anyone interested in developing a property to explain the application process as well as potential constraints prior to application submittal. Finally, in 2020 the Department implemented a new type of Planning application called a Planning Clearance that is aimed to be an administrative level permit that is processed in 1-4 weeks. Currently, movable tiny homes and small scale agricultural and temporary agricultural housing are able to be processed through a Planning Clearance. There are no constraints related to the timing of development permit applications following planning approvals, as there is no required waiting period.

#### **Implementation Measure**

Improving customer service and reducing processing times are a high priority of the Department and will continue to be the primary focus of the Department's improvement efforts. The Department continues to evaluate other areas of its Zoning Ordinance and Ordinance Codes to streamline permit reviews through the new Planning Clearance application. The County will also implement Program 2.24 - Streamline Multi-Family Housing Development which removes permit processing constraints in zones which permit multifamily housing.

# 2.06g Code Enforcement

The County's Department of Planning and Development is responsible for enforcement of the Zoning Ordinance, Building Code,

and Fire Codes as they apply to land use and development. Code enforcement is performed through building plan checks and inspections, in response to complaints regarding alleged violations submitted for review, through routine observation and field visits, and coordinated agency efforts such as abatement procedures. Code enforcement is a necessary and important aspect of local land use and permitting authority. It also helps to ensure that violations do not contribute to neighborhood or community deterioration that adversely affect housing stock, new housing opportunities, and housing needs.

The Code Enforcement Division has a Program Manager who supervises a team of code enforcement officers who are assigned code enforcement cases throughout the unincorporated county and a Permit Technician that is specifically dedicated to assist the Code Enforcement Division.

The Department utilizes a database for managing and tracking violation complaints to ensure timely reporting and actions and all staff in the Department can access and view violation reports, inspections, and all images taken at inspections sites. An administrative hearing process was developed during the 2015 Housing Element cycle and is still implemented with the goal of promoting code compliance in the most timely and efficient manner. In January 2021, the Department revised County Ordinance C1-71 was further amended in January 2021 to clarify that while a permit shall not be issued on a property that has a confirmed active violation, until and unless the violation is removed and abated directly or through a Compliance Agreement, the Department <u>Director has discretion to issue a permit where (1) the permit does</u> not expand an existing use or add a new use, (2) the permit is immediately necessary to protect public health, safety, or welfare, or (3) the permit will allow for full abatement of all existing violations on

the premises. . County Ordinance Code section C1-71 will continue to be amended during this code cycle to allow for flexibility of permits to be issued where violation(s) exist on the parcel.

#### **Constraints Analysis**

Public outreach and communication regarding code enforcement generally have a positive net effect on housing and neighborhood preservation. The County continues to evaluate various means of improving code enforcement efforts and abatement of violations.

#### **Implementation Measure**

No reduction in code enforcement efforts or resources is recommended during the current cycle of the Housing Element Update. The County and the Department should continue to implement planned improvements to the code enforcement program.

# 2.06r Regulations Influencing Housing for Persons with **Disabilities**

Government constraints or factors influencing housing for persons with disabilities derive from the Americans with Disabilities Act (ADA), Chapter 11A or Chapter 11B of the California Building Code (CBC), and Federal Housing Administration (FHA) for accessibility.

A privately funded single-family residence project (new or addition/remodel) is not subject to accessibility requirements but a property owner can voluntarily incorporate such features as ramps or other improvements. All multi-family residential structures must meet the applicable accessibility requirements (ADA, FHA, CBC 11A or 11B) depending on its funding. It is recommended that applicants meet with the County Building Division to understand the necessary requirements for accessibility and other code requirements when developing housing projects.

The County Zoning Ordinance does include a general definition of "family" which explicitly includes "necessary domestic help" to accommodate those with disabilities. However, the County does not define "family" for the purposes of housing, therefore there is no requirement for a relationship between residents within a residential unit, be it a single-family residence, multi-family housing development, or "group home".

Where accessibility improvements are involved or required, they are reviewed and approved through the normal permitting process.

Special needs housing involving multi-family buildings or more institutional settings is more likely to be developed in the cities or unincorporated urban pockets because of the available sewer and water services and transportation accessibility.

For some populations of people with disabilities, "group homes" provide a desirable type of housing as they typically offer a variety of support and services to their residents. Our Zoning Ordinance does not define "group homes" and refers to such uses as Community Care Facilities. The County's Community Care use classification is defined as "Limited" when a development provides for six or fewer residents. Group homes or other Community Care – Limited uses are allowed as a matter of right, with no requirements restricting concentration of uses, discretionary requirements, and parking requirements other than those required under the building code for group home occupancies and accessibility requirements. Group homes or other forms of Community Care facilities providing for more than six residents are allowed under the "Expanded" subcategory, subject to issuance of a Use Permit. Community Care Facilities are allowed in all zoning districts except for OS/F (Open Space and Field Research) and SCA (Special Conservation Areas).

"Limited" projects may be sited on any parcel in the unincorporated County outside of the OS/F and SCA zones. For "Expanded" projects, there is a supplemental finding requirement that the new facility would not lead to an undue concentration of group homes in the vicinity. There is no standard of separation from other existing facilities specified in the Zoning Ordinance, and to date the County has not denied any application due to concerns regarding the proximity to other Community Care facilities. Standard Use Permit findings and criteria would provide an evaluation of whether the proposed location of the use is appropriate relative to necessary support services and is otherwise appropriate for the site. Parking requirements for residential community care facilities such as group homes are specified in Ch. 4.30 of the Zoning Ordinance, requiring one space per six beds or residents, and one per employee. If either a Community Care facility or an Expanded Care facility is applied for, the structure is subject to accessibility requirements.

For any parking facility serving the public, accessible parking spaces shall be provided. Of the required accessible spaces, at least one shall be van accessible. Standards for accessible parking spaces are found in 4.30.070 of the County Zoning Ordinance. Additionally, Electric Vehicle Charging Stations (EVCS) shall comply with accessibility standards (e.g., stall size, spacing, signage, accessible route, etc.).

The County does not require licensing for Community Care facilities, but State licensing requirements apply.

#### **Reasonable Accommodation**

The County's approach is to seek reasonable accommodations whenever possible under Federal and State law. Aside from Federal and State accessibility regulations, the Zoning Ordinance provides for procedures which allow for exemptions from setback requirements or other development standards, permit requirements or building regulations to allow for accessibility devices and structures. The County has a process to address reasonable accommodation requests for persons with disabilities. The Zoning Administrator of

the County of Santa Clara reviews and either denies, approves, or conditionally approves such request where the proposed building or improvements necessitate relief from a standard of the Zoning Ordinance, such as a setback. The reasonable accommodation procedures are intended to allow exceptions or modifications without application or consideration of a Variance or other defined discretionary approvals. Reasonable accommodation requests are not subject to the more restrictive nature of a Variance procedure and findings, including noticing and public hearing, rights of appeal, and fees. There are no fees charged for the reasonable accommodation review process.

The criteria and factors considered by the Zoning Administrator in processing a reasonable accommodation request are:

- Existing, applicable policies or regulations,
- Availability of solutions not requiring an exception or modification of standards.
- How the request directly relates to the needs of the owner/occupant with disabilities, and
- The exact nature of the exception or modification proposed.

In evaluating a proposed request for reasonable accommodation, the Zoning Administrator uses the above criteria and factors to determine whether the need expressed by the applicant can be met without granting undue relief from a Zoning Ordinance standard. If it is determined that the request necessitates deviation from some standard, such as a setback, the Zoning Administrator is authorized to approve the request, provided that the applicant provided the information validating the need of the owner or occupant with disabilities, and the request is not so extreme as to have an actual detrimental impact on an adjacent property.

To date, there have only been a small number of inquiries regarding the possibility of obtaining a reasonable accommodation request since it was instituted in 2003. Only one request has been filed; that request was filed in January 2009 and granted in February 2009. The County expects more reasonable accommodation requests in the future for modifications to buildings for accessibility, such as ramp and porch improvements, window and door modifications, and similar construction, as the overall population ages.

#### **Constraints Analysis**

The County's permit requirements, procedures, and reasonable accommodation request process offer opportunities for homeowners to accommodate the special housing needs of those with disabilities. The procedures are prescribed, and processing time is approximately two to three weeks depending on possible need for further information and resubmittal. Staff works closely with applicants to ensure there is adequate information in each request to assess whether or not a reasonable accommodation can be supported.

# **Implementation Measure**

No changes are necessary to County requirements or procedures to accommodate housing needs for persons with disabilities, however, to increase the visibility of the reasonable accommodation option, Staff will propose options to the Board to codify this process within the Zoning Ordinance.

Additionally, the County is implementing Program 2.25 - Tracking and Ongoing Compliance with State Housing Laws, which includes updating the County's Zoning Ordinance, and any other relevant County codes and policies, on a regular basis so they continue to be in line with state law. The County will include an assessment of the regulations for group homes for seven or more persons in relation to state law as a part of Program 2.25.

# 2.06s Regulations Influencing Housing for Agricultural **Workers**

The County makes special provision for agricultural employee housing, especially smaller-scale projects that do not qualify as employee housing under state law. In 2020, the County updated its Zoning Ordinance to re-classify agricultural employee housing as either Small-Scale Permanent, Seasonal, or Large-Scale Permanent. Small-scale permanent housing can include up to six family units or 18 beds in group housing. Large-scale permanent projects are those consisting of more units or beds than small-scale. Seasonal projects consist of multiple movable tiny homes and are onsite for no more than 180 days. The County also created a Temporary Agricultural Residence category, which allows for a single recreational vehicle or movable tiny home per property to provide temporary housing to a person engaged in an on-site agricultural operation, for up to five years.

The County streamlined the permitting process for all four of these housing categories. Small-Scale Permanent and Temporary Agricultural Residences are allowed subject to a non-discretionary Planning Clearance, with a cumulative cap of 100 units and 50 units, respectively. Large-Scale Permanent and Seasonal projects are allowed subject to a Special Permit.

Agricultural employee housing is contingent on the owner of each parcel submitting an annual verification form to the Department of Planning and Development by January 31 of each year, to verify and provide substantial evidence that any permanent agricultural employee housing was occupied by agricultural employees for a majority of the year and verify that any seasonal units will be removed from the property outside of the designated occupancy dates. A deed restriction is recorded on any property for any permanent agricultural employee housing to provide notice to

subsequent property owners that such housing is to be used only for agricultural employee housing. A property owner shall also affirmatively disclose the existence of any such deed restriction before transfer of ownership of such a property.

The nature of commercial agriculture in Santa Clara County has evolved significantly over the decades since it was known primarily as an agricultural economy, nicknamed the "Valley of Heart's Delight." Santa Clara County, once the fruit capital of the world with over one hundred thousand acres planted in fruit and nut trees, has seen a significant loss of agricultural land since the 1940s. Recognizing the rapid conversion of prime farmland within the county over the past two decades, the County of Santa Clara adopted the Santa Clara Valley Agricultural Plan in January 2018 to identify and prioritize key strategy areas, policies, and programs that support and encourage existing and future agricultural operations. One key strategy and action was to facilitate construction of more workforce housing for both seasonal and year-round farmworkers.

The diversity of Santa Clara County's crops, the labor-intensive nature of such crops, and the overall high cost of housing in the region compound the need for agricultural employee housing as a basis for maintaining agriculture within the county. Santa Clara County's land values will continue to rise, encouraging high-value specialty crop production, which tends to favor crops that are highly perishable and need sufficient personnel to be harvested and moved to market in a timely manner. Such crops require significant handscale labor for planting, pruning, weeding, and harvesting and are typically not well-suited to mechanization. As farms become more vertically integrated, with on-site value-added operations such as packing and shipping facilities, agricultural processing, and on-site sales, the need for agricultural labor may increase, becoming more stable and year-round rather than seasonal.

#### **Constraints Analysis**

Despite there being only three units developed in the two years since the amendments were made to streamline agriculture employee housing, interest in the new process has increased significantly during this time. Interested property owners regularly call in or schedule meetings with planners to go over their options under the revised provisions and inquire about the process, with approximately four to six inquiries per month. Property owner interest has consistently centered on the Small-Scale Permanent category, which prior research indicated would be the most relevant and functional category in most circumstances. However, all four types of housing allowed under the approved amendments have been the subject of inquiries by property owners.

At least three property owners have initiated projects under the Large-Scale Permanent category, primarily with the intent to house seasonal workers operating under H-2A work visas, hosted by farm labor contractors. In at least one case, land was purchased with the explicit intent of pursuing such a project. The primary challenge Large-Scale Permanent projects face is approval for drinking water. A water supply for any development consisting of five or more service connections is classified as a "state small water system" and water supply to a project serving 25 or more people per day, for at least 60 days per year, is classified as a "public water system." Both water system classifications trigger oversight authority by the State's Regional Water Quality Control Board, which in recent years has required that an applicant first attempt to obtain an urban service area connection prior to its consideration of an application. In most cases, an urban service area connection would necessitate city annexation. The Department is in discussion with staff from the Local Agency Formation Commission (LAFCO) of Santa Clara County regarding options and annexation. A smaller number of inquiries have been received regarding the Seasonal and Temporary

Agricultural Residence categories. Both categories make use of movable tiny homes, which are required to connect to a permanent onsite wastewater treatment system (OWTS) under our County Local Agency Management Program (LAMP). Most prospective applicants are dissuaded from pursuing the Seasonal or Temporary Agricultural Residence categories once it is explained that they would first need to develop a permanent OWTS.

As evidenced by a six-month delay for the three-unit project discussed above, the Small-Scale Permanent category also faces challenges with establishing OWTS. At least a dozen prospective applicants have presented preliminary plans to develop agricultural employee housing, have been informed of the requirement to first obtain Department of Environmental Health approval for an OWTS and drinking water supply, and have not yet submitted a complete application. As a result of the amendments approved by the Board, the newly established planning process has been effectively streamlined, allowing review and approval to be expedited through a ministerial evaluation of objective standards and requirements. However, the overall permitting process, namely the path to getting clearance for an OWTS and water supply, as well as the review and requirements by subject matter experts, continues to present significant delays and challenges in the path from proposal to final approval. It is important to note that the challenges related to water supplies are also challenges that originate at the state law level.

#### **Implementation Measures**

The Department is working with all relevant agency reviewers and subject matter experts to identify opportunities for further streamlining of the regulatory requirements and permitting process

<sup>18</sup> The County has not identified any special needs in the unincorporated areas specific to large families or those with a female head of household, as per Government Code 65583(a)(7).

for agricultural employee housing. The County will continue to implement the new streamlined permitting process and monitor its effectiveness. Where potential streamlining opportunities require additional code amendments, the Department will coordinate with the relevant agencies to present such opportunities to the Board. On August 29, 2023, the Board of Supervisors directed the preparation of an Agricultural Worker Housing Workplan to facilitate and further support agricultural worker housing production.

# 2.06t Regulations Influencing Additional Special Needs Housing

Regulations for Special Needs Housing includes populations such as the elderly; persons with disabilities, including a developmental disability, as defined in Section 4512 of the Welfare and Institutions Code; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. Cal. Gov't Code § 65583(a)(7). This section discusses housing for persons within these categories, and tools within the County Code to assist with residential modifications to enable a person to continue living in place. 18

Special needs housing includes community care facilities, assisted living centers, emergency shelter housing, and homelessness-related services. Community care facilities, also referred to as "group homes," are defined as uses permitted in all urban base zoning districts that permit residential uses and all rural base districts. Small-scale ("Limited") community care facilities, serving or housing six or fewer individuals, are permitted as a matter of right, while those serving more than six individuals ("Expanded") are permitted subject to a

conditional Use Permit. The use regulations of the County Zoning Ordinance are consistent with State laws.

Emergency shelters, homeless shelters, and combined shelter/service centers for the elderly and persons with disabilities are typically developed within city jurisdictions, where there are available sewer and water services, as well as public transportation, paratransit (ondemand transportation for those with special needs), and access to other important services. Emergency Shelter is permitted in Rural Residential (RR), Multifamily (R3), Commercial (CG and CN), Administrative/Professional Office (AO), and Industrial (MH and ML) zones as well as the Public Services and Supportive Housing (-ps) combining district. Small scale (14 or fewer beds) emergency shelters are allowed "by right," and large-scale shelters are allowed with a Use Permit approval. Religious and Non-profit institutions may also operate small-scale emergency shelters as an ancillary use "by right." Emergency, homeless, and transitional shelters are not typically located in the rural unincorporated areas. Rural hillside and agricultural areas are not served by municipal sewer service, have no or very limited access to transit and social services, are far removed from other emergency response services and medical centers, schools, and amenities, and do not promote the societal integration of the populations served.

The focus of the County is to fund programs that provide emergency, transitional, and special needs housing within the urban areas of the 15 cities within Santa Clara County, which is where the needs and opportunities are greatest. The County devotes significant resources to the operation of emergency shelter housing throughout the urban areas, operating or assisting with a total of 211 shelters within Santa Clara County, including three major shelters in Sunnyvale, Gilroy, and San José. Funding assistance is also provided for many other resources aimed at preventing homelessness.

In the last Housing Element, the County identified funding as a significant constraint to combat homelessness. Since then, County voters approved an unprecedented affordable housing bond measure of \$950 million in 2016, which the County has used to fund affordable housing projects, including 830 new homes in nine developments, which will serve more than 1,600 people, with another 1,280 affordable homes under construction. The County's role has expanded from providing permanent housing, emergency housing, and homeless shelter/service centers, to also include advocacy and tenant/landlord support services. Under what is called the "Community Plan to End Homelessness," the County gave itself a deadline of 2025 to double its temporary shelter capacity, house 20,000 people through supportive housing, cut the annual inflow of people becoming unhoused by 30%, expand homelessness prevention programs to serve 2,500 people yearly, and address racial inequities that disproportionately affect people of color.

#### **Constraints Analysis**

The County General Plan, zoning regulations, and permitting requirements to accommodate certain special needs housing types described above do not constitute an undue burden or constraint on the production or supply of special needs housing. Within urban areas, the use classifications and regulations for special needs housing types are intentionally like those of the adjacent cities. The key issues or factors which pose constraints to meeting special needs housing continue to be the availability of suitable land, funding for programs and grants, ongoing need for intergovernmental coordination to provide such housing and related services, and providing the kinds of ongoing services needed to prevent reoccurrences of homelessness.

#### **Implementation Measure**

No changes to General Plan land use policies, zoning regulations, permitting procedures or development standards are necessary or appropriate to facilitate or accommodate special needs housing for the unincorporated areas.

#### 2.06u State Required Permitting

The State has adopted several measures where local jurisdictions must approve projects which meet certain criteria, including SB 9, SB 35, SB 330, and the State ADU ordinances. The County is not yet subject to SB 35, but should it become so will fully comply with the State's requirements. For SB 330, the County will revert to the State preliminary application, with no growth controls and only objective standards reviewed for qualifying applications. The County has adopted local implementing ordinances for SB 9 and ADUs, to incorporate the State's requirements and add minimal objective standards as allowed by the State. Should any of these State laws be amended, or new laws of a similar vein be adopted, the County will defer to State requirements when in conflict with the local County ordinances.

#### **Constraints Analysis**

The County permitting requirements to accommodate these housing application types described above do not constitute an undue burden or constraint on the production or supply of qualifying housing. Projects not qualifying for state required permitting often require discretionary approvals, such as Architecture & Site Approval for multi-family housing projects.

#### **Implementation Measure**

The County will create transparent processes, fees, and checklists for all State required permitting and make these available to public (Program 2.23). In addition, the County will work to streamline all multi-family housing developments through a streamlined permitting

process with limited objective standards that will be applied first to properties on the Site Inventory list and eventually to all zoning districts which allow multi-family housing development (Program 2.24). Lastly, the County will implement Program 2.25 - Tracking and Ongoing Compliance with State Housing Laws, which includes updating the County's Zoning Ordinance, and any other relevant County codes and policies, on a regular basis so they continue to be in line with state law.

#### 2.06v Inclusionary Housing

The County adopted a countywide Inclusionary Housing Ordinance (IHO) in October of 2020 to foster a sufficient supply of housing for persons at all economic levels and relieve the burden placed on the housing market throughout the County. The IHO applies to any application that creates three or more dwelling units. Of the proposed dwelling units, sixteen percent (16%) shall be made available for rent or for sale to at an affordable Housing cost to moderate, lower, very low, or extremely low-income households. The County adopted Inclusionary Housing Ordinance Guidelines in November of 2021 which serves as a guiding document for the implementation of the IHO.

#### **Inclusionary Housing in the Stanford Community Plan Area**

Applications within the Stanford Community Plan Area (SCPA) may bank the inclusionary for sale affordable units to be developed as rental inclusionary units at a later date. Applications within the SCPA may also construct the inclusionary units on site, off-site, convert an existing unit to an inclusionary unit, or transfer required inclusionary units to another residential development within the SCPA.

## **Inclusionary Housing outside the Stanford Community Plan Area**

Required inclusionary units may be developed on-site, off-site, converted from an existing unit, or the applicant may choose to pay

an in-lieu fee for developments that result in a fraction of a unit (a development that has less than 7 units).

## **Constraints Analysis**

The intent of the program is to promote affordable housing development. To date, the County has not processed any residential development applications outside or within the SCP that would be subject to the IHO, therefore the County has not seen the IHO act as a constraint of proposed development projects. Additionally, the development of ADUs, agricultural employee housing, student housing, residential community care facilities, and units created pursuant to SB9 are not subject to the IHO which limits constraints on building these types of units on properties. Lastly, the IHO offers a variety of options for the development of the required inclusionary unit(s) (on-site, off-site, conversion of units, etc.) which provides flexibility for the creation of the unit. As such, the IHO provides minimal constraints on housing supply and affordability.

#### **Implementation Measures**

The County will continue to implement the IHO as written and may perform future revisions if the County finds areas of improvements needed to achieve the IHO goals of affordable housing development.

#### **2.06u**2.06w Summary of Stanford University Constraints

Stanford University is the only significant unincorporated urban area that is excluded from countywide urban development policies that call for annexation of urban development into the adjacent city. Such exclusion is based upon a 1985 land use policy agreement among Stanford, the County of Santa Clara, and the City of Palo Alto (the "Tri-Party Agreement").

Current County policies governing development at Stanford do not constrain affordable housing development. Through the Stanford

Community Plan (SCP) and the 2000 General Use Permit (2000 GUP), the University is required to develop housing of a variety of types in conjunction with new academic building development. The SCP stipulates that Stanford will supply its own urban services for academic development, which includes housing for academic faculty and staff, and that lands with non-academic uses will be annexed into Palo Alto. Stanford University has sited housing development adjacent or in close proximity to the academic programs that they support. Upon approval of an updated SCP that is being processed in parallel with this Housing Element Update, SCP policies are being amended to promote the construction of housing near transportation, the campus, and services/amenities.

#### **Constraints Analysis**

The County requires a linkage between academic development and housing, to balance housing, jobs, and available transportation. The linkage is expressly defined in the SCP and the 2000 GUP. Within University lands located in the unincorporated county, there is capacity to meet at least half (1,680 units) of the housing needs of this Housing Element Update. The County is currently updating the SCP, which would require Stanford to provide housing, both affordable and market-rate, on campus or on contiguous Stanfordowned land grant properties.

Beginning with Annual Report No. 12 (2013) Table C-2 of each Annual Report includes a column that indicates the RHNA units provided in each reporting period since the adoption of the 2000

GUP. 19 This helps the County track the RHNA units constructed on the Stanford Campus in relation to the remaining capacity under the GUP.

#### **Implementation Measures**

The revised SCP policies will require development of housing in the Academic Campus land use designation at minimum densities of 30 dwelling units per acre (currently the required density is a minimum of 15 dwelling units per acre) to enhance access to affordable housing. In addition, a streamlined approval process for on-campus housing within a half mile of a public transit station or high-capacity transit stop is being developed as part of the SCP, consistent with Senate Bill (SB) 35, along with objective design standards for the three sites on the Stanford campus identified in the Housing Element, to further facilitate streamlined review of housing projects while addressing neighborhood compatibility.

# 2.06v2.06x Summary of Rural Unincorporated Area **Constraints**

Since its inception, the County General Plan has been built around a longstanding vision for rural unincorporated areas to remain rural. Areas consisting of steep hillsides, open spaces, farmland, and rangeland, are considered rural and are intended to remain in nonurban uses and densities, deemed inappropriate and unsuitable for urban development. Moreover, these areas have significant physical and environmental constraints to development; they are often prone to natural hazards, such as wildfire, flooding, and geological hazards, contain protected habitat species, protected waterways, and

protected scenic vistas, and have limited viable water supply and steep slopes.

These areas are often void of sidewalks, public transit, and other amenities that would serve typical residential development, such as schools and grocery stores. Supportive infrastructure is prohibitively costly for development on certain parcels. Higher density housing is dependent on provision of urban services like sewer and water, which are available only in cities and Urban Service Areas. Very low- and low-income households particularly benefit from other urban services and amenities like schools, transportation, and retail establishments, none of which are provided in the rural areas. Local, regional, and state planning policies and incentives such as Plan Bay Area 2050 and transit-oriented development enabling legislation focus development in areas where there is already existing infrastructure, proximity to transit and work centers, and where environmental impacts can be minimized. As such, the County's policies for the rural unincorporated areas are aligned with broader regional and state goals.

In rural unincorporated areas, new residential uses are limited to one primary, single-family dwelling per lot (except for agricultural employee housing and accessory dwelling units), and densities for subdivision purposes are low. With the addition of Senate Bill 9 (SB9), the minimum lot size of qualifying parcels is reduced to 1,200 square feet. Under SB 9, eligible parcels in the unincorporated county must be designated as wholly within an urban area according to the U.S. Census Bureau and be residentially zoned (Parcels in R1, R1E, RHS, R1S, RR, or A1 Zoning Districts) and not be located within a hazardous area. 20 Over two-thirds of the land in the county

<sup>&</sup>lt;sup>19</sup> Annual Reports for Stanford University can be found here: https://plandev.sccgov.org/policies-programs/stanford-university/2000-general-usepermit/annual-reports.

<sup>&</sup>lt;sup>20</sup> County of Santa Clara website; SB9 information page; https://plandev.sccgov.org/senate-bill-9 accessed 11/17/22

(including parcels within the 15 cities and towns) would not be eligible under the provisions of SB 9. In rural zoning districts, allowable densities range between 5 and 160 acres per lot.

In rural unincorporated areas of the County, several factors present constraints to housing development, but constitute appropriate policy and regulatory approaches to development in the variety of steep, vulnerable, protected, and hazardous areas that make up over two-thirds of the land area of the County. Protection of the rural districts does not present an undue burden or constraint upon housing for the urban area population, which as a matter of policy should be located within existing urban areas to the greatest extent possible to avoid sprawl and other unintended consequences. To summarize:

- Countywide, longstanding development policies require that urban scale development occur only in cities and not in rural unincorporated areas.
- Regional land use, housing, and transportation policies as reflected in the region's Sustainable Communities Strategy focus growth in the urban core of the Bay Area, and particularly in urban areas near transit.
- The vast majority of rural unincorporated development is singlefamily residential on existing lots of record, agricultural uses, or open space.
- Rural areas do not have access to municipal sewers or water systems, and most areas rely upon on-site wells and small private water systems. Limited groundwater supplies, soils, slopes, and high groundwater conditions limit the feasibility of development. Multi-family housing development is not consistent with the density policies for rural areas and typically could not be approved without urban infrastructure.

Steep terrain, limited road access, and prevalent natural hazards make most of the county's vast rural hillside areas infeasible and unsuitable for housing at urban densities.

## 2.06w2.06y Summary of Urban Unincorporated Area **Constraints**

The unincorporated urban islands or pockets in Santa Clara County are mostly comprised of residential neighborhoods that were developed prior to the County's first General Plan, during a time when the County approved urban subdivision tracts in unincorporated areas. These urban pockets are scattered over a 250 square mile area. The best means of improving the efficiency of urban service delivery and making more logical political boundaries is to annex the islands into their surrounding cities. Better municipal organization, logical boundaries, and improved service efficiency promotes the provision of an affordable housing supply. To that end, utilizing the streamlined annexation provisions of state law, the cities of Santa Clara County have successfully annexed 16 islands during the fifth Housing Element cycle, from 2015 to May 2021. The City of San José alone has annexed 11 of those islands during this time.

Constraints to the development of affordable housing in urban unincorporated areas include:

- Urban unincorporated islands are largely built-out and devoted to single-family residential uses. Large-scale redevelopment of established neighborhoods with higher density uses would be difficult to coordinate and is therefore unlikely.
- Selected areas may be eligible for higher density development in accordance with city general plans, but most areas designated for multi-family residential uses have been annexed already or must be annexed into cities prior to redevelopment of any kind, consistent with joint city/County policies and as a means of accessing sewer and water services.

While there are islands that remain unincorporated, Countyapproved development in these pockets must be consistent with the General Plans of the cities surrounding them to assure compatibility with the larger, surrounding city neighborhood of which they are a part. Annexation promotes the attainment of higher density housing, planned unit developments, and other urban development that better ensures affordable housing opportunities.

The longstanding joint city/County policies are founded in cooperative planning, intended to be respectful of city general plans and interests, and provide greater opportunities for infill development than if the islands remained unincorporated.

# 2.06x2.06z Summary of County-Owned Lands Constraints

County-owned properties provide important but somewhat limited housing development opportunities. The sale of surplus properties to non-government entities for use in housing or mixed-use developments is one means of facilitating housing development. Another means is through County retention of land rights and partnership with a private developer to create new housing or mixeduse developments. In either case, the use of land for development (for a non-governmental purpose) is governed by the applicable city general plan when located within a city's Urban Service Area.

Analysis of the constraints affecting development of individual County-owned properties for affordable housing projects is more difficult than analyzing the constraints affecting residential development on privately-owned lands because:

Opportunities for the development of County-owned lands is limited by the small number of properties and the financial considerations involved in determining the disposition of those properties.

- For those projects that may require city approvals, the parcels involved may not initially have residential designations in the cities' general plans and/or necessary pre-zoning that would indicate how many residential units the cities would allow to be built on them.
- The residential land use designations the cities would apply to County-owned lands proposed to be used for housing are likely to be "planned unit development" designations that allow for a relatively wide range of densities and development types and as such lack specificity and predictability.

The use of surplus County-owned properties does not involve significant constraints to housing development. Rather, it promotes housing development if the property is located within city Urban Service Areas and meets the needs of both the County and city within which development is proposed.

# Non-Governmental Factors 2.07 Influencing Housing Production

#### 2.07a Overview

Housing supply and costs are influenced by many factors beyond the control of local government. State and national economic conditions have considerable bearing on the pace of local development, the availability of construction lending and financing, and mortgage interest rates. Many of the costs associated with home building, such as construction labor and materials, are outside of the County's control. The County can, and does, provide assistance in constructing low- and moderate-income housing through land-cost write-downs and construction loans through the Community Development Block Grant and other programs. However, to a great extent, the costs

associated with producing and acquiring housing are beyond the direct control or influence of County government.

There may be significant capacity under existing General Plan and Zoning designations for housing, but cities and the County must rely on the housing market to create most new housing or spur rehabilitation. Several non-governmental factors that can constrain housing development are discussed in the sections below.

## 2.07b The Regional Housing Market and National Economy

Following a decade of economic prosperity and sustained global growth, the COVID-19 pandemic triggered widespread economic uncertainty and consumer panic. While the national, state, and regional economies have mostly rebounded from the pandemic shock, the recovery is still resulting in sweeping economic fluctuations. After gradually returning to pre-pandemic levels by the end of 2020, the stock market slid during the first half of 2022 over fears of inflation, labor scarcity, global supply issues, political instability, and vulnerabilities to climate-induced disasters. Average long-term U.S. mortgage rates have risen due to inflation worries. As published by Freddie Mac on August 25, 2022, the 30-year rate rose to 5.55% from 2.87% the year prior and reached 7.08% by November 10, 2022.

Despite the pandemic upheaval, the San Francisco Bay Area continues to be one of the costliest housing markets in the state and the nation. According to Zillow statistics, the average price of a single-family house in San José was \$1.45 million in June of 2022, up 18.5% from \$1.22 million in June 2021. Even though the high-income tech industry and limited availability of housing continues to drive up home and rental costs, the housing market has recently experienced a cooling due to the increase in borrowing interest rates.

Historically, highly profitable venture capital firms and software companies in Silicon Valley have created a prosperity that has driven prices higher in the most desirable housing areas. However, a disparity in wealth of white collar vs. blue collar workers exists in the county. As the National Low Income Housing Coalition reports, software developers (with a median hourly wage of \$71.47) represent only a small fraction of employees in the largest occupations in Santa Clara County. Collectively, there are many more workers (janitors, farm laborers, retail salespersons, fast food staff, etc.) who make less than \$20 per hour. The resultant wage gaps between income and housing costs have pushed affordable housing out of reach for many renters and potential buyers. To afford a two-bedroom rental home in Santa Clara County, with a fair market monthly rent of \$2,418, the average worker would need to make at least \$46.50 an hour.

One of the County's hurdles to processing housing permits stems from a dwindling inventory of easily buildable lots, which is pushing residents to build on hillsides, prime farmland, and areas where a high groundwater level creates additional challenges for establishing onsite wastewater treatment systems. As climate change and drought have contributed to the increasingly common danger of wildfire, feasible lots in areas less threatened by fire are in increasingly short supply. Additionally, several areas of the county are impacted by flooding, with 50-year and 100-year storm levels occurring more often after drought periods and resulting in major flooding and destruction of residential neighborhoods and preservation land.

#### 2.07c Home and Land Costs

In the Bay Area, the costs of housing have long been among the highest in the nation. The average home value across Santa Clara County was estimated at \$1,695,548<sup>21</sup> by the end of 2020, per data collected by the Santa Clara County Associated of Realtors. This average increased to \$1,995,986 by the end of 2021.<sup>22</sup>

Aside from the prices of homes in Santa Clara County, the cost of land is a critical component of the overall price of housing, especially new construction. The price of unimproved land varies greatly within Unincorporated Santa Clara County, depending on location, existing infrastructure, and the existence of or difficulty in obtaining Building Site Approval or other entitlements necessary for development of the site. Urban unincorporated areas also vary greatly, and most are already developed with single-family homes. In terms of cost, areas of unincorporated East San José are very different from the unincorporated areas of Los Gatos, Los Altos, and Cupertino. According to LandWatch, an online rural real estate listing platform, in 2021 there were more than 22,700 acres of land for sale (farms, ranches, and other) in Santa Clara County, with an average cost of approximately \$4 million per transaction.<sup>23</sup>

Rural area parcels vary greatly in price depending on whether building site approval has been obtained, the remoteness of the site, whether the property has a view, and the property's proximity to desirable communities like Monte Sereno, Los Gatos, or Saratoga, among others.

#### 2.07d Construction and Labor Costs

Construction and labor costs are also significant components of housing cost. These costs include site improvements (not land costs) necessary to prepare a site for development, as well as the actual costs of labor and materials for the dwelling. As part of the County

<sup>21</sup> Year End 2020: Santa Clara County": Single-Family Residence, accessed 9/12/22 https://www.sccaor.com/pdf/stats/2020.pdf

Inclusionary Housing In-Lieu fee analysis, Keyser Marston Associates produced a 2020 report on the costs of providing affordable units. The report concluded in part that the average cost of home sales has increased. Below is a table from the report showing the median and average cost of a new home based on the sale of homes the unincorporated Santa Clara County between the years of 2016-2019.24

Table 2.22: Median and Average Characteristics of Home Sales in **Unincorporated Santa Clara County** 

Year Sold	Beds	Baths	Size (SF)	Lot Size (Acres)	Sale Price	Price per SF
Median of Sales	s in					
2016	4	4	3,922	0.39	\$2,221,500	\$536
2017	4	4	3,751	0,40	\$2,300,000	\$654
2018/2019	5	5	4,158	0.75	\$2,562,500	\$709
Average of Sales in						
2016	5	5	4,415	1.25	\$2,854,000	\$658
2017	4	4	3,991	2.04	\$2,739,000	\$726
2018/2019	5	5	4,939	1.67	\$3,391,000	\$781

Source: CoreLogic, May 2019. Reflects homes built since 2000.

<sup>&</sup>lt;sup>22</sup> Year End 2021: Santa Clara County: Single-Family Residence, accessed 9/12/22 https://www.sccaor.com/pdf/stats/2021.pdf

<sup>&</sup>lt;sup>23</sup> LandWatch, Santa Clara County Land Information, accessed 9/13/22 https://www.landwatch.com/california-land-for-sale/santa-clara-county

<sup>&</sup>lt;sup>24</sup> Inclusionary Housing and Supplemental Housing Mitigation Fee Ordinance prepared by Keyster Marston Associates (2020), available here.

The median size home in urban areas over the last several years has slightly increased from 4,000 to almost 5,000 square feet, which means that a typical 4,500 square foot home in the unincorporated county could cost approximately \$3,150,000 to construct (\$700/sq.ft.). This does not include the cost of the underlying land.

Few multi-family units are built in unincorporated Santa Clara County, due to the lack of sewer and water services. According to analysis by the UC Berkeley Terner Center for Housing Innovation, the per-square-foot hard costs for constructing multifamily projects in California climbed 25 percent over the course of 2008-2018, reaching \$222 per square foot on average statewide. In the Bay Area, including Santa Clara County, the average cost in 2018 was \$380 per square foot, representing an increase of 119 percent from 2008.<sup>25</sup>

#### 2.07e Availability of Financing

The COVID-19 pandemic has significantly altered the financial landscape for development and real estate within Santa Clara County. Since the start of the pandemic in early 2020 and the increasing prevalence of remote working in Silicon Valley, the general population has had an increase in demand for single-family residences in the county. The demand of single-family residences has led to a significant increase in home prices due to historically low mortgage interest rates, consistently decreasing until 2022.

Construction costs have also seen a significant increase due to labor costs as well as high demand of lumber. The Federal Reserve has steadily raised interest rates to combat high inflation of 8.2% in mid-2022<sup>26</sup> thereby slowly making it more expensive for developers and homebuyers to borrow.

The County's ability to mitigate for these effects is somewhat limited. However, in 2016 the voters of Santa Clara approved a \$950 Million Affordable Housing Bond with up to \$50 million set aside for homeownership programs. Launched in 2017, the County in partnership with Housing Trust Silicon Valley administers a \$25 Million Empower Homebuyers SCC program that offers down payment assistance to eligible first-time homebuyers.

# 2.07f Conclusion Regarding Non-Governmental Factors

Non-governmental factors in housing costs and production are ultimately the primary factors that determine price, availability, and affordability. In metropolitan areas that are largely built-out, redevelopment and infill development are a major source of new housing development opportunities. Urban land markets tend to place a premium on land the closer it is to central business districts, with good access, or in areas where higher densities are available.

<sup>&</sup>lt;sup>25</sup> https://ternercenter.berkelev.edu/wpcontent/uploads/2020/08/Hard Construction Costs March 2020.pdf

<sup>&</sup>lt;sup>26</sup> U.S Department of Labor (https://www.dol.gov/general/topic/statistics/inflation), accessed November 17, 2022

# **Chapter 3: Fifth Cycle Performance Review** and Sixth Cycle **Housing Strategies and Policies**

The purpose of this chapter is two-fold: to review the County's performance in meeting the fifth cycle Housing Element goals and to introduce the County's sixth cycle strategies and policies.

# Review of County's Fifth Cycle RHNA Assignment Performance

The County's actual housing production during the fifth cycle, from 2015-2022, exceeded the RHNA assignment and projections for the planning period.

Table 3.1 summarizes the County's fifth cycle RHNA targets, projected development, and actual production from 2015-2022. ABAG's RHNA process for the fifth cycle allocated a housing need of 277 units to unincorporated Santa Clara County. A total of 3,214 units have been permitted as of December 31, 2022, over 1,000 percent above the assigned 277 units. Roughly eighty percent of the approved units were

constructed in a series of high-density development projects on Stanford University campus in 2019. These units consisted of muchneeded moderate-income housing to meet the University's faculty and graduate student housing demand.

During the fifth cycle, housing demand increased for the unincorporated county. The increase in housing permits can, in part, be attributed to the passing of new State legislation allowing Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) in all areas zoned to allow single-family or multifamily uses, and other streamlining provisions. Following these laws coming into effect on January 1, 2020, there was a rise in ADU permit applications, and a related rise in permitting, to roughly three times the rate of applications preceding these laws.

Table 3.1: RHNA, Projections, and Achieved Housing Production

	Very Low	Low	Moderate	Above Moderate	Total
Fifth Cycle, 2015-2022					
RHNA Assignment	22	13	214	28	277
Projected	440	87	0	1555	2,082
Achieved	86	0	2,597	531	3,214
Sixth Cycle, 2023-2031					
RHNA Assignment	828	477	508	1,312	3,125

**Projected** 975 6,745 637 1,186 3,945

# 3.02 Recent Unincorporated **County Housing Development** Activity

The purpose of this section is to document how the County met its RHNA target for the 2015-2022 planning period, as measured by permits issued during that period for different dwelling types.

#### 3.02a Single-Family Residential Units

All primary single-family dwelling development is assumed to have been constructed and/or sold at market rates and are assumed to be affordable only to those with above-moderate incomes. Many singlefamily residences built within unincorporated urban pockets are new units that are replacing units that already existed, however, the statistic provided for single family dwellings is a 'gross' figure, consistent with the reporting standard for HCD's Annual Housing Element Progress Report.

# 3.02b Graduate Student Housing Development at Stanford University

Stanford University currently provides graduate student housing for 75% of its graduate students, and most graduate students occupy their apartments year-round for multiple years while they obtain their degrees. Additionally, the University houses approximately 97% of its undergraduates on campus. Of the graduate students at Stanford, an estimated 93% do not have children, including 70% in single

households and 23% in couple households. Approximately 7% of graduate students are estimated to have one or more children under the age of 18.

From January 2015 to December 2022, the County reported the construction of 2.597 moderate-income units on Stanford lands. According to Stanford University Graduate Student Housing Affordability Analysis Report (prepared by Keyser Marston Associates in May 2022), rents for 85% of graduate student housing spaces are within a range affordable to households with low- or moderateincomes. Monthly rents for apartments at Stanford range from \$1,473 to \$3,616 per month, depending on the number of bedrooms in the apartment and the size of the household sharing the apartment. Using this analysis and the determination of affordability categories in the HCD Official State Income Limits for 2022, the 493 studios for graduate students built since January 2015 would be affordable to low-income households. The remaining 892 two-bedroom apartments would be affordable to moderate-income households.

# 3.02c ADU Development

During the 2015-2022 planning period, 276 accessory dwelling units (ADUs) were permitted in unincorporated county, an average of 34.5 per year. In 2019, the State legislature passed multiple new laws streamlining the construction of ADUs and Junior ADUs (JADUs). These laws went into effect on January 1, 2020, and the County accordingly modified its Zoning Ordinance to reflect the updated State laws, effective March 10, 2020. These amendments resulted in a significant rise in ADU and JADU permit applications. From 2015 through 2019, the County approved roughly 21 ADU permits per year on average. In the three years since the ADU regulations were changed, 2020 through 2022, the County has approved increasingly more ADU permits each year: 40, 54, and 79, respectively. Looking forward, the County anticipates that the level of ADU permit applications will fluctuate over

time and the best rate to project through the 2023-2031 planning period is the average taken from 2018 through 2022, approximately 45 permits per year, yielding a projected 360 units in total during the sixth cycle planning period.

Table 3.2: Accessory Dwelling Permit issued 2015-2021

YEAR	ADU PERMITS ISSUED
2015	20
2016	13
2017	16
2018	22
2019	32
2020	40
2021	54
2022	82
8-year average	34.875
2018-2022 average	46

# 3.02d Agricultural Employee Housing Development

From 2015-2021, there were no agricultural employee housing permits issued in unincorporated county. In December 2020, the County significantly updated its Zoning Ordinance provisions for agricultural employee housing to streamline the planning approval and expand options for such housing. Since the adoption of these changes, three

permits have been issued for new single-family units of small-scale permanent agricultural employee housing.

Although not consisting of dwelling units for the purposes of reporting on RHNA progress in Annual Progress Reports, the County approved a 200-bed project for agricultural employees during the planning period, with building permits finalized in 2021. In addition, on August 29, 2023, the Board of Supervisors directed the preparation of an Agricultural Worker Housing Workplan to facilitate and further support agricultural worker housing production.

# 3.03 Review of County's Investment in Countywide Housing Efforts During Fifth Cycle and **Beyond**

In December 2014 the Board of Supervisors affirmed the County's role in promoting affordable housing, especially for vulnerable populations, and therefore the County must take an active role in developing, financing, and supporting various types of affordable housing for the populations the County serves. -The Board further established that the County's priorities were to:

- Increase the supply of housing that if affordable to extremely low-income (ELI) households;
- Increase the scope and breadth of supportive housing for special needs populations, including homeless and chronically homeless people; and,

Improve coordination and collaboration among the County, the cities, other governmental agencies, and the affordable housing community.

Since 2015 the Board of Supervisors has approved approximately \$1 billion in funds to support 66 housing development projects in 10 cities, yielding 6,231 multifamily residential units.

Concurrently, in an effort to accelerate the pace of development, the County has made available County owned properties for the production of affordable and supportive housing and worked with other governmental agencies to identify underutilized parcels that could be made available for housing. -The County of Santa Clara has a variety of County-controlled and County-owned properties, some of which are suitable for residential development. Many of the County-

controlled and County-owned properties suitable for residential are located within cities and the County's development of these properties to provide housing units does not count



towards the County's RHNA assignment. Nevertheless, the County has invested in numerous projects that create affordable housing in incorporated cities as a part of its longstanding commitment to providing all county residents with appropriate housing options. The County has established a process to give community stakeholders and other jurisdictions an opportunity to work in partnership with the County to develop County-controlled and -owned sites for affordable housing. The benefit of this collaborative approach includes a more

streamlined entitlement process and the opportunity to leverage local funding available for housing production.

In 2019, the County Office of Supportive Housing (OSH) created a pool of pregualified affordable housing developers who could respond to solicitations to develop affordable housing on County-owned land. This Developer Qualified Pool (DQP) consists of 16 experienced developers that are aligned with the County's goals of increasing affordable housing for Santa Clara County's most vulnerable and poorest residents. As County-controlled properties become available, the County issues a Request for Offers to accept development proposals from the DQP. The following five projects have been approved for development on County-owned sites, within city jurisdictional boundaries, utilizing the pool of selected developers:



#### 231 Grant Avenue - Palo Alto

OSH is partnering with Mercy Housing and Abode Communities to develop 110 affordable rental workforce apartments for teachers, school employees, and their families. The project is being developed with a donation by Meta (formerly Facebook) and in partnership with the City of Palo Alto and five local school and community college districts. In January 2022, the Board of Supervisors approved-the project and construction started in August 2023 of additional funding for this proposed new development. The developer is working on

obtaining permits and securing the necessary financing to start construction by July 2023. Please visit the 231 Grant | Mercy Housing California & Abode Communities project website for more information.

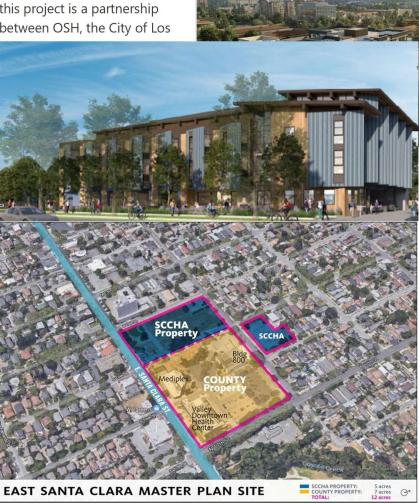
#### Mitchell Park - Palo Alto

Located at 525 East Charleston Road, this project is a partnership with Eden Housing to develop 50 affordable rental apartments and 2,750 square feet (sq. ft.) of service space for AbilityPath – a nonprofit that provides support services to individuals with special needs and developmental disabilities in the greater Bay Area. This development includes 25 apartments and services for individuals with intellectual and/or developmental disabilities and their families. Land use entitlements were approved by the Palo Alto City Council on March 8, 2022<sub>-</sub>, and on July 25, 2023 Eden Housing received an allocation of tax credits. Construction is expected to begin January 2024. - The developer is in the process of resubmitting tax credit application for funding. Please visit the Eden Housing project website for more information.

#### The Hub - San José

Located at 1510-1540 Parkmoor Avenue, this project is a partnership with Allied Housing to develop affordable rental apartments, including units for transitioned age foster youth, and The Hub, a youth-led community center dedicated to supporting current and former foster youth. Allied Housing has secured all necessary entitlements and financing. Construction is scheduled to being November 2023. The Planning application under review proposes 81 housing units. The developer is in the process of obtaining land use entitlements from City of San José. Please visit the Abode Services project website and The Hub Youth Center website for more information.

**Distel Circle - Los Altos** Located at 330 Distel Circle. this project is a partnership between OSH, the City of Los



Altos, and EAH Housing to develop affordable rental apartments. The

development includes 90 housing units. Land use entitlements were approved by Los Altos in September 2022. The developer is in the process of submitting tax credit application for funding. Please visit the EAH Housing project website for more information.

#### East Santa Clara - San José

Located at 725 East Santa Clara Street, this project is a partnership between OSH and Eden Housing and The Core Companies to develop affordable housing in accordance with the East Santa Clara Master Plan. Please visit the County project website for more information on the East Santa Clara Master Plan.

#### **Additional Sites to be Developed During Sixth Cycle**

In addition to these sites, the County has identified three additional sites within incorporated areas that together could yield the production of a minimum of 617 units of affordable, workforce and supportive housing during the 6th Cycle Housing Element.

# **Retaining Ownership of Property in Housing Development Projects**

The County Board of Supervisors has directed County Administration to, when possible and feasible, negotiate and incorporate County ownership of property into multifamily affordable housing transactions. Towards that directive, the County maintains ownership of property for the purposes of affordable and supportive housing by: 1) Negotiating property acquisitions as part of developer-led housing development projects, and 2) County-led efforts to increase the production of housing through proactive acquisitions of private properties or by using existing underutilized County-owned properties. In both cases, the County enters a long-term ground lease with the developer and all obligations to maintain and operate the site are the responsibility of the developer.

At present, using a combination of funds from the County's 2016 "Measure A" Affordable \$950 million Housing Bond, the State program No Place Like Home, and the County General Fund, the County has invested in, and OSH is managing, the following 68 projects:

- 17-22 developments funded by the 2016 Measure A Housing Bond, wherein the land is owned by the County and the housing development is managed/operated by a housing developer;
- 15-11 properties for which the County has approved Housing Bond funds and the Administration has negotiated an option to acquire;
- 12\_15 properties for which the County has approved Housing Bond funds but the properties are not directly controlled by the County;
- 20-21 properties acquired by the County and funded by the Housing Bond, where the County is either already working with a development partner or will be issuing a request for offer to select a development partner; and
- 4-34 County-owned properties not funded by the Housing Bond, which are currently used for supportive housing and/or are under consideration to be used as supportive housing.

Additionally, the County distributes federal funding through a variety of housing programs (see Chapter 4 for a summary of the housing programs the County offers). The County's many housing programs affirmatively further fair housing and support the provision of housing, particularly affordable housing, across the entirety of Santa Clara County and not only those unincorporated areas within County's planning jurisdiction. The County will be continuing the above approach to housing investments and policies in the sixth cycle, serving the entirety of Santa Clara County and not only unincorporated areas.

# 2015 Housing Element Update 3.04 **Program Outcomes**

Housing Element law requires an analysis and evaluation of programs implemented during the prior planning period as part of the 2023-2031 update process. A description of program outcomes from 2015-2023 for the programs identified during the previous housing cycle is captured in Appendix  $K'' \times K''$  and references the housing program numbers for the 2015-2023 cycle. Most of the programs listed in the 2015 Update were successful in meeting their objectives, and in general the County was highly engaged and productive in creating housing opportunities countywide, including by developing Countyowned lands, funding development of affordable housing in the incorporated cities, and offering robust housing-related services to county residents. As County agencies evolve, many of the programs have been closed out and/or consolidated into new programs.

# 3.05 Sixth Cycle Housing-Related Strategies and Policies

This section lists the strategies and policies of the County's General Plan related to housing, including new strategies that are being added for the sixth cycle. This section is an update and continuation of the County's 2015 Update. In addition, this section lists the implementation programs relevant to each strategy and policy, with more detailed program descriptions provided in Chapter 4.

The Housing Element Update is a part of and is required to be consistent with the County's General Plan, including the countywide growth management policies, health and transportation elements, and relevant portions of other elements. However, with a RHNA assignment that has increased by 1,028 percent from the previous cycle, the

County will need to make a few significant changes to the County's General Plan policies, namely, to enable the County to plan for development within urban unincorporated islands inside of an adjacent city's USA. Nevertheless, this 2023 Housing Element Update will ensure that the General Plan goals, strategies, and policies related to the promotion of compact, urban development and preservation of open space and prime farmland will continue to be promoted in a purposeful manner.

The strategies and policies of the 2015 Update have been reviewed in accordance with current State requirements as part of the 2023 Update. There are modest changes to the 2015 Update policies and strategies, and the addition of a significant set of new policies and a new strategy addressing the impacts of climate change on housing in the county. Furthermore, the 2023 Update adds new policies to address the Federal program of Affirmatively Furthering Fair Housing (AFFH) in accordance with new State law requirements.

The policies delineated below are organized according to overall strategies or topics that provide a broad policy direction.

# 3.05a Strategies

Over the last two Housing Element cycles, the County has focused on increasing the housing supply countywide in the urban areas as well as on the Stanford University campus. Market-rate housing development has largely been led by individual cities, through development within urban unincorporated county islands that are annexed into adjacent cities. Concurrently, through the direction of the Board of Supervisors and implemented by OSH, the County has focused its efforts on assisting with the development of primarily extremely low-income and low-income units. The provision of adequate housing for a growing and diverse population requires a complex, comprehensive approach beyond development alone. To successfully address current and

projected housing needs, the location, the type, and the price of new housing are all key factors. Accordingly, the primary objective of the strategies and policies of the County's Housing Element is to achieve and maintain a balanced housing supply countywide while affirmatively furthering fair housing and remedying past harms. A balanced housing supply is defined here as one that is affordable and accessible to all residents, adequate to meet the overall demand, and appropriately distributed across the county. A balanced housing supply depends upon maintenance, preservation, improvement, and development of housing.

The below strategies will guide the County as it progresses toward achieving balance in its housing supply. They ensure increased housing opportunities for households at all economic levels and do so while balancing other economic, social, and environmental objectives that enjoy broad popular support in Santa Clara County. In doing so, the strategies and the policies that seek to balance the practical and constitutional limits on local governments while taking into account the genuine and universal need of all our residents for just and affordable housing.

To ensure that these strategies meet the needs of the community, substantial outreach was conducted (see Chapter 1, Section 1.08). The outreach led to the creation of new strategies and policies to address concerns raised by local housing advocates and the community at large. Existing policies were modified, where appropriate. The categorization of policies under strategies, and in some cases, the creation of a policy cluster headed by a new strategy, was guided by the results of the outreach.

Brief descriptions of the County's ten strategies are below, followed by detailed tables linking each strategy—explained in further detail—to policies and implementing programs.

Strategy No. 1: Plan for a Balanced, Countywide Housing Supply Support every Santa Clara County jurisdiction in developing diverse housing types within existing and new communities to meet the needs of all households, affordable housing production goals, State Housing Element requirements, and regional land use and transportation planning objectives.

#### Strategy No. 2: Promote Cooperation and Collaboration on **Residential Development**

Explore every feasible opportunity to assist developers in building more affordable housing projects. By working with neighborhood residents, community organizations, and the private sector to promote a diverse housing supply, the County can capitalize on all the ideas, expertise, and untapped resources within the county.

#### Strategy No. 3: Provide Financial Assistance for Extremely Low-**Income Housing**

Housing in the county, and in the Bay Area in general, is expensive to build and these costs have been increasing over the last decade. To ensure that the housing needs of all residents are met—and with a focus on extremely low-income housing—the County will continue to work with developers and use "Measure A" Housing Bond funds to make housing projects financially feasible.

#### Strategy No. 4: Remove Unnecessary Barriers to Housing Utilize expedited project review, adaptable development standards, funds for affordable housing programs, additional density bonuses, and other measures to reduce housing development costs.

**Strategy No. 5: Ensure Support for Fair Housing Law and Practices** Discriminatory housing practices are still a challenge for low-income, disabled, and racial/ethnic minority households. This discrimination further restricts access to permanent housing and temporary housing.

This strategy focuses on furthering fair housing efforts and educating residents on tenant and landlord rights and responsibilities.

#### **Strategy No. 6: Provide for Special Needs Households**

To create a balanced housing supply, the County must include housing suitable for to meet the needs of households with special needs. This includes housing for people of all ages who have physical or intellectual challenges, or those with extremely low or no income. The policies pertaining to housing for special needs households encourage a closer partnership between developers and the County and cities to ensure that new housing is built to accommodate different type of households.

#### Strategy No. 7: Address Homelessness Consistent with Housing **First Principles**

The County and cities are experiencing a crisis of homelessness, and there is a need to prioritize and increase programs and efforts to provide immediate shelter and assistance in attaining permanent housing. Homeless shelters shall continue to be supported by service providers with the full range of assistance needed by the homeless. Temporary emergency shelters shall be used only as part of a continuum of care that leads to permanent housing.

#### Strategy No. 8: Maintain and Expand the Supply of Farm Worker Housing

The State considers housing for farm workers to be one form of special needs housing. Farm worker housing is vital to a viable agricultural economy and healthy communities in the county. This strategy focuses on addressing farm worker housing needs, particularly for year-round farm workers and their families.

#### Strategy No. 9: Conserve and Rehabilitate the Existing Housing Stock

Preserving and rehabilitating existing homes is an effective way to sustain the supply of affordable housing. The policies in this strategy encourage replacement of older, affordable housing lost through redevelopment or conversion to market rate housing. The policies also promote timely neighborhood improvements to prevent decay. The reuse and repurpose of underutilized buildings should be encouraged with adequate improvements to meet building and safety codes.

#### Strategy No. 10: Plan for Climate Change Impacts on Existing and **Future Housing Stock**

Santa Clara County is already experiencing the effects of the climate crisis. The County needs to ensure that existing and future housing stock is resilient to the impacts of climate change and extreme weather events. Policies under this strategy promote greater energy efficiency and resiliency in new and existing housing stock.

These strategies are designed not only to implement policies and programs that will effectively address countywide housing needs, but also to promote the other land use and development objectives expressed elsewhere in the General Plan, thereby supporting the housing-related goals in the Vision Statement of the General Plan and indirectly supporting other community goals. The strategies also span the entire County, though individual implementation measures may apply to only the unincorporated areas, to the County as a governmental entity, or countywide.

#### 3.05b Completed Policies & Programs

The strategies and policies of the 2015 Update have been reviewed in accordance with the State requirements as part of the 2023 Housing Element Update. Changes to the 2015 Update primarily focuses on consolidating and updating policies and programs to reflect the County's current organizational structure and its focus on ending and preventing homelessness in Santa Clara County. The main changes

include removing programs where funding sources for affordable housing production have been consolidated into a single over-thecounter Notice of Funding Availability, organizing the County's homelessness policies to be more consistent with the 2020-2025 Community Plan to End Homelessness, and introducing new policies and programs that address the County's commitment to affirmatively further fair housing. Appendix  $\underline{K}''x''$  provides an assessment of the status, progress, and accomplishments of each of the policies and programs in the 2015-2022 Housing Element. Notable accomplishments during fifth Housing Element cycle include:

- The voter-approved \$950 million 2016 "Measure A" Affordable Housing Bond, which is projected to fund 120 new affordable housing developments over ten years, including 4,800 new units dedicated to extremely low-income and very low-income households. As of November 1, 2022, the Board of Supervisors has approved 47 developments that will yield over 4,000 affordable and supportive housing.
- Streamlined housing development funds into one over-the-counter Notice of Funding Availability, which allowed the County to fund over 50 new development projects across ten of the fifteen incorporated cities in the county.

Merged the County's Office of Affordable Housing and Office of Homelessness Concerns to form the Office of Supportive Housing, which positioned the County to rapidly scale the production of supportive housing, adding more than 2,700 units and housed over 21,000 people since 2015.

#### 3.05c Ongoing and New Policies and Implementation **Measures by Strategy**

In this section, each Strategy is discussed in turn, and the associated Policies and Implementation Measures are listed. Housing Policies are identified by an indicator of "HG" followed by the associated Strategy number and then the policy number. Policies with subparts are indicated with a hyphenated suffix—for example, HG1-1 is a subpart of Housing Policy HG1. Implementation Measures are labeled by the associated Strategy number, followed by an "(i)" and a letter—for example, HG1(i) A. Programs associated with each Implementation Measure are listed beneath each Measure. The full program descriptions are provided in Chapter 4.

#### Strategy No. 1: Plan for a Balanced Countywide Housing Supply

A balanced housing supply is one that is adequate to meet housing needs and is affordable and accessible to all residents. "Balanced" refers not only to a sufficient amount of housing at various income levels, but also refers to a variety of housing types appropriate for a range of needs, and a variety of locations that complement transit opportunities and concentrations in employment. "Balance" goes beyond mere parity between the quantity of housing and the number of jobs. The housing stock must reflect household income and lifestyle profiles. The existing housing crisis in the State and in the Bay Area underscores the urgent need to provide a balanced housing supply in the county, ensuring that new housing projects fill in the gaps in the housing market, as well as encouraging the creation of diverse, walkable neighborhoods where in there is a mix of population, ages, and incomes. The County will support the production of housing of diverse size and type that is affordable to extremely low-income, very low-income, low-income, moderate-income, and special needs populations.

The County is obligated by State housing law to support equity and ensure that it plans for, to the extent feasible, housing opportunities in the unincorporated area that are affordable to moderate-, low-, very low-, and extremely low-income households. For a variety of reasons, the majority of those opportunities will continue to be more commonly found in the urban unincorporated areas inside city USAs. The County's General Plan goal is to have all unincorporated areas within USAs annexed by the respective cities to ensure all urban areas are managed by cities, and therefore the cities are authorized to plan the future growth of these USAs. However, given the new housing allocation methodology utilized by ABAG - allocating units partly based on existing population within jurisdictions - the County will update its General Plan to allow the County to plan for housing in these urbanized islands when cities do not have a plan for annexation. The polices under this strategy are set forth below.

Policies		Implementation Measures
HG1-1	Planning for the supply and diversity of housing types in urbanized areas of the County shall include consideration of both current and projected employment, household income needs, and a variety of housing types.	HG1(i) A  Maintain and, where necessary, strengthen County and cities' joint land use policies and agreements that direct urban development to areas within city urban service
HG1-2	Housing at urban densities shall generally be built within the cities and their urban service areas, not in rural areas.	areas.  Program 2. <u>1</u> 1: Joint Urban Development Policies <u>Program 4.03 – Coordinated Annexation and RHNA Transfer</u> <b>HG1(i) B</b>
HG1-3	Focus the County's limited housing production resources on special needs populations, farmworkers, and extremely low-income households.	Encourage public support of city efforts to create a balanced housing supply, which includes housing affordable to special needs, farmworkers, and extremely low-income households.  Program 1.01: Supportive Housing Development Fund Notice of Funding Availability (SHDF NOFA)
HG1-4	Encourage homeownership opportunities for lower-income households.	HG1(i) C  Continue to implement new homeownership programs that provide an opportunity for lower-income households that would otherwise struggle to afford a home, furthering the equity and sustainability of homeownership.
HG1-5	Prioritize suitable County-owned, underutilized parcels within cities and Urban Service Areas for affordable, supportive, and workforce housing development.	Program: 1.01: Supportive Housing Development Fund Notice of Funding Availability (SHDF NOFA)  Program 1.02: Limited Equity Housing Cooperative Projects (LEHCs)
HG1-6	Ensure housing development projects within unincorporated Urban Service Areas contain an equitable mix of housing typology and housing options for different household income levels.	Program 1.03: Homeownership Projects  Program 1.04: Empower Homebuyers SCC
HG1-7	Work with local transit authorities to locate housing within one-quarter mile walking distance to a transit station or stop to provide connectivity to services (such as schools, grocery stores, parks, etc.), and to prioritize constructing	Program 1.05: Mortgage Credit Certificate Program (MCC)  Program 1.06: Below Market Rate Partnership Program

	multi-modal transportation networks (sidewalks, bicycle lanes, trails, etc.), and other amenities within existing unincorporated neighborhoods.	Program 1.32: Community Development Corporation Grant Program
		HG1(i) D
		Continue consideration of County owned lands suitable for the construction of extremely low-income housing and prioritize the development of County-owned sites suitable for housing development and when possible adjacent to transit.
		Program 1.07: County-Led Housing Development
		Program 1.17: Permanent Supportive Housing for Persons with a Serious Mental Illness
	Until a city annexes the unincorporated islands within its USA, the County will plan for housing development in these areas, as necessary to address Housing Element law during a planning cycle and Regional Housing Needs Allocations (RHNA).	Program 2.01: Housing Suitability and Prioritization Tool for County-Owned Properties
		Program 2.08: Housing Adjacent to Transit
		Program 3.01: SCC Mental Health Department Evans Lane Wellness and Recovery Center
HG1-8		HG1(i) E
		Amend General Plan and Zoning Ordinance to Plan for Housing in Unincorporated USAs and Stanford University Lands.
		Program 2.02: Planning for Housing Development in Unincorporated USAs <u>and</u> <u>Stanford University Lands</u>
		Program 2.23: Facilitate State Permit Streamlining Laws
		Program 2.24: Streamline Multi-Family Housing Development
		Program 2.27: Objective Standards for Multi-Family Housing
		Program 2.30: Incentivize Lot Consolidation

#### Strategy No. 2: Promote Cooperation and Collaboration on Housing Development

There are numerous housing agencies and advocacy groups within the county with opportunities to cooperate and collaborate to address housing issues, thus saving time and money, and expediting the introduction of innovative ideas and best practices throughout the housing community. The County and cities are well-positioned to work jointly to promote interjurisdictional and public/private efforts to expand the housing supply, and within County Departments, there are several agencies that either rely upon or provide housing services. For example, the County's Office of Supportive Housing (OSH) has a mission to increase the supply of housing and supportive housing that is affordable and available to extremely low-income and/or special needs households. Additionally, the County administers the Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME Program). The County CDBG program is administered for the cities of Campbell, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill, and Saratoga, while it manages the HOME program for the cities of Cupertino, Gilroy, and Palo Alto.

There are many instances of collaboration between County and city governments to attain balance in the county's housing supply. The primary existing mechanism is the set of 40year-old joint growth management policies of LAFCO, the cities, and the County that focus urban growth inside cities' Urban Service Areas (USAs). These growth management policies are designed to place most of the County's housing growth in the cities of the County, and results in most of the high density and affordable housing being created primarily in the cities. In November of 2016, Santa Clara County voters approved Measure A – the \$950 million affordable housing bond (Housing Bond). The Housing Bond provides the County with an unprecedented opportunity to partner with cities, residents, and the affordable and supportive housing community to significantly address the housing needs of the community's poorest and most vulnerable residents. The County, through the Office of Supportive Housing, has accelerated the production of affordable, supportive, and workforce housing throughout the County in partnerships with cities and other governmental entities through its implementation of the Housing Bond.

Policies		Implementation
HG2-1	The County and the cities should work cooperatively to ensure that there is a balanced housing supply sufficient to achieve countywide economic, social, and environmental objectives. Further opportunities for inter-agency, intergovernmental, interregional, and public/private cooperation should be sought out and encouraged.	<ul> <li>HG2(i) A Maintain intergovernmental agreements to address countywide housing objectives and to ensure an adequate supply of affordable housing countywide. </li> <li>Program 1.08: Joint Development Memoranda of Understanding (MOU)</li> <li>Program 1.09: Housing Trust of Silicon Valley</li> </ul>
HG2-2	Intergovernmental and public and private cooperation shall be encouraged to achieve an adequate supply of affordable housing that meets changing demographic needs in Santa Clara County.	<ul> <li>Program 1.10: Santa Clara County CDBG and Housing Coordinators' Convening</li> <li>Program 1.16: Collaborate with the Santa Clara County Housing Authority (SCCHA)</li> <li>HG2(i) B</li> <li>Establish and expand intergovernmental processes to more effectively define and achieve local and regional housing objectives.</li> <li>Program 1.10: Santa Clara County CDBG and Housing Coordinators' Convening</li> </ul>
HG2-3	Housing resources should be combined, and their use coordinated, among County Departments.	<ul> <li>Program 2.09: Santa Clara County Association of Planning Officials</li> <li>Program 2.29: Apply for Prohousing Designation</li> <li>HG2(i) C</li> <li>Continue to support cross-agency integration of housing services within the County Departments through internal agency agreements.</li> <li>Program 1.11: Internal County Coordination of Housing Funds and Services</li> </ul>

- Program: 2.09: Santa Clara County Association of Planning Officials
- Program 2.29: Apply for Prohousing Designation

#### Strategy No. 3: Provide Financial Assistance for Extremely Low-Income Housing

Extremely low-income (ELI) households are those households with an income less than 30% of the area median income (AMI). In a high-cost and low-vacancy housing market, such as Santa Clara County, financial assistance to home builders, buyers, and renters is necessary to ensure that housing affordable to ELI and special needs households is built. However, public funds for this purpose are limited. Therefore, publicly funded housing programs should give priority to housing for ELI households. The goal of any public housing assistance program should be to ensure the availability of housing that is suitable and affordable to those not provided for by the current market.

By ensuring that a sufficient amount of new housing will be affordable to ELI households, the policies in this Strategy will also help to achieve the vision of the General Plan for social diversity and economic growth. Effective partnerships between home builders and local government will ensure that affordable housing is built in ways which also support the full range of land use objectives supported by Santa Clara County residents.

Policies		Implementation
HG3-1	Local funds for housing shall be targeted to households earning less than 30% of the County median income and special needs populations.	<b>HG3(i) A</b> Participate in intergovernmental efforts to secure Federal and State legislation, which will ensure adequate funding for, and tax and other incentives for, the construction and
	The provision of permanent supportive housing for extremely low-income households shall be given high priority in housing assistance programs.	preservation of extremely low-, very low-, low- and moderate-income ownership and rental housing.  • Program 1.12: Coordinate with Bay Area Housing Finance Authority
		Program 1.13: Supportive Housing and Innovation Fund (Destination Home)
		Program 1.16: Collaborate with the Santa Clara County Housing Authority (SCCHA)
HG3-2		HG3(i) B  Continue to use suitably located surplus publicly owned lands for housing affordable to extremely low-, very low-, and low-income households through the sale or lease of such land to a government entity, or to nonprofit or private home builders with appropriate terms and conditions guaranteeing long term affordability.
		Program 1.16: Collaborate with the Santa Clara County Housing Authority (SCCHA)
		Program 2.01: Housing Suitability and Prioritization Tool for County-Owned Properties
		Program 1.07: County-Led Housing Development

#### Strategy No. 4: Remove Unnecessary Barriers to Housing

Another important means by which County and city governments can cooperatively encourage affordable housing is to work with developers to reduce the costs of development. Lengthy project review times and important, but increasingly complex, development requirements (such as green building requirements), are costly for developers, who then pass additional costs to the future occupant.

State housing law requires each jurisdiction, as part of their Housing Element Update process, to review their development standards and review procedures for opportunities to remove unnecessary constraints. Over the last Housing Element cycle, the County has taken several steps to allow for more housing opportunities, as well as improving the permit review and approval process, primarily investing in new technological systems that improve the permitting and recordkeeping process. As part of the County's commitment to keep improving the permit process, there is a continuous review of processes to seek improvements and revisions to ordinances to facilitate the building of housing.

With new State laws in response to the housing crisis that allow for the development of Accessory Dwelling Units (ADUs), Junior Accessory Dwelling Units (JADUs) and second primary units (Senate Bill 9 or SB9 units – referred to as Urban Primary Units in the County ordinances) in areas zoned for single-family development, it is imperative that the County continue to streamline the regulatory and permit review process for these types of development.

To reaffirm this intent, the County continually reviews development trends, policy interpretation implications, and new State laws. If necessary, the County's policies and standards are revised to ensure that housing and development objectives are met and are aligned with State objectives.

Policies		Implementation
HG4-1	The County should continually review its land use and development procedures for opportunities to remove unnecessary constraints to, and provide new opportunities to fund, the construction of affordable housing.	HG4(i) A Identify and utilize a forum for sharing of best practices for removing governmental and nongovernmental constraints to housing development.  • Program 1.10: Santa Clara County CDBG and Housing Coordinators' Convening  • Program 2.09: Santa Clara County Association of Planning Officials
HG4-2	Review and reduce, where appropriate, regulations and processing procedures regarding the development of ADUs, JADUs, and SB9 Units.	HG4(i) B Implement Inclusionary Housing Fee Program for affordable housing project types.  Program 2.03: In Lieu Fee Program for State Density Bonus and Affordable Housing  HG4(i) C Monitor and modify development standards as needed, including the trends of ADU, JADU, and
HG4-3	Update parking standards to allow more flexibility for a variety of housing types.	SB 9 development, to ensure development standards are objective, up to date with current State law, and reported to the State Department of Housing and Community Development annually.  Program 2.07: Streamline Accessory Dwelling Unit (ADU) Processing  Program 2.10: Digital Tracking System for ADU, JADU, & SB9 Units.  Program 2.23: Facilitate State Permit Streamlining Laws  Program 2.24 Streamline Multi-Family Housing Development  Program 2.25: Tracking and Ongoing Compliance with State Housing

Program 2.27: Objective Standards for Multi-Family Housing

#### HG4(i) D

Create opportunities for adaptive reuse of non-residential buildings where single-family residential uses are allowed in the County Zoning Ordinance. The County will remove barriers related to development standards, such as providing exceptions to setbacks, building heights, and parking requirements, when a non-residential building is converted to a single-family residence.

- Program 2.12: Update the Zoning Ordinance for Re-use of Non-Residential Buildings to Residential.
- Program 2.24: Streamline Multi-Family Housing Development
- Program 2.30: Incentivize Lot Consolidation

#### Strategy No. 5: Ensure Support for Fair Housing Law and Practices

Illegal housing discrimination limits access to an already inadequate supply of affordable housing, which further exacerbates the imbalance between available housing and household needs, particularly for those of modest means. Discriminatory acts can be so subtle that many victims cannot readily detect them.

Ensuring equal access to housing for all residents is a responsibility of government. The County's goal is to promote equal housing opportunities and to eliminate discriminatory housing practices. Despite the escalating costs of enforcement, County anti-discrimination programs have been effective. By ensuring equal access to housing, the County will achieve its housing goals and the objective of social equity and harmonious diversity expressed in the vision of the County General Plan.

Fair housing challenges often occur within an existing landlord / tenant relationship. Such challenges include unanticipated rent increases, changes in the terms of occupancy, evictions, lack of information regarding recourse for tenants, maintenance and condition of the leased property, late rental payments, and occupant behavior. Introducing financial assistance to rehabilitate properties and/or counseling services to address issues such as rent increases can help to resolve such tenant and landlord disagreements.

The County provides funding to several non-profit organizations that assist tenants and landlords. Funding is limited and these organizations are often understaffed. Consistent and adequate funding would increase the likelihood of both eliminating discrimination and improving tenant/landlord relations. In addition to aiding improvements in tenant and landlord relations. The efforts to resolve tenant/landlord problems should be continued and, where necessary, reinforced.

In 2018, the State passed Assembly Bill (AB) 686 as the Statewide framework to Affirmatively Furthering Fair Housing (AFFH). AB 686 requires that a local jurisdiction promote inclusive communities, further housing choice, and address racial and economic disparities through government programs, policies, and operations. This law is an important tool to address systemic racism in housing and achieve positive impacts for all. AB 686 applies to all public agencies in all activities related to housing and community development. In response to the new law, the County has added new polices and implementation programs to meet AB 686 under this strategy.

Racially and ethnically concentrated areas of poverty (R/ECAPs) have become a policy focus for the federal Department of Housing and Urban Development (HUD). R/ECAPs are neighborhoods where residents are largely people of color and have lower incomes. State statute requires the Housing Element's Assessment of Fair Housing to analyze R/ECAPs as well as racially concentrated areas of affluence (RCAAs). In contrast to R/ECAPs, RCAAs are neighborhoods where the population is disproportionately white and affluent.

"Burdened Households" are those with burdened with a rent cost that is 30 percent or more of their monthly income.

The policies and implementation programs set forth below continue existing policies and include new policies that work towards AFFH goals and serve county residents in all R/ECAPs countywide (i.e., not just in unincorporated areas).

Policies		Implementation
HG5-1	The County shall continue its work to enforce laws and foster policies and programs aimed towards preventing discrimination against people of protected status under Federal and State law.	<b>HG5(i) A</b> Facilitate access to Federal and State home rehabilitation loans or grants to qualifying persons of extremely low-income.
HG5-2	Fair housing services shall be available in all parts of the County.	<ul> <li>Program 1.04: Empower Homebuyer SCC</li> <li>HG5(i) B</li> <li>Fair housing services shall continue to offer standardized protection and outreach services throughout the County.</li> </ul>

HG5-5 HG5-6 HG5-7	Identify and increase access to services and other opportunities for residents of historically disinvested low-income communities (R/ECAPs and Burdened Households) across unincorporated county.  Support cities in improving opportunities within neighborhoods and areas identified as R/ECAPs and/or neighborhoods with a majority of Burdened Households.  Promote residential racial and ethnic integration and reduce displacement by increasing the supply of affordable housing in High Opportunity Areas, in areas with ongoing displacement, and in areas where residents are at risk of displacement.	<ul> <li>HG5(i) F         Identify R/ECAP and communities with Burdened Households and identify areas of improvement that will increase access to amenities and resources such as (but not limited to) transit, parks, fresh groceries, and health improvement facilities.     </li> <li>Program 2.13: Identify R/ECAP and communities identified by HUD as burdened households.</li> <li>Program 2.28: Tracking Housing Conditions</li> </ul>
HG5-4	Reduce displacement of low-income household tenants and increase tenant protections prior to eviction proceedings.	<ul> <li>Program 1.14: Fair Housing Consortium Assistance Program</li> <li>Program 3.01: SCC Behavioral Health Department Evans Lane Wellness and Recovery Center</li> <li>HG5(i) D Continue to support organizations active in ensuring the rights of all persons to obtain and retain housing.</li> <li>Program 1.19: Eviction Diversion Program</li> <li>Program 1.14: Fair Housing Consortium Assistance Program</li> <li>Program 1.15: Fair Housing Audit &amp; Education Program</li> <li>Program 2.13: Identify R/ECAP and communities identified by HUD as burdened households.</li> <li>HG5(i) E Maintain tenant/landlord dispute mediation services in all areas of the County.</li> <li>Program 1.18: Tenant/Landlord Dispute Mediation Services</li> <li>Program 4.01: Dispute Resolution Program</li> </ul>
HG5-3	The rights of tenants and landlords shall be recognized and protected, and opportunities for mediation of disputes shall be provided.	<ul> <li>Program 1.14: Santa Clara Fair Housing Consortium Fair Housing Assistance Program</li> <li>Program 1.15: Fair Housing Audit &amp; Education Program</li> <li>HG5(i) C</li> <li>Fair housing services provided shall be respectful of language, culture, and special needs.</li> <li>Program 1.20: San Andreas Regional Center</li> </ul>

#### Strategy No. 6: Provide for Special Needs Housing

Many Santa Clara County households encounter extraordinary difficulty in finding both affordable and accessible housing. In addition to the housing constraints already imposed by limited income, there are additional burdens faced by special needs and vulnerable populations, such as the elderly, large families, female-headed households, at-risk youth, victims of domestic violence, agricultural employee families (addressed specifically in Strategy No. 8), the homeless (addressed specifically in Strategy No. 7), and by those that are differently abled. These types of households are identified as special needs households. The needs of these groups call for specific program responses.

Community input showed significant interest and concern for the housing needs of all special needs populations. The input affirmed the need for policies promoting housing with support services. In addition, the community emphasized the need to adopt new policies that facilitate aging in place, such as incorporating Universal Design<sup>27</sup> in building codes. The community input also sought collaborative efforts by and among all cities, County agencies, and nonprofit housing-related organizations to ensure housing resources are well advertised and better utilized to prevent homelessness, address special needs, and provide paths to permanent housing.

Because homes for special needs households often require design features not typically required by other households, housing suitable for special needs households is rarely provided by the private market without some public assistance. The County and cities can encourage the production of special needs housing by identifying the scope of need in each community and using housing funds to enable builders to construct the needed extremely low-income (ELI) units in coordination with County's direct referral services to ensure access to vulnerable and special needs populations. Through reducing constraints, local governments can improve the economics of such projects without compromising standards for health and safety (this approach is implemented through Strategy No. 4 addressing constraints to housing production).

The latest U.S. Census continues to indicate a growing elderly population in the county. Since 2000, the population share of residents in unincorporated county 65 years and older has increased to 15% of the total population and is projected to increase to over 20% by 2030 and reach 25% around 2045. This is a higher percentage of elderly population than the State of California (11 %), and country (13 %) as a whole. As such, planning for the senior population will be a growing need for the Country to address. It is imperative that new housing suitable to the needs of a variety of senior households be integrated into every community.

The following policies continue existing policies identified in the previous Housing Element, while adding new policies to help the County update its understanding of the demand for special needs housing in the county, including senior housing.

Policies		Implementation
HG6-1	Encourage the development of affordable housing that is suitable for a variety of special needs populations.	<ul> <li>HG6(i) A         Advocate for the expansion of Federal and State programs and funding to assist local government in developing special needs housing not provided through the private market.     </li> <li>Program 1.01: Supportive Housing Development Fund Notice of Funding Availability (SHDF)</li> </ul>
HG6-2	An adequate supply of affordable housing suitable for individuals at all stages of life should be available in every community.	<ul> <li>NOFA)</li> <li>Program 1.12: Coordinate with Bay Area Housing Finance Authority</li> <li>Program 1.16: Collaborate with the Santa Clara County Housing Authority (SCCHA)</li> <li>Program 1.17: Permanent Supportive Housing for Persons with a Serious Mental Illness</li> </ul>

<sup>&</sup>lt;sup>27</sup> Universal Design is a building concept that incorporates products, general design layouts, and characteristics into residences in order to make the residence usable by the greatest number of people, respond to the changing needs of the resident, and improve the marketability of the residence.

HG6-3	Expand the Home Repair and Modification Program to include the retrofit of existing housing units to become ADA compliant.	<ul> <li>Program 3.01: SCC Behavioral Health Department Evans Lane Wellness and Recovery Center</li> <li>HG6(i) B</li> <li>Develop and implement policies and ordinances that create housing that is adaptable to the needs of physically, developmentally, and emotionally challenged persons.</li> </ul>
HG6-4	Incorporate Universal Design Principles into existing residential building standards.	<ul> <li>Program 1.01: Supportive Housing Development Fund Notice of Funding Availability (SHDF NOFA)</li> <li>Program 1.20: San Andreas Regional Center</li> <li>Program 2.14: Universal Design in Housing Development</li> <li>Program 3.01: SCC Behavioral Health Department Evans Lane Wellness and Recovery Cente</li> </ul>
		<ul> <li>HG6(i) C Maintain existing programs to provide "Housing for All Ages," including housing for multigenerational households.</li> <li>Program 1.31: Minor Home Repair and Maintenance Program</li> <li>Program 2.17: Expand Home Repair and Modifications to Include ADA Upgrades</li> <li>Program 2.18: Training and Support to Homeowners Aging in Place</li> <li>HG6(i) D Maintain existing programs to provide housing suitable for families with children in need.</li> <li>Program 1.11: Internal County Coordination of Housing Funds and Services</li> <li>HG6(i) E Support implementation of housing-related policies in the county.</li> <li>Program 1.24: Community Plan to End Homelessness</li> <li>Program 3.01: SCC Behavioral Health Department Evans Lane Wellness and Recovery Center</li> </ul>

#### Strategy No. 7: Address Homelessness Consistent with Housing First Principles

Homelessness is a persistent and chronic problem for many individuals, but its effects touch whole communities. The countywide unhoused population remained between 7,200 and 7,500 people from 2007 to 2017, when there was a significant jump. From 2017 to the present, the unhoused population has increased. In a survey conducted in 2022, the unhoused population had grown to 10,000. Families with children, seniors, individuals with disabilities, veterans, youth, and young adults are all represented in the county's diverse unhoused population.

The growing income gap between higher-income and lower-income populations in the county and the lack of housing development particularly at the lowest income levels contribute to the homelessness crisis. According to the Public Policy Institute of California, families at the highest income levels in the Bay Area (the 90th percentile) have more than 12 times the income of families at the bottom (the 10th percentile).<sup>28</sup> Those at the lower end of the income level have not shared in the region's significant economic growth. In Santa Clara County, between 2000 and 2015, workers with earnings in the 10th percentile saw their income decline by 12%.<sup>29</sup>

In 2015, the community came together to create a roadmap for ending homelessness in Santa Clara County. The 2015-2020 Community Plan to End Homelessness centered around a collective impact response and the proven Housing First model. The Plan helped 8,884 households resolve their homelessness, doubled the number of supportive housing units, and increased temporary and emergency shelter capacity. Following a robust community engagement process and coordination, the County and its partners updated the roadmap for ending homelessness in the 2020-2025 Community Plan to End Homelessness, focusing on three core strategies: 1) Address the root causes of homelessness through system and policy change; 2) Expand homelessness prevention and housing programs to meet the need; and 3) Improve quality of life for unsheltered individuals and create healthy neighborhoods for all. The Community Plan to End Homelessness continues to guide the County, cities, non-profit agencies, and community members on decisions about funding, programs, and needs for addressing the root causes of homelessness in the county.

Policies		Implementation
HG7-1	Expand homelessness prevention programs to support individuals and families most at risk of becoming homeless.	HG7(i) A Transition the Homelessness Prevention System Pilot into an ongoing housing intervention
HG7-2	Expand supportive housing programs, including permanent supportive housing and rapid rehousing programs.	within the Supportive Housing System and continue to secure public and private funding to aid 2,500 households annually.  • Program 1.11: Internal County Coordination of Housing Funds and Services
HG7-3	Improve the quality of life of unsheltered individuals by expanding the capacity of temporary housing programs and providing basic needs services to individuals experiencing unsheltered homelessness.	<ul> <li>Program 1.21: Homelessness Prevention System</li> <li>Program 1.22: Emergency Assistance Network</li> <li>Program 1.24: Community Plan to End Homelessness</li> <li>HG7(i) B</li> </ul>

<sup>&</sup>lt;sup>28</sup> Public Policy Institute of California, "Income Inequality in California." 2020. https://www.ppic.org/publication/income-inequality-in-california/

<sup>&</sup>lt;sup>29</sup> Bay Area Equity Atlas, "Earned income growth for full-time wage and salary workers: Santa Clara County, CA, 2000–2015." https://bayareaequityatlas.org/indicators/incomegrowth#/?geo=04000000000006085

HG7-4	Continue to use hotels and motels to provide interim housing options for unsheltered households and seek additional Homekey funding from the State for capital improvements and to support ongoing operating funding.	Continue to collaborate with affordable housing developers, non-profit agencies, county departments, local and regional partners to expand affordable and supportive housing.  Program 1.23: City Revenue Agreements Program 1.24: Community Plan to End Homelessness  HG7(i) C Continue to support community-based organizations that provide services to the unhoused population. Program 1.24: Community Plan to End Homelessness Program 1.25: Temporary Housing Programs Program 1.28: Lived Experience Advisory Board (LEAB)  HG7(i) D Coordinate with cities to construct service enriched emergency shelters consistent with the Community Plan to End Homelessness's goal to double the number of temporary shelter beds by 2025.  Program 1.24: Community Plan to End Homelessness Program 1.27: Service Enriched Shelter Forgiveness Loan Program  HG7 (i) E Coordinate a Homekey Round 3 strategy with cities that focuses on expanding temporary and interim housing options to reduce unsheltered homelessness.  Program 1.26: Homekey Application Strategy
HG7-5	Continue to incentivize the construction of new service enriched emergency interim housing by partnering with cities.	HG7 (i) F Promote the County's Service Enriched Emergency Interim Housing Challenge Grant by partnering with cities to help achieve the goals contained in the Community Plan to End Homelessness to double the number of temporary shelter beds.  • Program 1.24: Community Plan to End Homelessness
HG7-6	Continue to support feedback mechanisms that provide those with lived experience the opportunity to inform and shape improvements to the Supportive Housing System and the delivery of services.	HG7(i) G Raise the voices of people with lived experience and share power with unhoused and recently housed neighbors by including them in the decision-making process when making decisions about homelessness-related policies.  • Program 1.24: Community Plan to End Homelessness • Program 1.28: Lived Experience Advisory Board (LEAB)

#### Strategy No. 8: Maintain and Expand the Supply of Agricultural Employee Housing

Santa Clara County has a long history as a significant producer of agricultural products. Once known as the Valley of the Heart's Delight, the region still produces over \$320 million of agricultural products per year. 30 The County is proud of its agricultural heritage and desires to promote food security by ensuring viable agricultural production including access to affordable and safe housing for agricultural workers and their families. The provision of affordable and safe agricultural employee housing can also promote the continuation of the county's agricultural tradition by making the farms throughout the County more productive and more competitive. Moreover, through the development and implementation of the Santa Clara Valley Agricultural Plan (Ag Plan), it has become clear that the County's agricultural lands and the workers who steward them play an essential role in mitigating and adapting to climate change.

Agricultural employee households are considered a special needs household in State planning guidelines. Providing housing for agricultural employees continues to be a priority for the County and for communities and organizations countywide. Prioritizing agricultural employees extends to individuals who seasonally migrate to the County for employment at local farms and in processing plants, as well as to a substantial and growing portion of agricultural employees who are permanent, year-round County residents and who often live with their families. Year-round crops need year-round workers, and many farmers strive to provide work for their employees in the off-season to increase the likelihood that their employees will be available during crucial periods of high-labor needs. These dynamics are particularly true during times of labor shortages and a competitive job market. A large supply of seasonal workers is also necessary for the labor-intensive work of planting and harvesting highly perishable seasonal crops. Migrant and seasonal agricultural workers are often more challenged than year-round workers to find adequate housing and are more likely to endure long commutes from their place of residence to their place of work. By providing adequate opportunities for agricultural employee housing in Santa Clara County, the County's agricultural industry can gain a competitive advantage, especially for seasonal workers during periods when agricultural workers are scarce. Importantly, the term agricultural employee also includes the significant population of self-employed farm and ranch operators, permanent County residents who also face significant housing challenges.

In 2018, the County adopted the Ag Plan, recognizing the need to ensure that the region's agricultural economy continues to thrive, and that it is integrated into the County's efforts to tackle climate change and regional resilience. The plan identifies the development of new agricultural employee housing as a crucial aspect to improving the agriculturesupportive infrastructure of the region. In response to the plan, the County updated its Zoning Ordinance to expand options for agricultural employee housing and streamline the planning approval process. The Ag Plan also calls for the facilitation of construction of more agricultural employee housing by identifying opportunities, including siting and funding options, for such projects.

The policies under this strategy continue existing policies identified in the 2015 Update, while adding new policies that work in conjunction with policies identified under Strategy No. 1 (Plan for a Balanced Countywide Housing Supply).

Policies		Implementation
HG8-1	Facilitate agricultural employee housing by streamlining improving the permitting process. and development process.	<b>HG8(i) A</b> Convene other jurisdictions for capacity-building and conduct a farmworker housing needs
HG8-2	The County shall promote and support programs that maintain and expand appropriately located housing suitable for and affordable to farmworker households. Such support shall prioritize the needs of seasonal workers.	<ul> <li>Program 2.05: Assess Farmworker Housing Needs and Collaborate with Other Jurisdictions</li> <li>HG8(i) B</li> </ul>

<sup>&</sup>lt;sup>30</sup> Source: Santa Clara County 2021 Crop Report

		Identify and pursue additional opportunities to <u>support the development of reduce</u> regulatory constraints upon, and expedite development of, agricultural employee housing.
		<ul> <li>Program 2.15: Expanded Streamlining of Agricultural Employee Housing</li> <li>Program 2.25: Tracking and Ongoing Compliance with State Housing Laws</li> <li>Program 4.02: Agricultural Worker Housing Workplan</li> </ul>
HG8-4	Seek new funding sources to incentivize-support the construction of farmworker housing.	HG8(i) C  Monitor new State and Federal Funding regarding farmworker rental and homeownership programs and collaborate with housing developers to identify sites suitable for farmworker housing.  • Program 1.29: Farmworker Affordable Homeownership and Farmworker Housing Pilot Program.
		Program 4.02: Agricultural Worker Housing Workplan

#### Strategy No. 9: Conserve and Rehabilitate the Existing Housing Stock

One means of ensuring the availability of affordable housing is by maintaining the existing supply of older, less costly units. Rehabilitation programs assist lower income owners and tenants in upgrading their housing and maintaining its affordability. Older single-family houses provide starter homes for many first-time home buyers, and many older apartments and duplexes provide safe, decent, and affordable housing for low-income seniors, students, and an increasing number of families with children.

These more affordable housing opportunities can and have been lost through demolition and rebuilding of newer, larger homes. It is appropriate and necessary that some areas in every community evolve to different uses as time goes by. However, communities must address the resulting displacement of existing long-term lower income rental residents out of the area. Programs to rehabilitate existing homes should ensure that low-income households can continue to live in their existing communities. Additionally, the rehabilitation of owner-occupied housing could be a means for seniors to be able to age in place.

Funds from Federal and State housing programs have been used to assist qualified low- and moderate-income homeowners and rental property owners in rehabilitation and maintenance efforts. Many of these neighborhoods are also in need of public infrastructure improvements, such as street repaving, sidewalk repairs, and installation or repair of storm drains, curbs, and gutters. Community development funds have been used to make public improvements of this sort. These improvements in turn provide residents with a safer living environment, as well as an increased pride in their neighborhood and homes. They further encourage an increase in private investment in the area.

Those programs should be continued and, as resources permit, expanded to ensure that the maximum number of units affordable to lower income residents remain available in those areas.

When rental units are rehabilitated, owners or landlords will frequently raise rents either to cover costs or because the upgraded units command higher rent on the market. The County and the cities should make every effort to ensure that public grants or low interest loans for the purposes of rehabilitation do not result in the displacement of lower income tenants or the loss of below market rate housing. Monitoring of rental costs has also proven to help with tracking the increasing cost of housing in the county.

The polices under this strategy maintain the County's goal to facilitate the preservation of the existing housing stock, while also ensuring that displacements due to such improvements are limited.

Policies		Implementation	
HG9-1	The conservation and rehabilitation of the existing housing supply shall be encouraged and facilitated.	<b>HG9(i) A</b> Maintain ongoing programs for monitoring the physical condition of neighborhoods to	
HG9-2	Publicly assisted housing rehabilitation efforts should not have the effect of reducing the available supply of housing for extremely low-income households.	assist in guiding rehabilitation program efforts, scheduling infrastructure maintenance activities, and to provide accurate information for Federal and State programs. Expand monitoring component to include rent price information.	
HG9-3	The inventory of land zoned and suitable for residential development shall be maintained.	<ul> <li>Program 1.31: Minor Home Repair and Maintenance Program</li> <li>Program 2.06: Rent Price Monitoring Program</li> <li>Program 2.26: Streamlined Rehabilitation and Replacement</li> <li>HG9(i) B</li> </ul>	

Maintain existing County and cities' joint land use policies and agreements that direct urbs development to areas within city USAs and preserve rural areas for rural development.  • Program 2.11: Joint Urban Development Policies  HG9(i) C  Strengthen the County's loan portfolio management system to track when existing affordable and supportive housing projects are eligible for syndication of their tax credits and work towards extending affordability terms.  • Program 1.30: Asset Management Portfolio Expansion	
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#### Strategy No. 10: Plan for Climate Change Impacts on Existing and Future Housing Stock

Santa Clara County is already experiencing the effects of the climate crisis. <sup>31</sup> The County needs to ensure that future housing stock is resilient to the impacts of climate change. It also needs to ensure that the current housing stock are periodically upgraded to reduce the impacts of climate change and extreme weather events. The policies under this strategy promote greater energy and water efficiency in new and existing housing stock and promote the development of resiliency against extreme weather in future housing stock.

The County's Climate Roadmap 2030 and its Sustainability Master Plan (adopted in 2021) provide the larger vision and broad goals for climate smart housing. The policies below complement Strategy 2.1 and Strategy 6.3 of the Sustainability Master Plan. These polices will ensure that existing and future housing stock are contributing to lowering our greenhouse gas (GHG) footprint and protecting our existing housing stock from extreme weather events and natural disasters.

Policies		Implementation
HG10-1	Promote energy and water efficiency and electrification in new and existing residential buildings to reduce energy costs, conserve water, provide quality and resilient housing, improve safety, and comfort, and reduce greenhouse gas emissions.	HG10(i) A  Adopt new energy efficiency, electrification, water conservation and building performance standards for existing and new buildings.  • Program 2.16: Adoption of "Reach" Codes
HG10-2	Limit development of new housing in areas likely to face high risk to climate related disasters, such as, wildfires and floods.	HG10(i) B Adopt new land development standards to limit new development in high climate risk areas.
HG10-3	Facilitate programs and assistance to upgrade existing housing stock to better withstand extreme weather events, while keeping energy efficiency in mind.	<ul> <li>Program 2.04: Update Flood Hazard and Flood Management Information (AB 162)</li> <li>Program 2.19: Fires Safety Standards</li> <li>Program 2.20: Update Safety Element</li> </ul>
HG10-4	Educate property owners in high-risk areas in methods to reduce their risk of a climate impact event.	<ul> <li>Program 2.21: Adopt Local Hazard Mitigation Plan</li> <li>HG10(i) C</li> <li>Create an Education Program for property owners in high-risk areas in methods to reduce their risk of an event.</li> <li>Program 2.04: Update Flood Hazard and Flood Management Information (AB 162)</li> <li>Program 2.22: Educate Homeowners in High-Fire Risk Areas of Hazards.</li> </ul>

<sup>31</sup> See Silicon Valley 2.0 Climate Adaptation Guidebook for more on the County's efforts to demonstrate the effects of climate change locally.

# Chapter 4: County Housing Strategies, Policies, and Programs

#### 4.01 Overview

Chapter 4 delineates housing policy programs to be implemented during the 2023-2031 Housing Element planning period. These programs are associated with the Strategies and Policies covered in Chapter 3. This chapter organizes the implementation programs by the lead responsible County agency. The numbering of these programs reflects the lead agency, followed by the program number. Section 4.02 lists all County programs and cross-references the relevant Strategies and Policies from Chapter 3. Programs that are new for this Housing Element cycle are marked as (New). Section 4.03 provides a detailed discussion of each program. Programs that are new for this Housing Element cycle are marked as (New). Several programs address the contributing factors listed in the Assessment of Fair Housing (AFH) and each program discussion includes a reference to the relevant contributing factor(s). Appendix N lists proposed goals and actions recommended in the AFH and cites the appropriate programs that addresses each goal.

## 4.02 List of Implementation Programs

**Table 4.1: List of Implementation Programs** 

PROGRAM NUMBER	PROGRAM	COMPLETION DATE	TIMEFRAME	STRATEGY & POLICY
1. OFFICE OF	SUPPORTIVE HOUSING (OSH)			
1.01	Supportive Housing Development Fund Notice of Funding Availability (SHDF NOFA)	2026	Medium Term	HG1-3, HG1(i) B, HG1(i) C, HG6-1, HG6(i) A, HG6(i) B
1.02	Limited Equity Housing Cooperative Projects (LEHCs)	2026	Medium Term	HG1-4 <u>. HG1(i) C</u>
1.03	Homeownership Projects	2026	Medium Term	HG1-4, HG1(i)_C
1.04	Empower Homebuyers SCC	2026	Medium Term	HG1-4, HG1(i)C, HG5-5, HG5(i) A
1.05	Mortgage Credit Certificate (MCC) Program	2023	Short Term	<u>HG1-4, HG1(i)C,</u>
1.06	Below Market Partnership Program	2026	Medium Term	<u>HG1-4, HG1(i)C,</u>
1.07	County-Led Housing Development	Ongoing	Continuous	HG1-5, HG1(i)D <u>. HG3-1, HG3(i) B</u>
1.08	Joint Development Memoranda of Understanding (MOU)	2024	Short Term	HG2-1, HG2(i)_A
1.09	Housing Trust of Silicon Valley	Ongoing	Continuous	HG2-1, HG2(i)_A
1.10	Santa Clara County CDBG and Housing Coordinators' Convening	Ongoing	Continuous	HG2- <u>2</u> 1, HG2(i)_A <u>, HG2(i)_B, HG4-1,</u> HG4(i)_A
1.11	Internal Coordination of Housing Funds and Services	Ongoing	Continuous	HG2-3, HG2(i)_C, HG 6-2, HG6(i) D, HG7-1, HG7(i) A
1.12	Coordinate with Bay Area Housing Finance Authority	Ongoing	Continuous	HG3-1, HG3(i)_A, <u>HG6-1,</u> HG6(i)A
1.13	Supportive Housing and Innovation Fund	Ongoing	Continuous	HG3-1, HG3(i)_A
1.14	Santa Clara County Fair Housing Consortium-Fair Housing Assistance Program	Ongoing	Continuous	HG5-1, HG5-2, HG5(i)B
1.15	Fair Housing Audit & Education Program	Ongoing	Continuous	<u>HG5-1, </u> HG5-2, HG5(i)_B <u>, HG5(i)</u> D
1.16	Collaborate with the Santa Clara County Housing Authority (SCCHA)	Ongoing	Continuous	HG2-1, HG2(i)_A, HG3-1, HG3(i)_A, HG3(i)_B, HG6-1, HG6(i)_A,

1.17	Permanent Supportive Housing for Persons with a Serious Mental Illness	2026	Medium Term	HG1-5, HG1(i)_D, HG6-1, HG6(i)_A
1.18	Tenant/Landlord dispute mediation services	Ongoing	Continuous	HG5-3, HG5(i)_E
1.19	Eviction Diversion Program	Ongoing	Continuous	HG5-4 <u>, HG5(i)</u> D
1.20	San Andreas Regional Center	Ongoing	Continuous	<u>HG5-5, HG5(i) C,</u> HG6-2, HG6(i)B
1.21	Homelessness Prevention System (New)	Ongoing	Continuous	HG7-1, HG7(i)_A
1.22	Emergency Assistance Network (New)	Ongoing	Continuous	HG7-1, HG7(i)_A
1.23	City Revenue Agreements (New)	Ongoing	Continuous	HG7-2, HG7(i)_B
1.24	Community Plan to End Homelessness (New)	December 2025	Short Term	<u>HG6-1, HG6(i) E, HG7-3, HG7(i) A, HG7(i) B,</u> HG7(i) <u>C, HG7(i) D, HG7(i)</u> <u>F, HG7(i) G</u>
1.25	Temporary Housing Programs	Ongoing	Continuous	HG7-3, HG7(i)_C
1.26	Homekey <u>Application</u> Strategy (New)	Ongoing	Continuous	HG7-3, HG7(i)_E
1.27	Service Enriched Shelter Forgiveness Loan Program (New)	Ongoing	Continuous	HG7-5, HG7(i)_D
1.28	Lived Experience Advisory Board (LEAB) (New)	Ongoing	Continuous	HG7-6, HG7(i) <u>C, HG7(i) G</u> ×
1.29	Farmworker Affordable Homeownership and Farmworker Housing Pilot Program (New)	2024	Short Term	HG8-4, HG8(i)_C
1.30	Asset Management Portfolio Expansion (New)	Ongoing	Continuous	HG9-4, HG9(i)_C
1.31	Minor Home Repair and Maintenance Program	Ongoing	Continuous	HG6-2, HG6(i) C, HG9-1, HG9-4, HG9(i) A
<u>1.32</u>	Community Development Corporation Grant Program (NEW)	Ongoing	Continuous	HG1-4, HG(i) C
<u>1.33</u>	Expand Access to UPLIFT Program	<u>Ongoing</u>	<u>Continuous</u>	<u>HG7-6, HG7(i) C</u>
2. DEPARTME	NT OF PLANNING AND DEVELOPMENT (D	PD)		
2.01	Housing Suitability and Prioritization for County-owned properties (New)	December 2023	Short Term	HG1-5, HG <u>1(i) D, HG3-2</u> , HG43(i)B
2.02	Planning for Housing Development in Unincorporated USAs <u>and Stanford</u> <u>University Lands</u> (New)	December 2023	Short Term	HG1-8, HG1(i)_E
2.03	In-Lieu Fee Program for State Density Bonus and Affordable Housing	Ongoing	Continuous	HG4-1, HG(i)_B
2.04	Update of Flood Hazard and Flood Management Information (AB 162)	Ongoing	Continuous	HG10-2, HG10-3, HG10-4, HG10(i)_B, HG10(i)_C

2.05	Assess Farmworker Housing Needs and Collaborate with Other Jurisdictions	December 2026	Medium Term	HG8-1, HG8(i)_A	
2.06	Rent Price Monitoring Program	Ongoing	Continuous	HG9-1, H	IG9(i)_A
2.07	Streamline Accessory Dwelling Unit (ADU) processing	December 2024	Short Term	HG4-2, H	HG4(i)_C
2.08	Housing Adjacent to Transit (New)	Ongoing	Continuous	HG1-7, H	IG1(i)_D
2.09	Santa Clara County Association of Planning Officials	Ongoing	Continuous	HG2-1, <u>HG2-2,</u> HG2(i) B, H	G2(i) C <u>, HG4-1, HG4(i) A</u>
2.10	Digital <u>T</u> tracking <u>S</u> system for ADUs, JADUs & SB9 <u>U</u> units	December 2023	Short Term	HG4-2, F	HG4(i)_C
2.11	Joint Urban Development Policies	Ongoing	Continuous	HG1-1, HG1(i)_A,_	HG9-3, HG9(i) B
2.12	Update Zoning Ordinance for Re-use of Non-Residential Buildings to Residential (New)	December 2029	Long Term	HG4-1, H	IG4(i)_D
2.13	Monitor R/ECAP and Burdened Household Areas (New)	December 2023	Short Term	HG5-5, HG5-6, H	G5(i)_D, HG5(i)_F
2.14	Universal Design in Housing Development (New)	June 2024	Short Term	HG6-4, F	HG6(i)_B
2.15	Expanded Streamlining of Agricultural Employee Housing	December 2028	Long Term	HG8-1, F	HG8(i)_B
2.16	Adoption of "Reach" Codes (New)	Ongoing	Continuous	HG10-1, H	IG10(i)_A
2.17	Expand Home Repair and Modifications to Include ADA Upgrades (New)	Ongoing	Continuous	HG6-4, H	G6-(i)_C
2.18	Training and Support to Homeowners Aging in Place (New)	January 2027	Medium Term	HG6-3, F	IG6(i)_C
2.19	Fire Safety Standards (New)	July 2024	Short Term	HG10-2, F	HG10(i)_B
2.20	Update Safety Element (New)	December 2023	Short Term	HG10-2, F	HG10(i)_B
2.21	Adopt Local Hazard Mitigation Plan (New)	December 2023	Short Term	HG10-2, H	HG10(i)_B
2.22	Educate Homeowners in High Fire Risk Areas of Hazards (New)	Ongoing	Continuous	HG10-4, F	HG10(i) C
2.23	Facilitate State Permit Streamlining Laws (New)	<u>December</u> <u>2024</u>	Short Term	HG1-8, HG1(i) E, I	HG4-1, HG4(i) C
<u>2.24</u>	Streamline Multi-Family Housing Development (New)	January 2027	Medium Term	HG1-8, HG1(i) E, HG4-	1, HG4(i) C, HG4(i) D

<u>2.25</u>	<u>Tracking and Ongoing Compliance</u> with State <u>Housing Laws (New)</u>	Ongoing	<u>Continuous</u>	HG4-2, HG4(i) C, HG8-1, HG8(i)B
2.26	Streamlined Rehabilitation and Replacement (New)	<u>December</u> <u>2025</u>	Medium Term	<u>HG9-1,</u> <u>HG9(i) A</u>
<u>2.27</u>	Objective Standards for Multi-Family Housing (New)	<u>December</u> <u>2025</u>	Medium Term	HG1-8, HG1(i) E, HG4-1, HG4(i) C
<u>2.28</u>	<u>Tracking Housing Conditions (New)</u>	December 2025	Medium Term	<u>HG5-1, HG5-5</u> <u>HG5(i) F</u>
<u>2.29</u>	Apply for Prohousing Designation (New)	<u>December</u> <u>2024</u>	Short Term	HG2-3, HG2(i) B, HG2(i) C
<u>2.30</u>	Incentivize Lot Consolidation (New)	December 2025	Medium Term	HG1-8, HG1(i) E, HG4-1, HG4(i) D
DEPARTMENT OF BEI	HAVIORAL HEALTH			
3.01	SCC Mental Health Department Evans Lane Wellness and Recovery Center	Ongoing	Continuous	HG1-5, HG1(i)_D, <u>HG5-5, HG5(i) C,</u> HG6-1, HG6(i)_A <u>, HG6(i) E</u>
3.02	Substance Use Recovery Residences	Ongoing	Continuous	HG6-1, HG6(i)_(B)
OFFICE OF COUNTY I	EXECUTIVE			
4.01	Dispute Resolution Program	Ongoing	Continuous	HG5-3, <u>HG5-4,</u> HG5(i)_E
<u>4.02</u>	Agricultural Worker Housing Workplan (New)	<u>December</u> <u>2023</u>	Continuous	HG8-1, HG8(i) B, HG8-4, HG8(i) C
4.03	Coordinated Annexation and RHNA Transfer (New)	Ongoing	Continuous	<u>HG1-1, HG1(i) A</u>

### 4.03 Program Descriptions

This section describes the programs listed in Section 4.02 of this chapter, organized by the lead agencies responsible for implementation.

#### 4.03a Office of Supportive Housing Programs

The Office of Supportive Housing's (OSH'S) mission is to increase the supply of housing and supportive housing that is affordable and available to extremely low-income and/or special needs households countywide. One of OSH's primary aims is to support the County of

Santa Clara's mission of promoting a healthy, safe, and prosperous community by ending and preventing homelessness. OSH's major activities include efforts to organize and operate homeless services countywide, including homelessness prevention, crisis response, and Permanent Supportive Housing and Rapid Rehousing programs (collectively, the Supportive Housing System). In addition, OSH strives to increase the supply of housing by funding and spurring the development of housing for low-income households, with a particular focus on extremely low-income households. OSH is the lead department within the County implementing the 2016 "Measure A" Affordable Housing Bond, serves as the collaborative applicant for

the Santa Clara County Continuum of Care, and serves as the primary convener of housing staff across the County in collaboration with cities on joint housing and homelessness concerns. The 2020-2025 Community Plan to End Homelessness serves as our community's roadmap to ending homelessness and serves as the basis of OSH's annual workplan.

Collectively, Programs 1.01 – 1.31 provide a wholistic approach to addressing the housing and homelessness issues facing Santa Clara County communities. While some programs are new, continued programs have been modified to reaffirm the County's commitment to create an environment that brings stakeholders together to streamline housing producing, that address displacement and impediments to fair housing, and leverages limited resources to maximize the assistance that is provided to special needs populations across the county.

## Program 1.01- Supportive Housing Development Fund Notice of Funding Availability (SHDF NOFA).

In December 2014, the County of Santa Clara's Board of Supervisors affirmed the County's role in promoting affordable housing, especially for vulnerable populations. Housing special needs populations is a county service and therefore the County must take an active role in developing, financing, and supporting various types of affordable housing for the populations that the County serves. The Board further established that the County's priorities were to:

- Increase the supply of housing that is affordable to extremely low-income households;
- Increase the scope and breadth of supportive housing for special needs populations, including homeless and chronically homeless persons; and

 Improve coordination and collaboration among the County, the cities, other governmental agencies, and the affordable housing community.

These priorities have assisted the County in directly addressing contributing factors to fair housing issues including but not limited to a lack of affordable, accessible housing in a range of unit sizes. The most impactful tool for the County includes a local ballot measure intended to raise funds to accelerate the development of affordable and supportive housing.

In November 2016, Santa Clara County residents approved the 2016 "Measure A" Affordable Housing Bond (Housing Bond), a \$950 million general obligation bond that will create new affordable rental and homeowner housing opportunities. The Hhousing Bbond has providesd the County with an unprecedented opportunity to partner with cities, residents, and the affordable and supportive housing community to significantly address the housing needs of the community's poorest and most vulnerable residents. The bond proceeds are projected to fund 120 new affordable housing developments over ten years, including 4,800 new units dedicated to extremely low-income and very low-income households. The Housing Bond is part of an ongoing effort to:

- Increase affordable housing opportunities for our community's most vulnerable and poorest residents; and
- Prevent and reduce homelessness throughout Santa Clara County.

The SHDF NOFA includes funding sources for the development of new, permanent affordable and supportive housing for the community's most vulnerable populations. This over-the-counter process will continue to consolidate all County-controlled housing production funds into one primary procurement method to accelerate housing development.

Table 4.2: SHDF NOFA

PROGRAM OBJECTIVES	<ul> <li>Approve funding to support at least 18 new housing development sites resulting in 1,657 units of affordable and supportive housing for special needs populations.</li> <li>Bi-Annually convene affordable housing development partners to discuss financing opportunities and co-create a housing development pipeline, discuss land use streamlining opportunities, and work together to strategically position projects so that they are not competing with each other for scarce resources.</li> <li>Annually present funding recommendations for at least six new development proposals to the Board of Supervisors.</li> <li>Annually review the SHDF Guidelines to ensure that the current underwriting criteria is consistent with State and Federal capital funding sources for housing development.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	<ul> <li>The funding sources in the NOFA include:</li> <li>2016 "Measure A" Affordable Housing Bond (Housing Bond): A \$950 million general obligation bond approved by the voters in 2016.</li> <li>No Place Like Home (NPLH): As an alternative county, the County of Santa Clara received a direct allocation of NPLH funds to administer locally. To date the County has received funding over four funding rounds totaling \$106,085,749.</li> <li>Housing Funds for Persons with Intellectually and Developmentally Disabilities (I/DD): \$40 million in County General fund support the construction of extremely low-income and very low-income housing for to develop persons with intellectual and/or developmental disabilities and their families.</li> <li>Stanford Affordable Housing Fund (SAHF): A special revenue fund to account for in-lieu fees received from Stanford University for General Use Permit (GUP). Funding affordable housing projects within 6-mile radius of boundary of the Stanford campus.</li> <li>HOME Investment Partnership Program (HOME): A special revenue fund to account for the HOME Investment Partnerships Program awarded by the U.S. Department of Housing and Urban Development Block Grant awarded to eligible communities for housing and community development activities. As an Urban County, the County receives and annual allocation of funds directly from HUD. Additional revenue is generated from loan repayments of outstanding loans and from interest earned on funds.</li> <li>Permanent Local Housing Allocation (PLHA): Funds are used to for the development of new affordable housing for households earning up to 60% AMI.</li> </ul>
POLICIES AND IMPLEMENTATION:	<ul> <li>HG1-3: Focus the County's limited housing production resources on special needs populations, farmworkers, and extremely low-income households.</li> <li>HG1(i) B: Encourage public support of city efforts to create a balanced housing supply, which includes housing affordable to special needs, farmworkers, and extremely low-income households.</li> <li>HG1(i) C: Continue to implement new homeownership programs that provide an opportunity for lower-income households that would otherwise struggle to afford a home, furthering the equity and sustainability of homeownership.</li> <li>HG6-1: Encourage the development of affordable housing that is suitable for a variety of special needs populations.</li> <li>HG6(i) A: Advocate for the expansion of Federal and State programs and funding to assist local government in developing special needs housing not provided through the private market.</li> </ul>

	<ul> <li>HG6(i) B: Develop and implement policies and ordinances that create housing that is adaptable to the needs of physically, developmentally, and emotionally challenged persons.</li> </ul>
	Availability of affordable units in a range of sizes
CONTRIBUTING EACTORS	<ul> <li>Lack of access to opportunity due to high housing costs</li> </ul>
CONTRIBUTING FACTORS	Location and type of affordable housing
	Loss of affordable housing

## **Program 1.02 - Limited Equity Housing Cooperative Projects** (LEHCs)

This program focus on extremely low-income households, particularly those that face displacement due to economic pressures. A significant portion of these households have historically faced severe obstacles in accessing homeownership, which may reinforce their current economic status. LEHCs have aspects of both homeownership and rental projects and are a unique opportunity to provide equity to extremely low-income households and others who may not otherwise be able to achieve homeownership. LEHC developments are cooperatively owned by a resident board of directors (Cooperative Board). Residents pay affordable monthly dues or "rent" to the Cooperative Board and receive a modest equity share at the end of their residency. Projects are expected to include on-site services and would likely require Project Based Vouchers to support ongoing operations.

The Supportive Housing Development Fund Notice of Funding Availability (Program 1.01) includes the opportunity for developers to submit a funding application for Project Type 5 which promotes opportunities for "Limited Equity Housing Cooperative projects as defined under the California Business and Professions Code." The County anticipates funding at least one project in the planning period.

This program aims to overcome one or more contributing factors that create, contribute to, perpetuate, or increase the severity of one or more fair housing issues. Specifically, the County intends to demonstrate the opportunities that LEHCs can provide those that face displacement due to economic pressures and lack access to opportunity due to high housing costs

Table 4.3: LEHCs



GEOGRAPHIC SERVICE AREA	Countywide		
LEAD AGENCY	Office of Supportive Housing		
FUNDING SOURCE	2016 "Measure A" Affordable Housing Bond		
POLICIES AND IMPLEMENTATION	<ul> <li>HG1-4: Encourage homeownership opportunities for lower-income households.</li> <li>HG1(i)C: Continue to implement new homeownership programs that provide an opportunity for lower-income households that would otherwise struggle to afford a home, furthering the equity and sustainability of homeownership.</li> </ul>		
CONTRIBUTING FACTORS	<ul> <li>Displacement of residents due to economic pressures</li> <li>Lack of access to opportunity due to high housing costs</li> </ul>		

#### **Program 1.03 - Homeownership Projects**

This program helps to support the production of new for-sale homes. Possible projects in this program may have a similar scale to multifamily affordable apartments, but smaller developments are also eligible. Within each proposed project, a minimum of 33% of the homes shall be sold to very low-income households, up to 33% to moderate-income buyers, and the balance to low-income buyers. In the case of common interest developments, each unit would be separately owned and would be a member of a Homeowners

Association which would be responsible for the maintenance of common elements and facilities.

In November 2021, the Supportive Housing Development Fund Notice of Funding Availability (Program 1.01) was amended to include Project Type 6 which promotes opportunities for "Homeownership projects which commit a minimum of 33% of the units for very low income (VLI) households, a maximum of 33% of the units for moderate-income households, and the balance of the units for households at 80% AMI or below."

Table 4.4: Homeownership Projects

PROGRAM OBJECTIVES	<ul> <li>-Complete construction of a total of 18 new for sale affordable homeownership units by December 2026.</li> <li>Assist Habitat for Humanity East Bay/Silicon Valley with the completion of the 4<sup>th</sup> and Reed Homeownership project consisting of 4 new homeownership units by August 2024.</li> <li>Assist Habitat for Humanity Easy Bay/Silicon Valley with the completion of the Jackson Avenue Townhomes project consisting of 14 new for sale affordable townhomes by March 2026.</li> </ul>		
GEOGRAPHIC SERVICE AREA	Countywide		
LEAD AGENCY	Office of Supportive Housing		
FUNDING SOURCE	2016 "Measure A" Affordable Housing Bond		

## HG1-4: Encourage homeownership opportunities for lower-income households. HG1(i)C: Continue to implement new homeownership programs that provide an opportunity for lower-income households that would otherwise struggle to afford a home, furthering the equity and sustainability of homeownership. Location and type of affordable housing Availability of affordable units in a range of sizes

#### **Program 1.04 - Empower Homebuyers SCC**

Empower Homebuyer Santa Clara County (Empower) was created to increase homeownership opportunity for low-income and moderate-income households. Empower is a loan program to help low- and moderate-income first-time homebuyers purchase a home by assisting them with the required down payment, which is usually 20% of the purchase price. The Housing Trust Silicon Valley (HTSV) administers the Empower Program from FY2019-FY2023 on the County's behalf. The program offers up to \$250,000 for low-income to moderate-income first-time homebuyer to put towards the cost of

down payment on a qualified property in the county. The loans bear zero interest and are deferred up to 30 years. The borrower shall repay the original amount of their loan plus a share of the appreciation of their home when the loan matures, or when the borrower decides to sell their home or refinance their mortgage. The program increases homeownership opportunities to low-income individuals and families, of which may consist of individuals with special needs. A secondary aim of this program is to help in eliminating lending discrimination that is a prevalent problem faced by lower income households of color.

Table 4.5: Empower Homebuyers SCC

PROGRAM OBJECTIVES	<ul> <li>By March-June 2023, present to the Board of Supervisors recommendations related to modifications to the program.</li> <li>By July October 2023, implement approved program changes and continue to issue loans.</li> <li>Host 50 educational workshops or other similar events to educate homebuyers, realtors, lenders, and other interested parties about the program.</li> </ul>	
	Issue 50 first-time homebuyer loans by 2027.	
GEOGRAPHIC SERVICE AREA Countywide		
LEAD AGENCY	Office of Supportive Housing	
FUNDING SOURCE	2016 "Measure A" Affordable Housing Bond	
POLICIES AND IMPLEMENTATION	HG1-4: Encourage homeownership opportunities for lower-income households.	

	HG1(i)C: Continue to implement new homeownership programs that provide an opportunity for lower income households that would otherwise struggle to afford a home, furthering the equity and sustainability of homeownership.
	<ul> <li>HG5-5: Identify and increase access to services and other opportunities for residents of historically disinvested low-income communities (R/ECAPs and Burdened Households) across unincorporated county.</li> </ul>
	HG5(i) A: Facilitate access to Federal and State home rehabilitation loans or grants to qualifying persons of extremely low-income.
CONTRIBUTING FACTORS	<ul> <li>Lack of access to opportunity due to high housing costs</li> <li>Location and type of affordable housing</li> </ul>

#### Program 1.05 - Mortgage Credit Certificate (MCC) Program

Mortgage Credit Certificates (MCCs) provide financial assistance in the form of individual federal income tax credits to first-time homebuyers of single-family homes, townhomes, and condominiums. The MCC Program grants a federal income tax credit on the annual mortgage interest paid, thereby reducing overall federal income taxes. The credit may not exceed 20% of the interest paid on the borrower's first mortgage. The County's current tax credit rate of 15% was set in January 2001. In Santa Clara County, the MCC tax credit rate has varied from 10% to 20%, based on past performance, the potential demand for MCCs, and the likely amount of tax credit allocation awarded by the California Debt Limit

Allocation Committee (CDLAC). Since 1994, the County has offered a Reissue of Mortgage Credit Certificate (RMCC) Program for existing MCC holders wishing to retain their tax credit following refinancing. The Program generates revenue through homebuyer application and participating lender fees. The Mortgage Credit Certificate Program was authorized by the Tax Reform Act of 1984. Federal law limits the dollar amount of tax-exempt authority that can be used in each State to issue private activity bonds (including MCCs). CDLAC is granted sole authority for allocating the annual ceiling on private activity bond allocations in the State of California. The Program provides financial assistance in the form of individual federal income tax credit to low-income individuals and families, of which may consist of individual(s) with special needs.

Table 4.6: Mortgage Credit Certificate (MCC) Program

	By December 20232024, issue the remaining 10 MCCs.
	Proactively promote the availability of the remaining MCCs in partnership with the County's preferred lending pool and cities Below Market Rate    Proactively promote the availability of the remaining MCCs in partnership with the County's preferred lending pool and cities Below Market Rate
	housing programs.
PROGRAM OBJECTIVES	<ul> <li>Between 2015-2022, the County planned to issue approximately 130 MCCs annually for low- and moderate-income households. However, 92 MCCs were issued for low-and moderate-income households. CDLAC has not made new funding available for the Mortgage Credit Certificate Program since 2020. Currently, the County only has the authorization to issue 10 more MCCs.</li> </ul>
	<ul> <li>In 2016, the County issued 24 MCCs</li> <li>In 2017, the County issued 28 MCCs</li> </ul>

	<ul> <li>In 2018, the County issued 13 MCCs</li> <li>In 2019, the County issued 10 MCCs</li> <li>In 2020, the County issued 9 MCCs</li> </ul>
	<ul> <li>In 2021, the County issued 8 MCCs</li> <li>In 2022, the County issued 1 MCC</li> <li>In 2023, the County will issue 10 MCCs</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide (excluding the cities of Monte Sereno, Saratoga, and Los Altos Hills)
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	California Debt Limit Allocation Committee (CDLAC) Bond Allocation
POLICES AND IMPLEMENTATION	<ul> <li>HG1-4: Encourage homeownership opportunities for lower-income households.</li> <li>HG1(i)_C: Continue to implement new homeownership programs that provide an opportunity for lower income households that would otherwise struggle to afford a home, furthering the equity and sustainability of homeownership.</li> </ul>
CONTRIBUTING FACTORS	Access to financial services

#### **Program 1.06 - Below Market Partnership Program**

Homeownership has long been associated with many secondary benefits, including housing security, educational achievement, and the ability to build wealth. However, there are many barriers to purchasing a home within Santa Clara County. As of August 2022, the median home price in the county exceeded \$1.4 million, putting the dream of homeownership out of reach for more than half of the County's residents. In addition to the extremely high cost of homes, many other market factors and industry standards compound the issue, including significant down payment and credit requirements and a highly competitive market where successful offers must also waive significant contingencies, offer quick closes, bid above assessed value, and compete against all-cash offers to be seriously considered by home sellers. These factors are challenging for all buyers and commonly become insurmountable barriers for low- and very low-income households. The Below Market Rate Partnership

Program is intended to promote affordable homeownership opportunities, particularly for very low- and low-income households. This program will provide deferred subordinate loans to eligible households purchasing a home within Santa Clara County. Deferred subordinate loans are mortgages under which no principal or interest payments are due during the term of the loans, and the loans have a junior lien priority to the borrower's first mortgage. The County has received an award of CalHome funding that will be leveraged to supplement local funding in partnership with other governmental agencies who operate within Santa Clara County and nonprofit organizations which have experience operating homeownership programs.

Eligible homes under the Program include single-family homes, townhomes, condominiums, manufactured homes, mobile homes, and ADUs or JADUs located within the county.

Table 4.7: Below Market Partnership Program

PROGRAM OBJECTIVES	<ul> <li>Issue 100 deferred subordinate loans to eligible low-income households.</li> <li>By In July June 2023, presented version 2 of the Below Market Rate Partnership Program policies and procedures to the Board for approval.</li> <li>By September 2023, begin administering program.</li> <li>By September 2023, develop workflow with Partner Agencies.</li> </ul>	
GEOGRAPHIC SERVICE AREA Countywide		
LEAD AGENCY	Office of Supportive Housing	
FUNDING SOURCE	CalHome and 2016 "Measure A" Affordable Housing Bond	
POLICIES AND IMPLEMENTATION	<ul> <li>HG1-4: Encourage homeownership opportunities for lower-income households.</li> <li>HG1(i)_C: Continue to implement new homeownership programs that provide an opportunity for lower income households that would otherwise struggle to afford a home, furthering the equity and sustainability of homeownership.</li> </ul>	
CONTRIBUTING FACTORS	<ul> <li>Availability of affordable units in a range of sizes</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Location and type of affordable housing</li> <li>Loss of affordable housing</li> </ul>	

#### **Program 1.07 County-Led Housing Development**

The County has a variety of County-controlled and County-owned properties, some of which are suitable for residential development. The County has established a process to give the community an opportunity to work in partnership with the County to develop these sites with affordable housing. Because the majority of these sites are located in the incorporated urban areas of the county, the Office of Supportive Housing works closely with the housing and planning staff of each city to develop a land use path for each site that is owned or controlled by the County before it is released through a solicitation process. This predevelopment work establishes early partnerships with the host city, their elected officials and the immediate community to shape the future design and target population for the property.

#### Streamlined Solicitation Process

On September 4, 2019, the County of Santa Clara Office of Supportive Housing issued a Request for Qualifications to create a pool of prequalified affordable housing developers who could respond to solicitations to develop affordable housing on County-owned land. This Developer Qualified Pool (DQP) consists of 16 experienced developers that are aligned with the County's goals of increasing affordable housing for Santa Clara County's most vulnerable and poorest residents. As County-controlled properties become available, the County issues a Request for Offers to accept development proposals from the DQP. The County has selected a developer from the DQP for five county-owned sites in incorporated cities. The sites are summarized below:

- Grant Avenue Palo Alto: The County is partnering with Mercy Housing and Abode Communities to develop 110 affordable rental workforce apartments for teachers, school employees, and their families. The project is being developed in partnership with Meta (formerly Facebook), and five local school and community college districts.
- <u>Mitchell Park Palo Alto</u>: The County is partnering with Eden Housing to develop 50 affordable rental apartments. This development includes 25 apartments and services for individuals with intellectual and/or developmental disabilities and their families.
- The Hub San José: The County is partnering with Allied Housing to develop affordable rental apartments, including units for transitioned age youth, and The Hub, a youth-led community center dedicated to supporting current and former foster youth. The Planning application under review proposes 81 housing units.
- <u>Distel Circle Los Altos</u>: The County and the City of Los Altos are partnering with EAH Housing to develop 90 affordable rental apartments.

- <u>East Santa Clara San José</u>: The County is partnering with Eden Housing and The Core Companies to develop affordable housing in accordance with the East Santa Clara Master Plan.
- <u>East 8<sup>th</sup> and Alexander Gilroy</u>: The County and the City of Gilroy are currently exploring the possibility of developing affordable housing on this County-owned site.

Building on this moment, it is the County's intention to scale this program and accelerate the production of housing on County-owned sites with an emphasis on parcels in high opportunity areas.

Specifically, the County will be focusing its efforts in the cities of Cupertino, San José and Gilroy for the first half of the 6<sup>th</sup> Cycle

Planning Period to position 3 County-controlled sites for development into affordable, workforce and supportive housing.

Examples of this partnership include working closely with the City of Cupertino to ensure the county-controlled site is listed as a housing opportunity site in Cupertino 6<sup>th</sup> Cycle Housing Element.

Table 4.8: County-Led Housing Development

PROGRAM OBJECTIVES	<ul> <li>Complete construction of 240 affordable, workforce and supportive housing units for special needs populations by January 2026 through the Grant Avenue Educator Workforce Housing Development, Mitchell Park Place and the Hub Housing Development.</li> <li>Complete construction on the Distel Circle project in Los Altos by December 2026 which will result in 90 units of affordable and supportive housing in a high opportunity area of the county.</li> <li>By September 2024, initiate the community engagement process for at least three County owned sites identified for this program in partnership with city partners that could yield a minimum of 617 new housing units that would be completed by 2031.<sup>a</sup></li> <li>By October 2023, issue a Request for Offer to select an affordable housing development team for the Cupertino and Gilroy sites. The Cupertino site is located in a high resources area and will include educator workforce housing, special needs housing and housing for families. The Gilroy site will focus on affordable workforce housing for ag workers and homeless families.</li> <li>By June 2024, select a development partner for the San José site</li> <li>By June 2024, present recommendations to the Board of Supervisors for financing opportunities.</li> <li>By June 2024, execute Development and Disposition Agreements with all development partners.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	The funding sources vary. For a full list of funding sources used by the County, please refer to Program 1.01.
POLICIES AND IMPLEMENTATION	<ul> <li>HG1-5: Prioritize suitable county-owned underutilized parcels within Cities and Urban Service Areas for affordable, supportive and workforce housing development.</li> <li>HG1(i) D: Continue consideration of publicly owned lands suitable for the construction of extremely low-income housing and develop a priority of county-owned sites suitable for housing development.</li> <li>HG3-1: Local funds for housing shall be targeted to households earning less than 30% of the County median income and special needs populations.</li> <li>HG3(i) B: Continue to use suitably located surplus publicly owned lands for housing affordable to extremely low-, very low-, and low-income households through the sale or lease of such land to a government entity, or to nonprofit or private home builders with appropriate terms and conditions guaranteeing long term affordability.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Availability of affordable units in a range of sizes</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Location and type of affordable housing</li> <li>Land use and zoning laws</li> </ul>

## Program 1.08 - Joint Development Memorandum of Understanding (MOU)

One of the contributing factors to fair housing issues is a lack of regional cooperation. To remove this impediment and accelerate the development of housing, the County developed a strategy that includes partnering with cities and other governmental agencies to achieve our common goals of building more affordable and supportive housing throughout the County. To date the most notable example includes a partnership between the County, the City of Los Altos, and the MidpPeninsula Regional Open Space Authority District. Through this partnership the City of Los Altos approved its first 100% affordable housing development which will include 90 new units of deed restricted affordable housing. While each MOU is slightly different, the County has also teamed up with Destination: Home, which offers cities planning grants to help fill gaps within their teams. By working with cities, the County can leverage resources and work more effectively with affordable housing developers and address community opposition together.

Since 2020, the County has proactively been coordinating with local jurisdictions and other government agencies to develop new ways to partner to achieve common housing goals. The County has set a goal of developing at least one Housing Bond funded development in each of the 15 incorporated cities. As of November 2022, the County is still working with the remaining cities and the Joint Development Memoranda of Understanding is an opportunity to help facilitate those conversations.

Table 4.9: Joint Development Memorandum of Understanding (MOU)

PROGRAM OBJECTIVES	<ul> <li>By December 2023, wrap up conversations with Palo Alto, Campbell, Cupertino, and/or San José (the only remaining 4 cities of the 15 total countywide) about the possibility of developing housing production strategies that can be memorialized in an MOU.</li> <li>By December 2024, conclude conversation with the Valley Transportation Authority about the possibility of amending the existing cost sharing agreement to add the Housing Sites at Hostetter Station as the fifth partnership site.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	These are no cost MOUs; In-kind County staff time
POLICIES AND IMPLEMENTATION	<ul> <li>HG2-1: The County and the cities should work cooperatively to ensure that there is a balanced housing supply sufficient to achieve countywide economic, social, and environmental objectives. Further opportunities for inter-agency, intergovernmental, interregional, and public/private cooperation should be sought out and encouraged.</li> <li>HG2(i) A: Maintain intergovernmental agreements to address countywide housing objectives and to ensure an adequate supply of affordable housing countywide.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Availability of affordable units in a range of sizes</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Lack of affordable, accessible housing in a range of unit sizes</li> <li>Lack of affordable, integrated housing for individuals who need supportive services</li> <li>Lack of local or regional cooperation</li> <li>Land use and zoning laws; Location of accessible housing</li> <li>Location and type of affordable housing</li> </ul>

## **Program 1.09 - Housing Trust of Silicon Valley**

Housing Trust Silicon Valley (Housing Trust) is a nonprofit Community Development Finance Institution (CDFI) that makes loans to create and preserve affordable rental housing, housing for the homeless and persons with special needs, and provides loans for first-time homebuyers. Housing Trust is a unique public-private partnership created through the collaboration of the Silicon Valley Leadership Group, County Board of Supervisors, and the County Collaborative on Housing and Homelessness. In response to community need, Housing Trust provides affordable housing opportunities through a variety of programs, including the Multifamily Lending Program and First Time Homebuyer Assistance Programs.

Table 4.10: Housing Trust of Silicon Valley

PROGRAM OBJECTIVES

• By In June 2023, amended contract with Housing Trust to continue supportive the County in administering Empower Homebuyer program.

	By June 20242026, amend existing agreement related to the Supportive Housing Fund to continue to offer below rate predevelopment and/or acquisition loans.
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Loans from local corporations, financial institutions, foundations, and capital grants from the Federal Community Development Financial Institution (CDFI) Fund, California Department of Housing and Community Development, County and City governments.
POLICIES AND IMPLEMENTATION	<ul> <li>HG2-1: The County and the cities should work cooperatively to ensure that there is a balanced housing supply sufficient to achieve countywide economic, social, and environmental objectives. Further opportunities for inter-agency, intergovernmental, interregional, and public/private cooperation should be sought out and encouraged.</li> </ul>
	<ul> <li>HG2(i) A: Maintain intergovernmental agreements to address countywide housing objectives and to ensure an adequate supply of affordable housing countywide.</li> </ul>
	Availability of affordable units in a range of sizes
	Lack of access to opportunity due to high housing costs
	Location and type of affordable housing.
	Loss of affordable housing

# **Program 1.10 - Santa Clara County CDBG and Housing Coordinators Convenings**

Participate and host monthly meetings to discuss topics intended to further the goals of additional affordable and equitable housing. Involvement of the 15 incorporated cities further the regional approach to further housing objectives and address fair housing issues. Primary contributing factors to fair housing issues include community opposition and a lack of regional cooperation. These convenings offer the County and the 15 incorporated cities a forum to collectively discuss issues that include but are not limited to land use and zoning laws, integrated housing for individuals who need supportive services, and development of local housing strategies that increase access to safe and stable housing.

Historically these convenings have afforded collaboration, support and technical assistance to help expand inclusionary housing and commercial linkage fee policies, coordinating efforts around tenant protection ordinances (i.e., source of income), emergency shelter crisis and joint funding applications. -During the 6<sup>th</sup> cycle Housing Element planning period, the County anticipates a regional approach to implementing goals that various cities have included in their respective Housing Element update. For instance, the County is currently working with the City San Jose to provide input and feedback on two tenant protection ordinances related to antidisplacement and tenant preferences.

Table 4.11: Santa Clara County CDBG and Housing Coordinators Convenings

PROGRAM OBJECTIVES	<ul> <li>Continue to host monthly meetings and introduce new topics intended to partner and assist the 15 incorporated cities within the county address housing and homelessness concerns.</li> <li>Ensure that every eligible city in Santa Clara county accesses the Permanent Local Housing Allocation by December 2023.</li> <li>Coordinate discussion related to nexus studies, inclusionary housing, and tenant protections.</li> <li>Work with the Town of Los Gatos and the City of Saratoga to identify at least one affordable housing development in their jurisdiction.</li> <li>Work together to develop a robust housing production and preservation strategy.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	N/A; In-kind County staff time
POLICIES AND IMPLEMENTATION	<ul> <li>HG2-2: Intergovernmental and public and private cooperation shall be encouraged to achieve an adequate supply of affordable housing that meets changing demographic needs in Santa Clara County.</li> <li>HG2(i) A: Maintain intergovernmental agreements to address countywide housing objectives and to ensure an adequate supply of affordable housing countywide.</li> <li>HG2(i) B: Establish and expand intergovernmental processes to more effectively define and achieve local and regional housing objectives.</li> <li>HG4-1: The County should continually review its land use and development procedures for opportunities to remove unnecessary constraints to, and provide new opportunities to fund, the construction of affordable housing.</li> <li>HG4(i) A: Identify and utilize a forum for sharing of best practices for removing constraints to housing development.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Lack of access to opportunity due to high housing costs</li> <li>Lack of local or regional cooperation</li> <li>Land use and zoning laws</li> <li>Location and type of affordable housing</li> <li>Location of employers</li> <li>Availability of affordable units in a range of sizes</li> <li>Lack of affordable, accessible housing in a range of unit sizes</li> <li>Lack of affordable, integrated housing for individuals who need supportive services</li> <li>Location of accessible housing</li> <li>Displacement of residents due to economic pressures;</li> <li>Loss of affordable housing: Private discrimination</li> </ul>

# **Program 1.11 Internal County Coordination of Housing Funds and Services**

To end homelessness in our community, we must address its root causes. This program includes coordination with various county departments and agencies to leverage critical housing dollars for the county's most vulnerable residents. Strategy 1 of the 2020-2025 Community Plan to End Homelessness is focused on addressing the root causes of homelessness through systemic and policy change including any regulatory barriers that prevent people from accessing critical supportive services. This plan sets a five-year goal of reducing new unhoused individuals and families in a given year by 30%. The system we live in has created social, economic, and racial disparities and it will take monumental shifts in policies and priorities to make effective change. While eliminating these disparities across our community will take more than the five years covered by the Community Plan, we can make substantial progress towards this important goal by implementing the strategies below, which are targeted to address the entrenched economic and societal causes of homelessness through transformational systemic and policy change.

Examples of the implementing programs under the Community Plan and subject to internal County coordination include but are not limited to the following:

Permanent Supportive Housing for Public Safety and Justice:
Through programming coordinated by the County of Santa Clara
Behavioral Health Services Department, the County seeks to
interrupt the complex feedback loop between homelessness and
incarceration by connecting high-needs incarcerated individuals
who would otherwise exit to homelessness without permanent
supportive housing. The program employs a range of medical,
behavioral health, and housing-related supports to reduce the
rate of incarceration of individuals with serious mental illness and
to address the social and health factors that can lead to further

- involvement with the justice system. This program serves 90 individuals annually with serious mental illness and a history of chronic homelessness who would otherwise exit jail to the streets or emergency shelters.
- Rapid Rehousing for Public Safety and Justice: In partnership with the County of Santa Clara Office of Reentry Services, the County of Santa Clara Office of Supportive Housing offers a rapid rehousing program to address a significant risk factor for longterm homelessness in Santa Clara County by providing much needed linkages to housing and case management for persons experiencing homelessness who are reentering society after involvement with the criminal justice system. This includes leveraging AB 109 funds.
- Bringing Families Home: A common challenge among families involved in the child welfare system is the issue of housing instability. To be considered for family reunification, parents must be able to provide a safe and stable, though not necessarily long-term or permanent, living environment for the child. Temporary living arrangements, such as emergency shelters, transitional housing, and staying with friends and family, often cannot provide the type of stability that the child welfare system requires. This instability has been shown to cause stress within families, which can persist for at least six months following reunification, and can increase the risk factors resulting in reentry to the child welfare system. In Santa Clara County, the Bringing Families Home program, a partnership between the Office of Supportive Housing and the Department of Family and Children Services, addresses these risk factors by providing stable housing to promote family reunification.
- Funded through a state legislative initiative targeted to families with connections to child welfare, the program provides rapid rehousing, including a rental subsidy and housing location services, to families at any point in the reunification process. This

includes families with a child currently placed out of the home or families who have recently reunified who may be precariously housed, to assist them in achieving housing stability faster, exiting the child welfare system more quickly, and preventing reentry.

Table 4.12: Internal County Coordination of Housing Funds and Services

PROGRAM OBJECTIVES	<ul> <li>Serve 1,000 justice involved people annually receiving housing assistance services through a partnership with the Office of Diversion and Reentry Services at the Reentry Resource Center. These programs include the Rapid Rehousing Exceptions Program and the Emergency Assistance Program.</li> <li>Serve 250 households annually through the Wellness and Housing Stabilization Program in partnership with the Behavioral Health Services Department. This program is intended to serve households receiving specialty mental health services who are at imminent risk of becoming homeless.</li> <li>Attend monthly meetings with various County Departments to coordinate the programming of new housing funds and services.</li> <li>Identify primary points of contacts for each program.</li> <li>Continue to provide education and training material to County departments about how to access housing services for homeless individuals and families including those at risk of becoming homeless.</li> <li>Remove regulatory barriers to providing housing and supportive services for persons with disabilities.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	California Department of Social Services (CalWorks Homeless Assistance, Bringing Families Home, Home Safe), Family Unification Program, CalAim, AB109 Housing Funds, Mental Health Services Act Funding, U.S. Department of Housing and Urban Development Continuum of Care.
	HG2-3: Housing resources should be combined, and their use coordinated amongst County Departments.
	<ul> <li>HG2(i)_C: Continue to support cross-agency integration of housing services with the services provided by other County Departments through internal agency agreements.</li> </ul>
POLICIES AND	<ul> <li>HG6-1: Encourage the development of affordable housing that is suitable for a variety of special needs populations.</li> </ul>
IMPLEMENTATION	<ul> <li>HG6(i) D: Maintain existing programs to provide housing suitable for families with children in need.</li> </ul>
	<ul> <li>HG7-1: Expand homelessness prevention programs to support individuals and families most at risk of becoming homeless.</li> </ul>
	<ul> <li>HG7(i) A: Transition the Homelessness Prevention System Pilot into an ongoing housing intervention within the Supportive Housing System and continue to secure public and private funding to aid 2,500 households annually.</li> </ul>
CONTRIBUTING FACTORS	Lack of assistance for transitioning from institutional settings to integrated housing
	<ul> <li>Lack of affordable, integrated housing for individuals who need supportive services</li> </ul>
	Inaccessible government facilities or services

# **Program 1.12 - Coordinate with Bay Area Housing Finance Authority**

The Bay Area Housing Finance Authority (BAHFA) is the first regional housing finance authority in California. Established by California State Legislature AB 1487 (2019, Chiu) to support the production and preservation of affordable housing by placing new revenue options on the ballot, BAHFA has the potential to raise hundreds of millions of dollars to help address affordable housing and housing stability in

the Bay Area. One of the contributing factors to fair housing issues in Santa Clara County includes a loss of affordable housing and lack of financial resources to support the preservation of existing housing. This program is intended to position the County to participate in regional discussions. The County will continue to provide information to BAHFA as it relates to the County's housing development pipeline and lessons learned in the implementation of the 2016 "Measure A" Affordable Housing Bond and will participate in regional discussions about housing needs.

Table 4.13: Coordinate with Bay Area Housing Finance Authority

PROGRAM OBJECTIVES	<ul> <li>Participate in BAHFA convenings related to future ballot measures that would increase available resources for the production and preservation of housing.</li> <li>Bi-annually provide an updated housing development pipeline for Santa Clara County.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG3-1: Local funds for housing shall be targeted to households earning less than 30% of the county median income and special needs populations.</li> <li>HG3(i)A: Participate in intergovernmental efforts to secure federal and state legislation which will ensure adequate funding for, and other incentives, for the construction and preservation of extremely low-, low-and moderate-income ownership and rental housing.</li> <li>HG6-1: Encourage the development of affordable housing that is suitable for a variety of special needs populations.</li> <li>HG6(i) A: Seek expanded state and federal programs and funding to assist local government in developing special needs housing not provided through the private market.</li> </ul>
CONTRIBUTING FACTORS	Access to financial services     Loss of affordable housing

### **Program 1.13 - Supportive Housing and Innovation Fund**

Established in 2018 with a \$50 million gift from Cisco, the Supportive Housing and Innovation Fund provides the private sector with a means to strategically partner with local government, leverage public funding, and share in a joint approach towards ending homelessness in our community. In late 2019, Apple also announced a \$50 million contribution to the fund. The Office of Supportive Housing works in

partnership with Destination: Home to implement the "Supportive & ELI Housing Development" program by vetting development proposals early and often to ensure that development proposals are being planned consistent with the County's supportive and affordable housing production goals. Through this partnership the County has an opportunity to incentivize the development of affordable and supportive housing in high opportunity areas.

Table 4.14: Supportive Housing and Innovation Fund

PROGRAM OBJECTIVES	<ul> <li>By-In March 2023, provided Destination: Home with a list of eligible housing sites.</li> <li>By SeptemberJune 2023, identify new funding applications. Continue to provide housing development pipeline information and early input to developers seeking funding through the Supportive Housing and Innovation Fund.</li> <li>Work with Destination: Home to raise \$25M in private philanthropy funding by 2026.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Private philanthropy
POLICIES AND IMPLEMENTATION	<ul> <li>HG3-1: Local funds for housing shall be targeted to households earning less than 30% of the county median income and special needs populations.</li> <li>HG3(i) A: Participate in intergovernmental efforts to secure federal and state legislation which will ensure adequate funding for, and tax and other incentives for, the construction and preservation of extremely low-, low- and moderate-income ownership and rental housing.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Availability of affordable units in a range of sizes</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Location and type of affordable housing</li> <li>Loss of affordable housing</li> </ul>

### Program 1.14 - Fair Housing Assistance Program

The Fair Housing Assistance Program addresses tenant/landlord, housing discrimination, and fair housing concerns. Project Sentinel provides comprehensive services with the goal of removing legal barriers that prevent lower income and special needs populations from accessing affordable housing, maintaining affordable housing, preserving housing subsidies, and receiving necessary accommodations for disabilities so they can continue to live safely and comfortably in their homes. Project Sentinel works to address discrimination that has occurred by filing fair housing complaints where appropriate.

Consistent with the Urban County's Consolidated Plan Goal of promoting fair housing Countywide, the Fair Housing Assistance

Program will continue to provide resources for County residents with tenant/landlord, housing discrimination and fair housing concernsThe Fair Housing Assistance Program addresses

tenant/landlord, housing discrimination, and fair housing concerns. Project Sentinel and the Asian Law Alliance (ALA), the "Consortium Agencies," provide comprehensive services with the goal of removing legal barriers that prevent lower income and special needs populations from accessing affordable housing, maintaining affordable housing, preserving housing subsidies, and receiving necessary accommodations for disabilities so they can continue to live safely and comfortably in their homes. The Consortium Agencies work to address discrimination that has occurred by filing fair housing complaints where appropriate.

Consistent with the Urban County's Consolidated Plan Goal of promoting fair housing Countywide, the Santa Clara Fair Housing Consortium will continue to provide resources for County residents with tenant/landlord, housing discrimination and fair housing concerns.

Table 4.15: Fair Housing Assistance ProgramSanta Clara Fair Housing Consortium

PROGRAM OBJECTIVES	<ul> <li>Annually, by April, present funding recommendations to the Housing and Community Development Advisory Committee (HCDAC).</li> <li>Annually, by May, present funding recommendations to the Board of Supervisors.</li> <li>Annually, by July, have service agreements in place to ensure that services to the eligible households are offered and available.</li> <li>This program will provide a variety of fair housing services to 67 persons a year; approximately 615 people between 2023 and 2031.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Community Development Block Grant Funds
POLICIES AND IMPLEMENTATION	<ul> <li>HG5-1: The County shall continue its work to enforce laws and foster policies and programs aimed towards preventing discrimination against people of protected status under federal and state law.</li> <li>HG5-2: Fair housing services shall be available in all parts of the county.</li> <li>HG5(i) B: Fair housing services shall continue to offer standardized protection and outreach services throughout the county.</li> <li>HG5(i) C: Fair housing services provided shall be respectful of language, culture, and special needs.</li> </ul>



- HG5(i) D: Continue to support organizations active in ensuring the rights of all persons to obtain and retain housing.
- Access to transportation for persons with disabilities
- Availability, type, frequency, and reliability of public transportation
- Lack of access to opportunity due to high housing costs
- Displacement of residents due to economic pressures

#### **Program 1.15 - Fair Housing Audit & Education Program**

Fair Housing audits are conducted regularly by Project Sentinel to monitor the presence and prevalence of housing discrimination based upon protected classes under both Federal and State fair housing laws. People in California are protected under every Federal class of fair housing protection, e.g., race, color, national origin, sex/gender, disability, familial status, and religion, and under every California protection which includes discrimination based upon primary language, citizenship or immigration status, source of income, age, sexual orientation, gender identity and expression, and marital status.

Project Sentinel's Civil Rights Investigation Coordinators train testers in all classes of fair housing protection and design specific tests to conduct audits. Testers are dispatched to residential sites and conduct phone inquiries about available units, posing as home seekers of different protected classes to uncover disparate treatment. Audit results from tests performed help to determine whether a property provider is discriminating against a certain class of people, such as people with disabilities who use service animals. They can also help to determine if new multi-family housing meets accessibility standards, or if families with children are turned away.

Audit results are then used to shape outreach-education campaigns. Social media campaigns, flyers, brochures, and educational

presentations and workshops are formulated to address forms of housing discrimination. The education of property owners and property managers, along with residents, is key to elevating awareness about fair housing protections to remedy housing discrimination. Such objectives in the Fair Housing Audit and Education Program align with Project Sentinel's mission to "develop and promote fairness and equality of housing opportunities for all persons and advocate peaceful resolution of disputes for community welfare and harmony."

Project Sentinel's Fair Housing program serves many special needs populations. Those include people with disabilities, veterans, victims of domestic violence, immigrants, seniors and those with criminal histories. Each population presents with specific needs driven by their circumstances. Thanks to this program, persons with disabilities have had their housing preserved, reasonable accommodation requests met, and their service animals allowed. Survivors of domestic violence were able to break rental leases to move to safer living environments and not be liable for paying the remaining months on a lease. Immigrants facing national origin or racial discrimination were able to access housing that previously was alleged to have been unavailable. Such outcomes are not guaranteed but without the intervention of fair housing services, such outcomes would be very difficult to achieve.

Table 4.16: Fair Housing Audit & Education Program

PROGRAM OBJECTIVES	<ul> <li>Annually, by April, present funding recommendations to the Housing and Community Development Advisory Committee (HCDAC).</li> <li>Annually, by May, present funding recommendations to the Board of Supervisors.</li> <li>Annually, by July, ensure service agreements are in place to offer services to eligible households.</li> <li>In in the interim, Project Sentinel will continue to train testers, conduct audits, design effective outreach campaigns, and educate residents, housing providers and property managers about fair housing protections. The program objective for the next Audit and Education period will be to sustain these efforts to test, audit, and investigate discriminatory behaviors. Representing and/or coordinating experienced legal representation of bona fide plaintiffs where investigation has produced evidence of a meritorious fair housing case will also continue.</li> <li>During the 2023-2031, this program will conduct 32 audits, work on 48 cases, provide education material to 450 people, and assist with or file 3 enforcement cases where warranted by evidence of discrimination.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Community Development Block Grant Program Funds (Fair Housing Services Funds)
POLICIES AND IMPLEMENTATION	<ul> <li>HG5-1: The County shall continue its work to enforce laws and foster policies and programs aimed towards preventing discrimination against people of protected status under federal and state law.</li> <li>HG5-2: Fair housing services shall be available in all parts of the county.</li> <li>HG5(i) B: Fair housing services shall continue to offer standardized protection and outreach services throughout the county.</li> <li>HG5(i) D: Continue to support organizations active in ensuring the rights of all persons to obtain and retain housing.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Private discrimination</li> <li>Lending discrimination</li> <li>Lack of local public fair housing enforcement</li> <li>Lack of local private fair housing outreach and enforcement</li> </ul>

# Program 1.16 – Collaborate with the Santa Clara County Housing Authority (SCCHA)

The Santa Clara County Housing Authority (SCCHA) was established by the County Board of Supervisors to administer a federal rent subsidy program administered under the Federal Housing Act of 1937. SCCHA's mission is to provide and inspire affordable housing solutions to enable low-income people in Santa Clara County to achieve financial stability and self-reliance. SCCHA has constructed, rehabilitated, and/or served as developer for over 30 affordable housing developments. SCCHA currently owns 31 housing projects

serving families, seniors, persons with disabilities, and the homeless within the county.

As a Moving to Work (MTW) demonstration agency, SCCHA also strives to meet the following three MTW statutory goals established by Congress:

- Decrease administrative costs and increase cost effectiveness in housing program operations,
- · Promote participants' economic self-sufficiency, and
- Expand participants' housing choices.

SCCHA utilized its MTW flexibility to facilitate expansion and improve program efficiencies, such as streamlining the Section 8 Project Based Voucher Program (PBV) competitive process and raising the maximum share of units that can be project-based, from 20% to 40% of SCCHA's total authorized units. The PBV is a component of the Housing Choice Voucher Program (HCV). SCCHA may allocate up to 40% of its voucher assistance authority to specific housing units. In the Project Based Voucher (PBV) program, rental subsidies are attached to contracted units for a period of typically 20 years. Eligible low-income tenants typically pay about one third of their monthly income for rent.

SCCHA's designation as an MTW demonstration agency has afforded our community the opportunity to establish a preference for chronically homeless individuals and families. One of the County's housing priorities is to increase supportive housing for chronically homeless and other special needs populations. In order to be successful, special needs populations require that affordable housing and ongoing support services be provided in a coordinated manner. While the County and its partners should support increasing affordable housing for all residents, special needs populations (e.g., extremely low-income seniors, extremely low-income individuals with a serious mental illness, and chronically homeless persons) will likely access supportive housing only through carefully planned programs.

In 2011, SCCHA established the Chronically Homeless Direct Referral Program (CHDR) and allocated 200 Section 8 Housing Choice Vouchers to CHDR. In 2012, SCCHA allocated an additional 100 vouchers to CHDR, and in 2016 it allocated an additional 500 vouchers to CHDR. Today, this partnership includes a Special Needs Direct Referral program and a streamlined procurement process in alignment with the County's Supportive Housing Development Fund Notice of Funding Availability (SHDF NOFA) (Program 1.01). Most recently the SCCHA has been focused on exploring a combination of placed based investments and mobility programs.

Table 4.17: Collaborate with the Santa Clara County Housing Authority (SCCHA)

## PROGRAM OBJECTIVES

- Continue to participate in monthly Section 8 coordination and operation meetings with SCCHA and the City of San José's Housing Department to address barriers that voucher holders experience, streamline the lease up process, and explore policy changes that increase housing choice in high resources areas of the county.
- By December 2023 develop a strategic spending plan for future rental subsidies and housing production pipeline consistent with the negotiated
   Memorandum of Understanding between the County and SCCHA.
- Work with SCCHA on the development of a Mobility Program in alignment with HUD's Mobility Demonstration Program that will be submitted to HUD in June 2024 with implementation beginning in January 2025.

GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	U.S. Department of Housing and Urban Development
POLICIES AND IMPLEMENTATION	<ul> <li>HG2-1: The County and the cities should work cooperatively to ensure that there is a balanced housing supply sufficient to achieve countywide economic, social, and environmental objectives. Further opportunities for inter-agency, intergovernmental, interregional, and public/private cooperation should be sought out and encouraged.</li> <li>HG2(i)_A: Maintain intergovernmental agreements to address countywide housing objectives and to ensure an adequate supply of affordable housing countywide.</li> <li>HG3-1: Local funds for housing shall be targeted to households earning less than 30% of the County median income and special needs populations.</li> <li>HG3(i)_A: Participate in intergovernmental efforts to secure Federal and State legislation which will ensure adequate funding for, and tax and other incentives for, the construction and preservation of extremely low-, very low-, low- and moderate-income ownership and rental housing.</li> <li>HG3(i)_B: Consider using suitably located surplus publicly owned lands for housing affordable to extremely low-, very -low-, and low-income households through the sale or lease of such land to a government entity, or to nonprofit or private home builders with appropriate terms and conditions guaranteeing long term affordability.</li> <li>HG6-1: Encourage the development of affordable housing which is suitable for a variety of special needs populations.</li> <li>HG6(i) A: Advocate for the expansion of Federal and State programs and funding to assist local government in developing special needs housing not provided through the private market.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Access to publicly supported housing for persons with disabilities</li> <li>Impediments to mobility</li> <li>Lack of affordable, integrated housing for individuals who need supportive services</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Lack of affordable, accessible housing in a range of unit sizes</li> </ul>

# **Program 1.17 - Permanent Supportive Housing for Persons with** a Serious Mental Illness

The current capacity levels for the Behavioral Health Services Department (BHSD) intensive outpatient programs (e.g., FSP, IFSP, etc.) can be used as an initial estimate of need for permanent supportive housing (PSH) program "slots." Across all BHSD divisions, intensive outpatient programs have the capacity to serve about 1,700 individuals or households per year. BHSD and contractors estimate that about 90% of intensive outpatient program participants were homeless when referred to the program, had recently experienced homelessness, or have experienced multiple episodes of homelessness in their lives.

BHSD's goal is to provide 1,500 units of PSH over the next two and a half years. This strategy goal is consistent with the needs of intensive outpatient program participants, could reduce unnecessary utilization and management of temporary shelter and treatment programs and improve health outcomes for program participants,

and aligns with the 2020-2025 Community Plan to End Homelessness. Some PSH capacity will be met by leasing existing housing units, while others will be met by developing new housing units. Housing units include apartments, shared single-family residences, and semi-congregate settings. Since licensed residential care facilities (RCFs) serve a subset of individuals who need PSH, RCFs are separated from other housing units. BHSD estimates that approximately 20% of PSH clients would need an RCF.

Of the 1,500 PSH units needed, the Administration has developed the following goals:

- Expand tenant based rental assistance programs to serve an additional 785 individuals or households;
- Construct at least 219 apartments that will be used as PSH for persons with a serious mental illness; and
- Develop or support the development of RCFs that will increase the system capacity by 171 beds.

Table 4.18: Permanent Supportive Housing for Persons with a Serious Mental Illness

PROGRAM OBJECTIVES	<ul> <li>By December 2022 release Request for Offer for three county-owned sites for the construction of at least 32 RCF beds.</li> <li>By June 20243 enter into an agreement with a rental subsidy provider to expand tenant based rental assistance programs to serve an additional 785 individuals or households.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	No Place Like Home, 2016 "Measure A" Affordable Housing Fund, California's Community Care
POLICIES AND IMPLEMENTATION	<ul> <li>HG1-5: Prioritize suitable county-owned underutilized parcels within Cities and Urban Service Areas for affordable, supportive and workforce housing development.</li> </ul>
	<ul> <li>HG1(i)_D: Continue consideration of publicly owned lands suitable for the construction of extremely low-income housing and develop a priority of county-owned sites suitable for housing development.</li> </ul>

	<ul> <li>HG6-1: Encourage the development of affordable housing which is suitable for a variety of special needs populations.</li> <li>HG6(i)_A: Seek expanded Federal and State programs and funding to assist local governments in developing special needs housing not provided through the private market.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing and other integrated settings</li> <li>Lack of affordable, integrated housing for individuals who need supportive services</li> <li>Access to publicly supported housing for persons with disabilities</li> </ul>

### **Program 1.18 - Tenant/Landlord Dispute Mediation Services**

The County provides funding to support mediation services for tenant and landlord disputes. Currently these services are provided by Project Sentinel, which provides services to avoid the development of housing problems and to resolve those that occur with a focus to prevent homelessness, substandard living conditions, hostile environments, and foreclosure. Specific services include the following:

- Providing information and referral services to approximately 600 callers on an annual basis.
- Opening and processing approximately 74 cases on an annual basis.
- Providing housing-related education and counseling, intervention, and dispute resolution to improve quality of life and prevent homelessness.

- Maintaining housing stability for individuals/families at risk of homelessness/eviction by intervening in disputes and helping negotiate a resolution.
- Empowering people through education and counseling to advocate on behalf of themselves.
- Educating tenants and housing providers to understand housing law.
- Intervening with lending institutions to assist households to avoid foreclosure.
- Working closely with the housing industry groups including Tri-County Apartment Owners Association (TCAA/CAA) and the Apartment Owners Association (AOA) to educate owners and managers on their obligations and how they can best run their business and comply with the law.

Services are provided to the following communities: Campbell, Los Gatos, Saratoga, Monte Sereno, Morgan Hill, and unincorporated San José areas.

Table 4.19: Tenant/Landlord Dispute Mediation Services

PROGRAM OBJECTIVES	<ul> <li>As part of meeting its Consolidated Plan Goal of promoting fair housing countywide, the County will continue to fund the tenant/landlord services.</li> <li>Annually, by April, present funding recommendations to the Housing and Community Development Advisory Committee (HCDAC).</li> <li>Annually, by June, present funding recommendations to the Board of Supervisors.</li> <li>Annually, by July, begin offering services to the eligible households.</li> <li>Serve 74 persons a year with counseling and dispute resolution services. The program estimates serving 670 persons between 2023 – 2031.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
FUNDING SOURCE	Community Development Block Grant Funds
LEAD AGENCY	Office of Supportive Housing
POLICIES AND IMPLEMENTATION	<ul> <li>HG5-3: The rights of tenants and landlords shall be recognized and protected, and opportunities for mediation of disputes shall be provided.</li> <li>HG5(i) E: Maintain tenant/landlord dispute mediation services in all areas of the county.</li> </ul>
CONTRIBUTING FACTORS	Displacement of residents due to economic pressures

#### **Program 1.19 - Eviction Diversion Program**

The Eviction Diversion program is a collaboration between the County of Santa Clara; the City of San José and other cities in the county; community-based organizations, like Sacred Heart Community Services and Destination: Home; non-profit mediation services and legal services providers; and the Santa Clara County Superior Court to help community members at-risk of homelessness preserve their existing housing or transition to alternate housing opportunities. The goal of the program is to help tenants secure resources (e.g., case management, rental and other assistance resources, legal assistance, etc.), and help tenants and landlords access dispute resolution assistance, to prevent homelessness or help tenants transition to other housing opportunities. One of the County's goals and strategies to affirmatively furthering fair housing includes collaboratively working with the Santa Clara County

Superior Court and other partners to facilitate access to resources for vulnerable tenants engaged in eviction provisions.

The Eviction Diversion Program workshops coincide with the Superior Court's unlawful detainer (eviction) calendar. Through these workshops, tenants are connected with resources (e.g., case management, rental and other assistance resources, legal assistance, etc.) to help them respond to and address landlords' claims for backrent owed and lack of compliance with rental rules. Tenants and landlords are also connected to dispute resolution assistance to aid these parties in developing workable solutions (e.g., payment plan for owed rent, unit repairs, etc.) that help keep tenants housed or transition to alternate housing opportunities. Through the Eviction Diversion program, cities and service providers meet on a monthly basis to provide eviction diversion and other resource updates and share best practices.

Table 4.20: Eviction Diversion Program

PROGRAM OBJECTIVES	<ul> <li>By December 2022, enter into agreement Sacred Heart Community Service.</li> <li>By In January 2023, launched program.</li> <li>By In June 2023, provided assistance to 60 households and complete first phase of the -program.</li> <li>By June 2025, secure additional funding to initiate a continuation of the program to serve 50 households a year.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Homeless Housing, Assistance and Prevention (HHAP)
POLICIES AND IMPLEMENTATION	<ul> <li>Policy-HG5-4: Reduce displacement of low-income household tenants and increase tenant protections prior to evictions proceedings.</li> <li>HG5(i) D: Continue to support organizations active in ensuring the rights of all persons to obtain and retain housing.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Displacement of residents due to economic pressures</li> <li>Private discrimination</li> </ul>

### **Program 1.20 - San Andreas Regional Center**

The San Andreas Regional Center (SARC) is a community-based, private nonprofit corporation that is funded by the State of California to serve individuals with an intellectual and development disability (I/DD) as required by the Lanterman Developmental Disabilities Act. SARC serves residents in four counties, including Santa Clara County, and provides comprehensive support services, such as: case management, supported living or independent living, health and clinical supports, adaptive equipment and environmental modifications, day activities, and vocational services and supports. On Jun 15, 2020, the County and SARC entered a Memorandum of Understanding (MOU) to further coordinate funding and onsite services to help individuals obtain and retain permanent housing.

The MOU with SARC describes each organization's respective roles and responsibilities relating to: a) helping OSH clients experiencing homeless or who formerly experienced homelessness and who have reported an I/DD to access SARC's services; b) helping SARC's clients who are experiencing or are at-risk of homelessness to access supportive housing or homelessness prevention services; and c) ensuring that individuals or families who move into County-funded housing units for individuals with an I/DD receive the services they need to obtain and maintain their housing, and live as independently as possible. One of the contributing factors to fair housing issues is access to publicly supported housing for persons with disabilities. This partnership aims to remove housing barriers and provide households with access to affordable, integrated housing.

Table 4.21: San Andreas Regional Center

PROGRAM OBJECTIVES	<ul> <li>By July 20232024, convene a debriefing session with SARC and Alta Housing about the lease up process for Wilton Court in Palo Alto.</li> <li>By July 20242025, revisit SARC MOU to develop an annual report that summarizes the services delivered through the MOU and additional services provided to Santa Clara County residents.</li> <li>Construct approximately 55 dedicated affordable housing units for persons with an intellectual and development disability by 2029.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG5-5: Identify and increase access to services and other opportunities for residents of historically disinvested low-income communities (R/ECAPs and Burdened Households) across unincorporated county.</li> <li>HG5(i) C: Fair housing services provided shall be respectful of language, culture, and special needs.</li> <li>HG6-2: An adequate supply of affordable housing suitable for individuals at all stages of life should be available in every community.</li> <li>HG6(i) B: Develop and implement policies and ordinances that create housing that is adaptable to the needs of physically, developmentally, and emotionally challenged persons.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Access to publicly supported housing for persons with disabilities</li> <li>Lack of affordable, integrated housing for individuals who need supportive services</li> <li>Regulatory barriers to providing housing and supportive services for persons with disabilities</li> <li>State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing and other integrated settings</li> </ul>

### **Program 1.21 – Homelessness Prevention System**

As a component of the Supportive Housing System, the Homelessness Prevention System pilot brings together a network of community partners to provide flexible financial assistance and resources for households in crisis, channeling support to families and individuals most at risk of losing their housing and preventing them from entering the homeless system. Under the leadership and coordination of Destination: Home, the Homelessness Prevention System pilot re-envisions the community's approach to preventing homelessness. In Year 1, the annual budget was \$1.6M and helped

serve 215 households. In Year 6, the annual budget is \$16.9M and the system has the capacity to serve 1,600 households. Over the past five years, the HPS Pilot has served 12,367 individuals from 4,455 households at imminent risk of homelessness.

This pilot program streamlines access to essential resources for families in crisis, targets resources to those most at risk of homelessness, and uses data to measure the collective impact of the prevention system. The agencies participating in the Homelessness Prevention System pilot use a standard assessment tool to target resources to households with the highest risk of homelessness. The use of a single intake assessment allows the system to better identify

which households are most likely to experience homelessness, and to prevent it. As a coordinated system with standardized data collection requirements, the Homelessness Prevention System pilot will provide a rich source of information about the nature of housing crises in Santa Clara County and which tools are most effective at permanently stabilizing housing for at-risk families.

Table 4.22: Homelessness Prevention System

PROGRAM OBJECTIVES	<ul> <li>InBy March 2023, amended the existing contract to add additional funding to support more families in need.</li> <li>By-In July 2023, increased system capacity to serve 1,700 households. It is estimated that a total of 13,600 households will be assisted during between 2023 and 2031.</li> <li>By September December 2023, issue a Joint Request for Proposals to select a system administrator and network partners.</li> <li>By March 2024, present recommendations to the Board of Supervisors.</li> <li>By July 2024, launch new County-led Homelessness Prevention System with the capacity to serve 2,500 households.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Homeless Housing, Assistance and Prevention (HHAP), County General Fund, Permanent Local Housing Allocation (PLHA) private philanthropy funding and American Rescue Plan Act (ARPA) funding.
POLICIES AND IMPLEMENTATION	<ul> <li>HG7-1: Expand homelessness prevention programs to support individuals and families most at risk of becoming homeless.</li> <li>HG7(i) A: Transition the Homelessness Prevention System Pilot into an ongoing housing intervention within the Supportive Housing System and continue to secure public and private funding to provide assistance to 2,500 households annually.</li> </ul>
CONTRIBUTING FACTORS	Displacement of residents due to economic pressures

## **Program 1.22 – Emergency Assistance Network**

The Emergency Assistance Network (EAN) agencies in Santa Clara County provide eligible households with emergency financial assistance in order to prevent homelessness. Eligible households include those who are at imminent risk of becoming homeless and have income below 50% of Area Median Income, those who have not received emergency financial assistance in the previous 12 months, and households who have sufficient household income to maintain

housing after receiving emergency financial assistance. In addition to financial assistance, the EAN provides emergency aid for rent, food, work-related transportation, medical expenses, or utilities. The EAN plays a critical role in providing low-income individuals and families with emergency funds to pay for rent, utilities, and other housing costs to prevent homelessness. In addition, households are connected to other service providers that can help individuals and families on the path toward self-sufficiency.

**Table 4.23: Emergency Assistance Network** 

PROGRAM OBJECTIVES	<ul> <li>By-In_March 2023, amended existing contracts to increase funding and issue Request for Proposals as required by the County for contracts that exceed a 5-year term.</li> <li>By-In_June 2023, make-made recommendations to the Board of Supervisors.</li> <li>By-In_July 2023, launched new five-year contracts serving up to 1,840 households annually.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	County General Fund
POLICIES AND IMPLEMENTATION	<ul> <li>Policy HG7-1: Expand homelessness prevention programs to support individuals and families most at risk of becoming homeless.</li> <li>HG7(i) A: Transition the Homelessness Prevention System Pilot into an ongoing housing intervention within the Supportive Housing System and continue to secure public and private funding to provide assistance to 2,500 households annually.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Access to financial services</li> <li>Displacement of residents due to economic pressures</li> </ul>

### **Program 1.23 – City Revenue Agreements**

In order to expand the capacity of the Supportive Housing System, the County has pooled resources from various cities. These partnerships increase efficiency and reduce the duplication of services throughout the county. The funded services continue to

prevent and reduce homelessness throughout Santa Clara County. The programs supported by these revenue funding sources are aligned with the goals of the 2020-2025 Community Plan to End Homelessness and promote racial equity in homeless services by increasing the availability of community-based supportive services throughout the County.

**Table 4.24: City Revenue Agreements** 

By In May 2023, presented cities with a menu of options of services they can fund.
By September 2023, finalize list of services for each housing intervention type.
By December 2023, receive confirmation from interested cities.
By March 2024, present funding recommendations through the County's budget process.
By July 2024, being to administer expanded programs.

	<ul> <li>Starting in July 2023, provide supportive services for 180 chronically homeless households from San José. Assuming funding continues annually through 2031, this Revenue Agreement with the City of San José would serve 1,620 chronically homeless households from San José.</li> </ul>
	through 2031, this revenue Agreement with the City of San Jose would serve 1,020 Chronically homeless households from San Jose.
	Starting in July 2023, serve 400 homeless households from San José through a centralized hotline for individuals and families seeking shelter services or shelter diversion services. Assuming funding continues annually through 2031, this Revenue Agreement with the City of San José would serve 3,600 homeless households from San José.
	Starting in July 2023, serve 20 households from the City of Santa Clara and 20 households from the City of Mountain View with permanent
	supportive housing services and rental assistance. Assuming funding continues annually through 2031, these Revenue Agreements with the cities of Santa Clara and Mountain View would serve 360 households.
	<ul> <li>Starting in July 2023, serve 133 vehicle dwellers from the City of Mountain View by providing homeless households a temporary, overnight, safe location to park, as well as case management support. Assuming funding continues annually through 2031, this Revenue Agreement with Mountain View would serve 1,197 vehicle dwellers.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Funding from cities varies
20116124112	HG7-2: Expand supportive housing programs, including permanent supportive housing and rapid rehousing programs.
POLICIES AND IMPLEMENTATION	HG7(i) B: Continue to collaborate with affordable housing developers, non-profit agencies, county departments, local and regional partners to expand the capacity of the supportive housing system.
CONTRIBUTING FACTORS	Lack of affordable in-home or community-based supportive services

### **Program 1.24 - Community Plan to End Homelessness**

The 2020-2025 Community Plan to End Homelessness will serve as our roadmap for ending homelessness in Santa Clara County and is organized around three main strategies: (1) Address the root causes of homelessness through system and policy change, (2) Expand homelessness prevention and housing programs to meet the need, and (3) Improve quality of life for unsheltered individuals and create healthy neighborhoods for all. The strategies included in this plan are grounded in evidence-based practices, lessons learned over the past five years, and robust conversations and input from more than 8,000 members of our community, including people with lived experience of homelessness, subject matter experts, key stakeholders, and community members. In addition, this plan sets aggressive targets

designed to reverse the current growth in homelessness we are experiencing and bring us one step closer to our collective goal of eliminating homelessness in our community.

The plan's focused goals are: (1) house 20,000 people through the supportive housing system, (2) achieve a 30% reduction in the annual inflow of people becoming homeless, (3) double temporary housing and shelter capacity to reduce the number of people sleeping outside, and (4) expand the Homelessness Prevention System and other early interventions to serve 2,500 households per year. The first two strategies of the plan seek to end and prevent homelessness for as many people as possible over the next five years. However, the

reality is that many people will remain unhoused due to an extreme housing crisis and increasing income inequality. To address this immediate crisis in our community and ensure healthy neighborhoods for all, we must begin by doubling our temporary housing and shelter capacity to serve 2,000 additional households each night; increase investment in health, safety, and other basic services to better meet the needs of people living in unsheltered conditions; and build connections to housing programs and safety net services offered throughout the county.

Implementation of the strategies in the Community Plan to End Homelessness will raise the voices of people with lived experience and share power with our unhoused and recently-housed neighbors. We will focus on policies and programs that reduce racial inequity, in an effort to reverse the disproportionately high rates of people of color who are unhoused. -The County through its administration of Homeless Housing, Assistance and Prevention (HHAP) Rounds 3 and 4 funding have set various goals related to "Underserved Populations and Populations Disproportionately Impacted by Homelessness" that are connected to each of the HHAP goals.

Table 4.25: Community Plan to End Homelessness

PROGRAM OBJECTIVES	<ul> <li>House approximately 3,200 people annually through implementation of the Community Plan to End Homelessness. Assuming the current reduction rate and the number of people served annually, we project housing 25,600 people between 2023 – 2031.</li> <li>Annually convene the strategy leads to develop annual focused implementation plans. These plans cannot be set in advance because there are a lot of factors that are taken into consideration when developing priorities. The purpose of this plan is to shape and guide our work through a collective impact model.</li> <li>By-In March 2023, issued Annual Progress Report for Year 3.</li> <li>By-In March 2023, received notification from the U.S. Department of Housing and Urban Development on new grant applications that will increase the system capacity and allow the County to administer new programs.</li> </ul>
	<ul> <li>By-In_August 2023, issued the Mid-Year Progress Report for Year 4.</li> <li>By February-March 2024, issue Annual Progress Report for Year 4.</li> <li>By August-September 2024, issue the Mid-Year Progress Report for Year 5.</li> <li>By February-March 2025, issue the Annual Progress Report for Year 5.</li> </ul>
GEOGRAPHIC SERVICE AREA	
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	HUD Continuum of Care, County General Fund, 2016 "Measure A" Affordable Housing Bond
POLICIES AND IMPLEMENTATION	<ul> <li>HG6-1: Encourage the development of affordable housing that is suitable for a variety of special needs populations.</li> <li>HG6(i) E: Support implementation of housing-related policies in the county.</li> <li>HG7-2: Expand supportive housing programs, including permanent supportive housing and rapid rehousing programs.</li> </ul>

• HG7-3: Improve the quality of life of unsheltered individuals by expanding the capacity of temporary housing programs and providing basic needs services to individuals experiencing unsheltered homelessness. HG7(i) A: Transition the Homelessness Prevention System Pilot into an ongoing housing intervention within the Supportive Housing System and continue to secure public and private funding to aid 2,500 households annually. HG7(i) B: Continue to collaborate with affordable housing developers, non-profit agencies, county departments, local and regional partners to expand the capacity of the supportive housing system. HG7(i)\_C: Continue to support community-based organizations that provide services to the unhoused population. HG7(i) D: Coordinate with cities to construct service enriched emergency shelters consistent with the Community Plan to End Homelessness's goal to double the number of temporary shelter beds by 2025. HG7(i) F: Promote the County's Service Enriched Emergency Interim Housing Challenge Grant by partnering with cities to help achieve the goals contained in the Community Plan to End Homelessness to double the number of temporary shelter beds. HG7(i) G: Raise the voices of people with lived experience and share power with unhoused and recently housed neighbors by including them in the decision-making process when making decisions about homelessness-related policies. Admissions and occupancy policies and procedures, including preferences in publicly supported housing Quality of affordable housing information programs Inaccessible government facilities or services Lack of local or regional cooperation

## **Program 1.25 – Temporary Housing Programs**

While supportive housing programs—and building more units to increase the system's capacity—are central to the community's mission to end homelessness, the reality remains that individuals currently experiencing homelessness need programs and services that address their immediate needs. The supportive housing system includes a range of crisis response strategies, which help to identify and engage with at-risk or homeless households, prevent

homelessness before it begins whenever possible, and provide shelter and other basic needs to individuals and families experiencing homelessness. For many households, these programs are the first step back to stable housing, and each component of this housing crisis response system works in alignment with the community's supportive housing programs and other permanent housing resources to help clients achieve long-term housing stability. The County manages 37 programs providing a variety of services and contracts for 22 shelters countywide.

**Table 4.26: Temporary Housing Programs** 

PROGRAM OBJECTIVES

By March 202<u>43</u>, the County will enter into new agreements to expand existing basic needs services and temporary housing programs.

	<ul> <li>Complete construction of the Palo Alto and San-José Interim Housing sites that will result in a total of 308 new shelter units by 2027.</li> <li>Provide predevelopment funding for the Santa Clara Community Housing project that will consist of [insert] units of new interim housing.</li> <li>The project requires approval of Homekey award to move forward. If funded, the project is expected to be completed by March 2025.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Homeless Housing, Assistance and Prevention (HHAP) and County General Fund
POLICIES AND IMPLEMENTATION	<ul> <li>HG7-3: Improve the quality of life of unsheltered individuals by expanding the capacity of temporary housing programs and providing basic needs services to individuals experiencing unsheltered homelessness.</li> <li>HG7(i) C: Continue to support community-based organizations that provide services to the unhoused population.</li> </ul>
	Displacement of residents due to economic pressures

#### **Program 1.26 - Homekey Application Strategy**

In July 2021, the County of Santa Clara challenged the 15 cities in our community to identify 10 possible Homekey sites that could be submitted as part of Round 2 funding. One of the biggest gaps we have in our Supportive Housing System is a lack of accessible shelter beds throughout the County. However, we have developed a strategy that places people who are enrolled in a housing program into interim housing while they are in housing search. Homekey has afforded our community with the opportunity to scale this work. Collectively, Santa Clara County has been awarded a total of \$222,104,646 in Homekey funding across 10 projects in Rounds 1 and 2 resulting in the following:

270 hotel rooms converted into <u>224 permanent affordable and supportive housing units</u>; with 21 of those units for transitional housing;

- 283 hotel rooms rehabbed and used for emergency internal housing that will later be converted to permanent housing; and
- 412 new units of emergency interim housing using modular construction (LifeMoves at Mountain View, Palo Alto, and San José).

As new funding becomes available and is more competitive, the County and cities need to work collaboratively to develop a strategy for Round 3 that fills any remaining gaps and that is consistent with the Community Plan to End Homelessness strategies and goals. This strategy also affords the County to serve a lead local coordinator in addressing contributing factors to fair housing issues by ensuring the equitable distribution of shelters across the county that are close to transit, amenities, employment, and schools.

Table 4.27: Homekey Application Strategy

PROGRAM OBJECTIVES	<ul> <li>In January 2023, hosted community meetings across the County about the next round of Homekey funds.</li> <li>Submitted three new projects Countywide for Homekey Round 3 in partnership with the cities of Santa Clara and San- José.</li> <li>November 2023, if funding is approved, negotiate standard agreement with HCD.</li> <li>March 2026, begin operating sites.</li> </ul>	
GEOGRAPHIC SERVICE AREA	GEOGRAPHIC SERVICE AREA Countywide	
LEAD AGENCY	Office of Supportive Housing	
FUNDING SOURCE	State Homekey Funds, local city funding, Homeless Housing, Assistance and Prevention (HHAP)	
POLICIES AND IMPLEMENTATION	<ul> <li>HG7-3: Improve the quality of life of unsheltered individuals by expanding the capacity of temporary housing programs and providing basic needs services to individuals experiencing unsheltered homelessness.</li> <li>HG7(i)_E: Continue to support community-based organizations that provide services to the unhoused population.</li> </ul>	
CONTRIBUTING FACTORS	Displacement of residents due to economic pressures	

# **Program 1.27 - Service Enriched Shelter Forgivable Loan Program**

While the County continues prioritizing permanent housing developments and programs, the County recognizes the need to sustain and expand the emergency shelter and transitional housing system. Over the last three years, the County took extraordinary measures to increase operational funding for existing and new emergency shelter and transitional housing programs. These measures ensured that all major shelter and transitional housing facilities in Santa Clara County were available for use. One of the goals of the 2020 – 2025 Community Plan to End Homelessness includes doubling temporary housing and shelter capacity to reduce

the number of people sleeping outside. The purpose of the Service Enriched Shelter Forgivable Loan Program is to provide capital funding and operating subsidies to non-profit organizations, as sole applicants or in partnership with cities or other entities, to create new service-enriched shelters. Applicants are required to demonstrate cost savings and time advantages as compared to traditional shelter construction. The Service Enriched Shelter Forgivable Loan Program has been designed and is proposed as an over-the-counter application process whereby applications can be accepted and assessed on an ongoing basis. This enables prospective respondents to obtain a commitment early on and affords the County the opportunity to manage the production pipeline and leverage the State Homekey Program and other funding sources.

Table 4.28: Service Enriched Shelter Forgivable Loan Program

PROGRAM OBJECTIVES	<ul> <li>Complete construction of the Palo Alto and San José Interim Housing sites that will result in a total of 308 new shelter units by December 2027.</li> <li>Provide predevelopment funding for the Santa Clara Community Housing project that will consist of [insert] units of new interim housingThe project requires approval of Homekey award to move forward. If funded, the project is expected to be completed by December 2025.</li> <li>By-In March 2023, identify-identified at least three new sites for funding and develop pathway for project approvals and funding.</li> <li>Annually determine if additional funding can be set aside to reach the County's goal of a \$40 million investment that would incentivize the construction of service enriched housing.</li> </ul>
GEOGRAPHIC SERVICE AREA Countywide	
LEAD AGENCY	Office Supportive Housing
FUNDING SOURCE	County General Fund
POLICIES AND IMPLEMENTATION	<ul> <li>HG7-5: Continue to incentivize the construction of new Service Enriched Emergency Interim Housing by partnering with cities.</li> <li>HG7(i)_D: Coordinate with cities to construct service enriched emergency shelters consistent with the Community Plan to End Homelessness' goal to double the number of temporary shelter beds by 2025</li> </ul>
CONTRIBUTING FACTORS	Access to transportation for persons with disabilities     Impediments to mobility

## **Program 1.28 - Lived Experience Advisory Board (LEAB)**

Santa Clara County's Lived Experience Advisory Board (LEAB) is a leadership development body consisting of members who are currently or previously unhoused. The LEAB serves as a platform for people who have experienced homelessness, especially people of color and LGBTQI+ persons, to provide meaningful input to improve the Santa Clara County's supportive housing system. The County's Continuum of Care and Destination: Home, among others, consult with the LEAB to center input from people who are currently or formerly unhoused in development of planning, like the 2020-2025 Santa Clara County Community Plan to End Homelessness and procurement processes. The LEAB's consultation and advocacy work relating to improving the Santa Clara County's supportive housing system serves community members with special needs, including

community members who are low-income people of color, seniors, unhoused or at risk of becoming unhoused, female-headed households, large families, those with limited English proficiency, children and youth, and individuals with mental or physical health disabilities.

### The LEAB's strategies include:

- Provide leadership opportunities for people with lived experience of homelessness to shape how we address homelessness in our community.
- Center the voices of people who have lived experience of homelessness, especially people of color, in the policy and program design decisions of the supportive housing system.

- Within the supportive housing system, incentivize hiring of people who have lived experience of homelessness to reflect the client population— especially people of color and LGBTQI+ persons.
- Provide opportunities for people who have lived experience of homelessness to provide peer-to-peer support.

Table 4.29: LEAB

PROGRAM OBJECTIVES	By-In_January 2023, kick <u>ed</u> -off Supportive Housing System Improvement work including the work of LEAB.
	<ul> <li>By <u>June 2024December 2023</u>, develop a toolkit for the establishment of Tenant Association's for every 100% Permanent Supportive Housing Development.</li> </ul>
	<ul> <li>OSH will continue to work with the LEAB to make improvements to the supportive housing system. The County will continue its commitment of inviting LEAB members and others with lived expertise of homelessness to participate in funding decisions and policy changes.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	U.S. Department of Housing and Urban Development, Continuum of Care Funding
POLICIES AND	<ul> <li>HG7-6: Continue to support feedback mechanisms that provide those with lived experience of homelessness the opportunity to inform and shape improvements to the Supportive Housing System and the delivery of services.</li> </ul>
IMPLEMENTATION	HG7(i) C: Continue to support community-based organizations that provide services to the unhoused population.
	• HG7(i)_G: Raise the voices of people with lived experience and share power with our unhoused and recently housed neighbors.
CONTRIBUTING FACTORS	Lack of affordable in-home or community-based supportive services

# Program 1.29 - Farmworker Affordable Homeownership and Farmworker Housing Pilot Program

Building on the progress made through the housing needs survey conducted during the 2015-2022 Housing Element planning period, the County is exploring the development of several new programs designed to 1) assist agricultural operators and landowners in providing housing for extremely low- and very low-income farmworkers, and 2) provide funding for either the rehabilitation of owner-occupied homes, mortgage assistance, and/or new home construction. HCD published a Notice of Funding Availability in

January 2023 that included the Joe Serna, Jr. Farmworker Housing Grant (FWHG) Program. Eligible project types include both traditional homeownership and cooperative housing. In all cases, resale restrictions are required for a minimum of 20 years. Deferred FWHG loans are issued to buyers and a portion of the loans is forgiven each year, with loans being fully forgiven after 20 years. In addition to single-family homes, FWHG funding may also be used to develop projects involving multiple homeownership units, including single-family subdivisions for lower-income agricultural employees and their families.

The Farmworker Affordable Homeownership component of the Program will first leverage funding from Program 1.06 – Below Market Partnership Program. -Specifically, \$1 million in funding is set aside for mobile homes and manufactured housing. The County will work with the cities of Gilroy, Morgan Hill, and other stakeholders in South County to market the program to the farmworker community. The focus of this component of the program is primarily focused on individual households.

The Farmworker Housing Pilot component of the Program will focus on providing financing to help agricultural operators and landowners provide housing for "very low-income" farmworkers by creating new housing, rehabilitation or repairing existing housing, or replacing existing dilapidated mobile home units that have been used as farmworker housing at any time in the past.- The focus of this component of the program is primarily focused on operators and landowners.

Together these two components are expected to meet an existing housing gap that cannot be achieved through high density multifamily housing development. In addition, on August 29, 2023, the Board of Supervisors directed the preparation of an Agricultural Worker Housing Workplan and, as a result of the Workplan, additional agricultural worker housing programs may be launched by the County of Santa Clara.

Table 4.30: Farmworker Affordable Homeownership and Farmworker Housing Pilot Program

PROGRAM OBJECTIVES	<ul> <li>Monthly monitoring of new funding available and quarterly meetings with potential developers interested in developing Farmworker Affordable Homeownership units.</li> <li>By April 2023, July 2024 develop program guidelines for the Farmworker Housing Pilot Program.</li> <li>By July 20232024, soft launch of focused community engagement.</li> <li>By December 2023, circulate draft program guidelines for Farmworker Affordable Homeownership Program.</li> <li>By July 2024, soft launch of Farmworker Affordable Homeownership Program.</li> <li>By December 2024, issue first loan and serve 10 households by 2031.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Joe Serna Jr. Farmworker Housing Grant Program, 2016 "Measure A" Affordable Housing
POLICIES AND IMPLEMENTATION	<ul> <li>HG8-4: Seek new public and private funding sources to <u>supportincentivize</u>_the construction of farmworker housing.</li> <li>HG8(i) C: Monitor new State and Federal Funding regarding farmworker rental and homeownership programs and collaborate with housing developers to identify sites suitable for farmworker housing.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Lack of access to opportunity due to high housing costs</li> <li>Land use and zoning laws</li> </ul>

- Location and type of affordable housing
- Location of employers

#### **Program 1.30 - Asset Management Portfolio Expansion**

The County, as a lender, is responsible for overseeing and monitoring the operation and financial performance of the affordable and multifamily rental projects that have been developed with financial and other forms of support from the County of Santa Clara. These projects serve a variety of low-income populations: families, seniors, disabled individuals, veterans, chronically homeless people, transition-age youth, and people with HIV/AIDS, among others. With the passage of the 2016 "Measure A" Affordable Housing Bond, the County's portfolio of loans is expected to grow substantially once the measure is fully implemented. It continues to be important that the County adequately service each loan, monitor each site for compliance, and closely review annual audits to ensure the County is receiving its fair share of residual receipts. There are several goals central to this program which ensure that all projects financed by the County are:

- Serving the intended low-income populations with affordable rents;
- Well-managed and provide decent, safe, and sanitary housing;
   and
- Financially sound and sustainable in the long term.

In performing its duties, the Office of Supportive Housing through the Asset Management Team acts as a steward of public resources and works to mitigate risk to the County's investments wherever possible. Furthermore, through this effort the County will preserve existing deed-restricted affordable housing by negotiating to extend the County's affordability restrictions in its existing portfolio.

The County, as a leader in advancing affordable housing production and preservation will work collaboratively with the 15 incorporated cities in the county to centralize efforts to preserve affordable housing that is at risk of conversion to market rate housing. -For instance, in 2016 the County worked closely with the City of Sunnyvale and the Santa Clara County Housing Authority to develop a relocation strategy for households at risk of displacement from a housing development site with an expired restrictive covenant. Through this partnership, the County was able to find alternative housing options for several households that were not able to afford the new market rate rents.- Successful management of the County's Loan Portfolio will result in additional financial resources through loan repayments that can potentially be used to preserve housing at risk of conversion through partnerships with other key regional stakeholders.

Table 4.31: Asset Management Portfolio Expansion

**PROGRAM OBJECTIVES** 

• By In June 2023, selected a new vendor that will manage the data related to the County's single-family and multifamily loan portfolio.

	•By January 2024, generate first draft of compliance reports and fund balance statements.
	<ul> <li>Conduct annual monitoring and site visits of at least 25% of the County's property portfolio annually.</li> </ul>
	<ul> <li>Service a total of 209 permanent deferred interest multifamily loans through 2031.</li> </ul>
	<ul> <li>Annually review the Subsidized Affordable Housing At Risk Report prepared by the California Housing Partnerships.</li> </ul>
	<ul> <li>Explore opportunities to create a Housing Preservation Fund that can be funded through loan repayments the County anticipates receiving from residual receipt payments.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	All housing production funds. See Program 1.01 for a list of funding sources
	HG9-4: Support retaining existing deed restricted affordable and supportive housing units.
POLICIES AND IMPLEMENTATION	<ul> <li>HG9(i)_C: Strengthen the County's loan portfolio management system to track when existing affordable housing projects are eligible for syndication of their tax credits and work towards extending affordability terms.</li> </ul>
CONTRIBUTING FACTORS	Displacement of residents due to economic pressures; Loss of affordable housing

### **Program 1.31 – Minor Home Repair and Maintenance**

The County will continue to provide funding to assist low-income owner-occupied residents with minor home repair and maintenance services. The County proposes to continue its partnership with Rebuilding Together Silicon Valley (RTSV), who offers repair and rehabilitation assistance to low-income, urban County residents who are owner-occupants, particularly the elderly and disabled. All repairs are provided free of charge to the homeowner. Primary efforts include the "Safe At Home Program" and "Rebuilding Days." Program

assistance addresses home safety repairs, fall prevention, accessibility and mobility, aging in place, weatherization, and home and fire safety of owner-occupied residences. The County plans to continue funding RTSV to further several goals in the 2020-2025 Urban County Consolidated Plan that identify the County's housing and community development priorities: preventing and reducing homelessness, preserving existing affordable housing, and providing essential services to special needs populations. This program expects to complete repairs on 45 homes per year during the 2023-2031 planning period.

Table 4.32: Minor Home Repair and Maintenance

PROGRAM OBJECTIVES	Annually, by April, present funding recommendations to the Housing and Community Development Advisory Committee (HCDAC). Annually, by June, present funding recommendations to the Board of Supervisors.
	Annually, by July, begin offering services to the eligible households.
	Provide minor home repair and maintenance services to 45 households annually and approximately 400 between 2023 and 2031.

GEOGRAPHIC SERVICE AREA	Urban County participating jurisdictions
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	Community Development Block Grant Program
	<ul> <li>HG6-2: An adequate supply of affordable housing suitable for individuals at all stages of life should be available in every community.</li> </ul>
	• HG6(i) C: Maintain existing programs to provide "Housing for All Ages," including housing for multigenerational households.
POLICIES AND IMPLEMENTATION	HG <u>9</u> -1: The conservation and rehabilitation of the existing housing supply shall be encouraged and facilitated
	•HG9-4: Support retaining existing deed restricted affordable and supportive housing units.
	HG9(i) A: Maintain ongoing programs for monitoring the physical condition of neighborhoods to assist in guiding rehabilitation program efforts, scheduling
CONTRIBUTING FACTORS	Lack of assistance for housing accessibility modifications

### <u>Program 1.32 – Community Development Corporation Grant</u> Program

CDCs have three distinguishing characteristics: (1) nonprofit status under section 501(c)(3) of the Internal Revenue Code; (2) involvement in community development projects, usually with an emphasis on affordable housing expansion; and (3) a governing board composed in significant part of community members.

CDCs devote themselves to revitalizing the areas in which they are located. In most cases, these areas are low-income neighborhoods that have experienced significant disinvestment. While all CDCs aim to improve the quality of neighborhood life, they may do so in a variety of ways, including by producing housing, promoting commercial development, regenerating open spaces, and/or administering support programs (such as employment services). Experts in community development have explained that one of CDCs' main advantages over entities with similar missions is their ability to play multiple roles, including that of community organizer and project developer, when leading community development initiatives.

The County of Santa Clara's (County) Community Development Corporation Grant Program (Grant Program) helps community-based organizations play more substantial roles in acquiring, developing, rehabilitating, and/or managing properties to increase affordable rental and/or ownership housing opportunities (collectively, "affordable housing development"). Grant recipients are 501(c)(3) nonprofit corporations whose missions are to revitalize, build community among, and/or enhance the quality of life of residents in specific communities, neighborhoods, or small cities. Selected organizations would also be committed to including residents in decision-making at program-/project-, strategic, and organizational levels. All recipients must use grant funds to increase their ability to undertake affordable housing development activities; however, the organizations may also undertake development activities that would increase economic, cultural, health, or social service resources in their communities. The capacity building grants would expand the network of community-based organizations capable of affordable housing development while giving residents more opportunities to shape the future of their communities.

**Table 4.33: Community Development Corporations** 

<u>PROGRAM OBJECTIVES</u>	<ul> <li>Work closely with the three Round 1 CDC Grantees (SOMOS Mayfair, African American Cultural Center, and the South Bay Community Land Trust to implement.</li> <li>By December 2025 assist the African American Cultural Center with securing all the necessary funding for their signature project located at 2001 the Alameda in San José.</li> <li>By June 2024, complete workplan for SOMOS Mayfair to help them acquire their first property.</li> <li>By July 2025 select Round 2 CDC grant recipients.</li> </ul>
GEOGRAPHIC SERVICE AREA	<u>Countywide</u>
LEAD AGENCY	Office of Supportive Housing
FUNDING SOURCE	County General Fund
POLICIES AND IMPLEMENTATION	<ul> <li>HG1-4: Encourage homeownership opportunities for lower-income households.</li> <li>HG1(i) C: Continue to implement new homeownership programs that provide an opportunity for lower-income households that would otherwise struggle to afford a home, furthering the equity and sustainability of homeownership.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Availability of Affordable Units in a Range of Sizes</li> <li>Displacement of Residents Due to Economic Pressures</li> <li>Loss of Affordable Housing</li> </ul>

# **Program 1.33 – Expand Access to UPLIFT Program**

The Universal Pass for Life Improvement From Transportation (UPLIFT) Program provides quarterly Valley Transportation Authority (VTA) transit passes for adults experiencing homelessness or who are at risk of losing their housing due to lack of transportation. The goal of UPLIFT is to help people get housing or employment by improving access to public transit. The program, a partnership between and subsidized by the County of Santa Clara, VTA, and the City of San José, is operated at no cost to the clients or referring organizations. Since the inception of the UPLIFT Program in 2008, the program has provided VTA transit passes for thousands of people experiencing homelessness or are at-risk of homelessness. These individuals

receive ongoing case management from partner agencies, including shelter providers, homeless services agencies, community reintegration programs, vocational services providers, behavioral healthcare providers, and others.

The UPLIFT Program has seen growth in demand throughout the years. The number of partner agencies has increased from 28 in 2008 to 44 in 2023.

In addition to providing the valuable service of transportation, the UPLIFT Program also provides service to connect people to the community's Coordinated Assessment System by requiring partner

agencies to refer Clients who are literally homeless to the community gueue for permanent housing programs.

Table 4.34: Expand Access to UPLIFT Program

PROGRAM OBJECTIVES	<ul> <li>Serve 2,500 homeless individuals and families quarterly.</li> <li>In July 2023, updated the UPLIFT User Guide to ensure partners agencies are able to train new staff on the County's process for accessing passes for their respective organization.</li> <li>By July 2028 renegotiate an agreement with VTA relating to continued expansion of the UPLIFT Program</li> </ul>	
GEOGRAPHIC SERVICE AREA	Countywide Countywide	
<u>LEAD AGENCY</u>	Office of Supportive Housing	
FUNDING SOURCE	<u>County General Fund</u> <u>Revenue from the City of San José</u>	
POLICIES AND IMPLEMENTATION	<ul> <li>HG7-6: Continue to support feedback mechanisms that provide those with lived experience the opportunity to inform and shape improvements to the Supportive Housing System and the delivery of service.</li> <li>HG7(i) C: Continue to support community-based organizations that provide services to the unhoused population.</li> </ul>	
CONTRIBUTING FACTORS	<ul> <li>Access to transportation for persons with disabilities</li> <li>Availability, type, frequency, and reliability of public transportation</li> <li>Lack of access to opportunity due to high housing costs</li> </ul>	

### 4.03b Department of Planning & Development Programs

The Department of Planning and Development (DPD) balances the need for development with the environmental, social, safety, and other needs of the community and its residents. DPD meets these needs by adopting and enforcing community standards, ordinances, and codes approved by the Board of Supervisors. Additionally, DPD issues and monitors permits for various activities including activities as broad as parades, construction of new buildings, and mining to ensure compliance with standards and applicable laws. DPD also

investigates any reported violations of codes and offers assistance and paths to compliance.

# **Program 2.01 - Housing Suitability and Prioritization Tool for County-Owned Properties**

The County has prioritized facilitating the construction of more affordable housing countywide, including evaluating opportunities for building affordable housing on County-owned properties. The County continues to examine opportunities to increase construction of seasonal and permanent farmworker housing to maintain the agricultural economy's viability.

To assist in this effort, the County applies a GIS tool to identify and facilitate low- and middle-income housing development opportunities for County-owned parcels as well as any identified opportunities to support housing development at higher densities in unincorporated county Urban Service Areas (USAs). To help identify and prioritize housing sites on County-owned parcels, the DPD

developed an Affordable and Farmworker Housing Prioritization Assessment (AFHPA) tool for all County-owned parcels. The tool will be utilized to rank County-owned parcels on their suitability for housing. It will help other departments, such as the Office of Supportive Housing and the Facilities and Fleet Department, identify and prioritize County-owned parcels for housing development.

Table 4.33 Housing Suitability and Prioritization Tool for County-Owned Properties

PROGRAM OBJECTIVES	<ul> <li>By April 2023, the AFHPA tool will be introduced to the Facilities and Fleet (FAF) Department and Office of Supportive Housing (OSH).</li> <li>By June 2023, training will be completed to utilize the tool to identify housing sites.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG1-5: Prioritize suitable County-owned underutilized parcels within Cities and Urban Service Areas for affordable, supportive, and workforce housing development.</li> <li>HG1(i)_D: Continue consideration of publicly owned lands suitable for the construction of extremely low-income housing and develop a priority of County-owned sites suitable for housing development.</li> <li>HG3-2: The provision of permanent supportive housing for extremely low-income households shall be given high priority in housing assistance programs.</li> <li>HG3(i) B: Consider using suitably located surplus and publicly owned lands for housing affordable to extremely low-, very low-, and low-income households through the sale or lease of such land to a government entity, nonprofit, or private home builders with appropriate terms and conditions guaranteeing long term affordability</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Availability of affordable units in a range of sizes</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Location and type of affordable housing</li> <li>Land use and zoning laws</li> </ul>

Program 2.02 - Planning for Housing Development in Unincorporated USAs and Stanford University Lands

Since its inception, the County General Plan has been designed around foundational policies that aim to curtail sprawl and carbon emissions by focusing growth within urban, incorporated areas and urban parts of the unincorporated county, specifically within Urban Service Areas (USAs). To facilitate more cohesive development patterns between incorporated and unincorporated urban areas, the County's General Plan sets forth three important strategies: 1) Promote Eventual Annexation, 2) Ensure Conformity of Development with Cities' General Plans, and 3) Provide Services as Efficiently and Equitably as Possible. These strategies guide County policy in urban unincorporated areas, which are presumed to eventually require annexation. Following from these strategies are a series of general land use management policies (see General Plan Book B, Urban Unincorporated Area Issues and Policies, U-LM 5 through 10) that require the County to only accept an application for new residential development on a parcel eligible for annexation if the applicable city has stated that annexation has been considered and denied, and require major development applications to conform with city General Plan designations and accompanying standards and policies. In effect, these policies have resulted in the County conferring longrange land use planning for these areas to the applicable city, by following the city's lead for urban unincorporated areas and seeking conformance with city planning wherever possible.

Given the 2023-2031 RHNA target of 3,125 units for unincorporated areas, and specifically the ABAG methodology that includes unincorporated USAs in the analysis used to assign units to the

County, the County must plan for housing in unincorporated USAs to accomplish the RHNA assignment and avoid conflicts with existing land use policies.

To plan for and facilitate major residential development in unincorporated USAs, the County is required to amend the abovementioned General Plan policies. As a result of the amendments, the General Plan will not require multi-family and mixed used development in the USAs to be in conformance with the city's longrange land use planning for selected sites, and the County Zoning Ordinance would be updated to restrict development on the County's site inventory (including Stanford University Lands) to multifamily residential and limited mixed uses. As such, any future development on these sites would be required to comply with the combining district. If the developer proposes a specified number of affordable units, then they'll be required to obtain a streamlinednondiscretionary permit as required under California Housing law. If the application does not include the percentage of affordable units specified in the zoning ordinance to qualify for the streamlined, nondiscretionary permit, then a discretionary review of either Architecture and Site Approval or a Use Permit is required, which can take 2 to 6 months. Although the discretionary review process is longer, it still allows for development to take place within the planning period.

Table 4.34: Planning for Housing Development in Unincorporated USAs

PROGRAM OBJECTIVES	By-December 2023 January 2024, review and amend: (1) the relevant strategies, policies, and implementation provisions of the County General Plan; (2) the relevant Zoning Ordinance provisions that implement these General Plan policies; and (3) the applicable zoning and land use designations for sites within urban USAs that have been identified for housing development to meet the County's obligation under RHNA during a housing planning cycle.
GEOGRAPHIC SERVICE AREA	Unincorporated USAs in Santa Clara County
LEAD AGENCY	Department of Planning and Development

FUNDING SOURCE	General Fund
POLICIES AND IMPLEMENTATION	HG1-8: Until a city annexes the unincorporated islands within its USA, the County will plan for housing development in these areas, as necessary to address Housing Element law during a planning cycle and Regional Housing Needs Allocations (RHNA).  HG1(i) E: Amend General Plan and Zoning Ordinance to Plan for Housing in Unincorporated USAs
CONTRIBUTING FACTORS	<ul> <li>Availability of affordable units in a range of sizes</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Lack of affordable, accessible housing in a range of unit sizes</li> <li>Land use and zoning laws</li> <li>Location and type of affordable housing</li> <li>Location and type of affordable housing</li> </ul>

# Program 2.03 – In-Lieu Fee Program for State Density Bonus and Affordable Housing

On October 3, 2020, the County adopted a Countywide Inclusionary Housing Ordinance for residential development of three units or more within the unincorporated lands of Santa Clara County. Any project subject to the inclusionary requirement can avail itself of existing density bonus provisions in Section 4.20.030 of the County's Zoning Ordinance, consistent with the State density bonus requirements (California Government Code Section 65915, et. seq.), if eligible. Eligible projects can request a density bonus, waivers, or

reductions in development standards that would physically prevent the project from being built, and incentives and concessions related to reduced development standards for parking, height, and setback requirements. As the County inclusionary requirement is set at 16%, it is likely that many projects providing inclusionary units on sites pursuant to the requirements of the Inclusionary Housing Ordinance could be eligible for density bonuses and related incentives.

The County has not yet processed any projects of this type. The County's Zoning Ordinance will be updated to include density bonus provisions, as needed.

Table 4.35: In-Lieu Fee Program for State Density Bonus and Affordable Housing

PROGRAMIORIE IIVES	The County will continue to comply with density bonus laws if and when an application is presented. The County will ensure developers of three or more units will deed restrict one sixth of all units for affordability or collect in-lieu fees to be used to support affordable housing efforts.
GEOGRAPHIC SERVICE AREA	Unincorporated Santa Clara County
LEAD AGENCY	Department of Planning and Development

FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG4-1: The County should continually review its land use and development procedures for opportunities to remove unnecessary constraints and provide new opportunities to fund the construction of affordable housing.</li> <li>HG4(i)_B: Inclusionary Housing Fee Program for Affordable Housing project types.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Location and type of affordable housing</li> <li>Land use and zoning laws</li> <li>Lack of affordable, accessible housing in a range of unit sizes</li> <li>Availability of affordable units in a range of sizes</li> </ul>

# Program 2.04 - Update of Flood Hazard and Flood Management Information (AB 162)

The County Safety Element and the Resource Conservation Element of the General Plan reflect Federal and State mapping of flood hazards. These maps are reviewed annually to ensure that rural land

use designations preserve natural resources and the functions of those resources, including streams and other drainage features. The program has been effective in reducing homeowner risk and keeping the residents of Unincorporated Santa Clara County with the ability to obtain flood insurance.

Table 4.36: Update of Flood Hazard and Flood Management Information (AB 162)

PROGRAM OBJECTIVES	By December 2024, update the County Safety Chapter of the General Plan to reflect updated Federal and State mapping of flood hazards.
GEOGRAPHIC SERVICE AREA	Unincorporated Santa Clara County
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
	HG10-2: Limit development of new housing in areas likely to face high risk to climate-related disasters, such as, wildfires and floods.
POLICIES AND	<ul> <li>HG10-3: Facilitate programs and assistance to upgrade existing housing stock to better withstand extreme weather events, while balancing energy efficiency.</li> </ul>
IMPLEMENTATION	HG10-4: Educate property owners in high-risk areas in methods to reduce their risk of a climate impact event.
	HG10(i)_B: Adopt new land development standards to limit new development in high climate risk areas.
	HG10(i)_C: Create an Education Program for property owners in high-risk areas in methods to reduce their risk of an event.

#### Program 2.05 - Assess Farmworker Housing Needs and **Collaborate with Other Jurisdictions**

In 2020, as an implementation measure of the Santa Clara Valley Agricultural Plan, the County adopted—a Zoning Ordinance amendments to streamline the planning approval process for agricultural employee housing. In furtherance of this effort, there are two components of this program.

First, the County will collaborate with other jurisdictions in the region to both: (a) share best practices from the County's streamlining efforts thus far, and (b) grow the collective understanding of challenges facing farmworkers in the region and the capacity to address those challenges. With support and partnership of ABAG, this work began in 2022 and is expected to continue through 2025.

Second, the County has found that additional work, beyond streamlined planning approval, is required to facilitate the development of agricultural employee housing and better meet the housing needs of farmworkers, and therefore the County plans to conduct a comprehensive Farmworker Housing Needs Assessment.

The Housing Element currently relies upon data from Federal, State, and regional sources. Local data on farmworker housing is either imperfectly aligned with data needs or exists only in anecdotal form.

A more thorough and local Farmworker Housing Needs Assessment will provide the County with a deeper understanding of the number of farmworkers that are present in the county and at what time of year; an understanding of the types and conditions of housing in which they live based on how they self-report this information; and an improved ability to address farmworker housing needs and create affordable housing options for farmworkers.

In 2018, the Department conducted extensive public outreach and analysis on this topic through the development of the Santa Clara Valley Agricultural Plan. This effort included distributing farmworker housing needs surveys to farm industry and farmworker representatives and evaluating related studies associated with nearby counties. This effort was not, however, a comprehensive Farmworker Housing Needs Assessment.

Farmworkers are considered a special needs population as they are challenged with finding affordable housing in and near their places of employment. This program will directly benefit this population.

This program will be closely coordinated with Programs 2.15 & 4.02. In addition, this work may be supplemented by items identified in an Agricultural Worker Housing Workplan that the Board of Supervisors directed the preparation of at its meeting on August 29, 2023.

Table 4.37: Assess Farmworker Housing Needs and Collaborate with Other Jurisdictions

PROGRAM OBJECTIVES

By December 20254, the County will work with ABAG and other jurisdictions in the region to share best practices and build capacity to address farmworker housing needs.

By December 2025, the County will complete a comprehensive Farmworker Housing Needs Assessment.

GEOGRAPHIC SERVICE AREA Countywide

LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	General Fund
POLICIES AND IMPLEMENTATION	<ul> <li>HG8-1: Facilitate agricultural employee housing by streamlining-improving the permitting process. and development process.</li> <li>HG8(i) A: Convene other jurisdictions for capacity-building and conduct a farmworker housing needs assessment.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Location and type of affordable housing</li> <li>Land use and zoning laws</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Lack of local or regional cooperation</li> <li>Location of employers</li> </ul>

#### **Program 2.06 - Rent Price Monitoring Program**

At every Annual Housing Element Progress Report update, staff conducts research on the respective rental rates for various types of units throughout the unincorporated county compared to nearby jurisdictions. Rental rates continue to rise for the unincorporated county, as well as the region. The data presented each year serves to monitor existing conditions and bring awareness to the costs of housing in our community. Through the Annual Housing Element

Progress Report, the Board will be presented with data on rent prices by reporting, evaluating, and considering actions necessary to address significant changes in rental rates. DPD will continue to monitor rent prices countywide and in unincorporated county pockets. DPD will also track and present rent data that can act as indicators of the presence of rent escalation in urban unincorporated pockets associated with the City of San José's Urban Villages planning process.

Table 4.38: Rent Price Monitoring Program

PROGRAM OBJECTIVES	Annually, the department will provide to the Board of Supervisors in its Annual Housing Element Progress Report updates on rent prices and to consider actions necessary to address significant changes in rental rates.
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	HG9-1: The conservation and rehabilitation of the existing housing supply shall be encouraged and facilitated.

 HG9(i)\_A: Maintain ongoing programs for monitoring the physical condition of neighborhoods to assist in guiding rehabilitation program efforts, scheduling infrastructure maintenance activities, and to provide accurate information for Federal and State programs. Expand monitoring component to include rent price information.

# Program 2.07 - Streamline Accessory Dwelling Unit (ADU) Processing

Since the 2014 Housing Element update, zoning regulations have been revised pursuant to State law to permit conforming ADUs and JADUs as a matter of right, reducing the regulatory burden on property owners and streamlining the approval process in terms of both cost and time. Since the implementation of the current ADU and JADU ordinance that was adopted in March 2020, 104 permits for ADUs and JADUs have been issued by the County. The County will continue to consider additional minor modifications to certain standards for ADUS and JADUs to provide greater flexibility and facilitate additional units as part of routine Zoning Ordinance review, and in accordance with any future amendments necessitated by state law. Staff will also evaluate the use of pre-approved plans for ADU applications to streamline the development.

#### Table 4.39: Streamline Accessory Dwelling Unit (ADU) Processing

PROGRAM OBJECTIVES	<ul> <li>By December 2023, update the County Zoning Ordinance on development standards for ADUs and JADUs, and subdivisions related to SB9.</li> <li>By December 2024, modify development standards as needed, to ensure development standards are objective, and up-to-date with current state law and reported to the State Department of Housing and Community Development.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	General Fund
POLICIES AND IMPLEMENTATION	<ul> <li>HG4-2: Review and reduce, where appropriate, regulations and processing procedures regarding the development of ADUs, JADUs and SB9 Units.</li> <li>HG4(i) C: Monitor and modify development standards as needed, including the trends of ADU, JADU and SB-9 development, to ensure development standards are objective, and up-to-date up to date with current State law and reported to the State Department of Housing and Community Development annually.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Location and type of affordable housing</li> <li>Land use and zoning laws</li> <li>Availability of affordable units in a range of sizes</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Loss of affordable housing</li> </ul>

#### **Program 2.08 - Housing Adjacent to Transit**

One of the County's policies is to strongly support increasing the proximity of housing to transit. One tool is by working with local transit authorities such as, the Santa Clara Valley Transportation Authority (VTA) to locate housing within one-quarter mile walking distance of a transit station or stop to provide connectivity to

services (such as, schools, grocery stores, parks, etc.). Another policy is prioritizing construction of active transportation infrastructure (sidewalks, bicycle lanes, trails, etc.), and other amenities within existing unincorporated neighborhoods, illustrating how major arteries and thoroughfares can be retrofitted, redesigned, and planned to promote shared access for bus ways, bicycling, multi-level mixed uses, and pedestrian improvements.

Table 4.40: Housing Adjacent to Transit

PROGRAM OBJECTIVES	<ul> <li>With an initial meeting by December 20243, meeting annually to coordinate with HCD and VTA in support of utilizing Senate Bill 791, to facilitate the development of surplus agency-owned land into housing.</li> <li>With an initial meeting by December 2024, meeting annually to coordinate with cities and VTA to, support streetscaping and similar policies.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG1-7: Work with local transit authority(ies) to locate housing within one-quarter mile walking distance of a transit station or stop to provide connectivity to services (such as, schools, grocery stores, parks, etc.). Prioritize constructing active transportation infrastructure (sidewalks, bicycle lanes, trails etc.), and other amenities within existing unincorporated neighborhoods.</li> <li>HG1(i)_D: Continue consideration of publicly owned lands suitable as sites for the construction of extremely low-income housing and develop a priority of County-owned sites suitable for housing development.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Availability of affordable units in a range of sizes</li> <li>Lack of access to opportunity due to high housing costs</li> <li>Location and type of affordable housing</li> <li>Land use and zoning laws</li> <li>Lack of public investments in specific neighborhoods, including services or amenities</li> </ul>

# **Program 2.09 - Santa Clara County Association of Planning Officials**

The County and cities are encouraged to explore every feasible opportunity to assist developers in building more affordable housing projects. By working collectively with neighborhood residents, the

private sector, and community organizations to promote a diverse housing supply, the County and cities can capitalize on all the ideas, expertise, and untapped resources.

The County will regularly attend and support the Santa Clara County Association of Planning Officials (SCCAPO), which is a monthly meeting of planning officials from each jurisdiction in the county, where planning issues of common relevancy are discussed. SCCAPO

is also a forum where regional entities, such as ABAG, may address local jurisdictions.

Table 4.41: Santa Clara County Association of Planning Officials

PROGRAM OBJECTIVES	Through SCCAPO, establish ongoing workplans to expand intergovernmental process to achieve local and regional housing targets.
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
RESPONSIBLE AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG2-1: The County and the cities should work cooperatively to ensure that there is a balanced housing supply sufficient to achieve countywide economic, social, and environmental objectives. Further opportunities for inter-agency, intergovernmental, interregional, and public/private cooperation should be sought and encouraged.</li> </ul>
	<ul> <li>HG2-2: Intergovernmental and public and private cooperation shall be encouraged to achieve an adequate supply of affordable housing that meets changing demographic needs in Santa Clara County.</li> </ul>
	HG2(i) B: Establish and expand intergovernmental processes to more effectively define and achieve local and regional housing objectives.
	• HG2(i) C: Continue to support cross-agency integration of housing services within the County Departments through internal agency agreements.
	<ul> <li>HG4-1: The County should continually review its land use and development procedures for opportunities to remove unnecessary constraints to, and provide new opportunities to fund, the construction of affordable housing.</li> </ul>
	<ul> <li>HG4(i) A: Identify and utilize a forum for sharing of best practices for removing governmental and nongovernmental constraints to housing development</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Displacement of residents due to economic pressures</li> <li>Lending discrimination</li> </ul>
	<ul> <li>Private discrimination</li> <li>Source of income discrimination</li> </ul>

# Program 2.10 - Digital <u>T</u>tracking <u>S</u>system for ADUs, JADUs & SB9 Uunits

With the increase in development of various housing options, such as ADUs, JADUs, and SB9 development, ongoing tracking and monitoring is needed to not only address any opportunities to streamline housing but to also understand and report development

activity. The County obtained a new online permit system, Accella, during the last Housing Element reporting period and is continuously working to improve its usability and tracking features. Once the system can automatically populate housing data and building permits submitted for certain housing types, the County will be able

to streamline reports and better monitor progress and patterns of development throughout unincorporated county.

Table 4.42: Digital <u>T</u>tracking <u>S</u>system for ADUs, JADUs & SB9 <u>U</u>units

PROGRAM OBJECTIVES	<ul> <li>During 2023, DPD will continue to work on refining the digital tracking system.</li> <li>January 2024, DPD anticipates posting housing data online via the public portal.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG4-2: Review and reduce, where appropriate, regulations and processing procedures regarding the development of ADU, JADU, and SB9 Units.</li> <li>HG4(i)_C: Monitor and modify development standards as needed, including the trends of ADU, JADU, and SB-9 development, to ensure development standards are objective and up-to-date with current State law and reported to the State Department of Housing and Community Development annually.</li> </ul>

#### **Program 2.11 - Joint Urban Development Policies**

In the aftermath of the "annexation wars" in the 1960s, the cities, the County, and Local Agency Formation Commission (LAFCO) developed and implemented a system for urban growth management that has been in place since the early 1970s. These policies are the foundational growth management strategies guiding long-term land use for the urban areas and the rural unincorporated areas outside the USAs.

**Table 4.43: Joint Urban Development Policies** 

PROGRAM OBJECTIVES	Continue to engage with LAFCO on ongoing land use growth policies and principles.
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide

LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	County, Cities
	<ul> <li>HG1-1: Planning for the supply and diversity of housing types in urbanized areas of the County shall include consideration for both current and projected employment, household income needs, and a variety of housing type.</li> </ul>
POLICIES AND	<ul> <li>HG1(i) A: Maintain and, where necessary, strengthen County and cities' joint land use policies and agreements that direct urban development to areas within city urban service areas.</li> </ul>
IMPLEMENTATION	<ul> <li>HG9-3: The inventory of land zoned and suitable for residential development shall be maintained.</li> </ul>
	HG9(i) B: Maintain existing County and cities' joint land use policies and agreements that direct urban development to areas within city USAs and preserve rural areas for rural development.
CONTRIBUTING FACTORS	Lack of local or regional cooperation

# Program 2.12 - Update Zoning Ordinance for Re-use of Non-Residential Buildings to Residential

The underutilization of non-residential buildings can provide an opportunity to meet the dire need for housing by creating opportunities for adaptive reuse of non-residential buildings where single-family residential uses are allowed in the County Zoning Ordinance. Converting a non-residential structure to a residential use can come with challenges including setback requirements, height limitations, and parking requirements to comply with residential

development standards. To address some of these challenges, the County must update its Zoning Ordinance to allow adaptive reuse of non-residential buildings to a single-family residence without creating unnecessary hurdles while establishing secure and safe housing that meets single-family residential development standards.

The Zoning Ordinance amendment would be in line with existing anti-displacement efforts and may include incentives to encourage adaptive reuse for special needs populations, including persons with disabilities, large households, or female-headed households.

Table 4.44: Update Zoning Ordinance for Re-use of Non-Residential Buildings to Residential

PROGRAM OBJECTIVES	<ul> <li>By late 2027, initiate engagement with local development community to solicit barriers they may face in development.</li> <li>By mid-2028, create recommendations for a Zoning Ordinance amendment.</li> <li>Approved changes anticipated to be in effect in Winter of 2028.</li> </ul>
GEOGRAPHIC SERVICE AREA Unincorporated County, Countywide	
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A

# POLICIES AND IMPLEMENTATION • HG4-1: The County should continually review its land use and development procedures for opportunities to remove unnecessary constraints and provide new opportunities to fund the construction of affordable housing. • HG4(i).D: Create opportunities for adaptive reuse of non-residential buildings where Single-Family residential uses are allowed in the County Zoning Ordinance. The County will remove barriers related to development standards, such as, providing exceptions to setbacks, building heights, and parking requirements, when a non-residential building is converted to a single-family residence. • Land use and zoning laws • Location of accessible housing • Regulatory barriers to providing housing and supportive services for persons with disabilities • State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing and other integrated settings • Availability of affordable units in a range of sizes; Lack of access to opportunity due to high housing costs • Location and type of affordable housing; Loss of affordable housing

### Program 2.13 - Monitor R/ECAP and Burdened Households Areas

Racially and ethnically concentrated areas of poverty (R/ECAPs) have become a policy focus for the U.S. Department of Housing and Urban Development (HUD). R/ECAPs are neighborhoods where residents are mostly people of color with lower incomes. State statute requires the Housing Element's Assessment of Fair Housing to analyze R/ECAPs as well as racially concentrated areas of affluence (RCAAs).

Residents in neighborhoods with concentrated poverty tend to be secluded from resources and programs that could otherwise assist them. Additionally, research shows that children living in neighborhoods with concentrated poverty have higher risks for adverse health outcomes, lower educational attainment, poor employment, and lower lifetime earnings.<sup>32</sup>

By monitoring areas of concentrated poverty, the County can better assist in ensuring inclusion in housing development and ensures equal access to amenities, such as parks, grocery stores, quality schools, and employment centers.

Table 4.45: Monitor R/ECAP and Burdened Households Areas

PROGRAM OBJECTIVES

• Continue to collect necessary data to assess R/ECAP and burdened household areas and assess opportunities for improvement.

<sup>&</sup>lt;sup>32</sup> City of Anderson, Fair Housing Assessment, https://www.cityofanderson.com/DocumentCenter/View/3897/Section-C---RE--CAP-Area-Analysis, accessed 12/3/2022.

	By the end of 2023, opportunities will be identified and available for the public and housing agencies to use.
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
	<ul> <li>HG5-5: Monitor and increase access to services and other opportunities for residents of historically disinvested low-income communities (R/ECAP and Burdened Households) across unincorporated county.</li> </ul>
POLICIES AND	<ul> <li>HG5-6: Support cities in improving opportunities within neighborhoods and areas identified as R/ECAPs and/or neighborhoods with a majority of burdened households.</li> </ul>
IMPLEMENTATION	HG5(i) D: Continue to support organizations active in ensuring the rights of all persons to obtain and retain housing.
	<ul> <li>HG5(i)_F: Monitor R/ECAP and communities with Burdened Households to identify areas of improvements that will increase access to amenities and resources, such as, but not limited to, transit, parks, groceries, and health facilities.</li> </ul>
CONTRIBUTING FACTORS	Lack of public investment in specific neighborhoods, including services or amenities

#### **Program 2.14 - Universal Design in Housing Development**

Universal design is also referred to as barrier-free design and focuses on making a house safe and accessible for everyone, regardless of

age, physical ability, or stature. Universal design in housing ensures a house is accessible for the users and their family and friends. It promotes safety to avoid injury and the ability to live independently despite any mobility changes throughout a lifetime.

Table 4.46: Universal Design in Housing Development

PROGRAM OBJECTIVES	<ul> <li>Take active steps to ensure compliance with accessibility design standards as required by the California Building Code, ADA Requirements, and Uniform Federal Accessibility Standards (UFAS).</li> <li>Continue research on inclusion of universal design principles in accordance with State and Federal fair housing laws.</li> <li>First quarter 2024, begin formulating options for universal design in new housing development and continue public review process.</li> <li>By Winter 2024, complete applicable ordinance updates for improved accessible universal design principles.</li> </ul>
GEOGRAPHIC SERVICE AREA	
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	HG6-4: Incorporate universal design principles into existing residential building standards.

	HG6(i) B: Develop and implement policies and ordinances that create housing that is adaptable to the needs of physically, developmentally, and emotionally challenged persons.
	Lack of assistance for housing accessibility modifications
CONTRIBUTING FACTORS	<ul> <li>State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing and other integrated settings</li> </ul>

# Program 2.15 - Expanded Streamlining of Agricultural Employee Housing

Streamlined planning approval processes for agricultural employee housing in the unincorporated county were adopted in 2020. The approved Zoning Ordinance amendments include provisions for a variety of forms of agricultural employee housing, namely *Small-Scale Permanent, Large-Scale Permanent, Seasonal,* and *Temporary Agricultural Residences*. All four forms of agricultural employee housing are now subject to a streamlined planning approval process and available to property owners in all four rural base districts in the unincorporated county.

During the development and implementation of this effort, the County identified opportunities for further streamlining of the regulatory requirements and permitting process for agricultural employee housing, particularly those aspects outside of the planning-specific review of development applications – for example, environmental health, fire safety, and road access. The County will continue to monitor the new processes and present appropriate amendments to further streamline and facilitate the development of these much-needed forms of housing.

This program will be closely coordinated with Programs 2.05 & 4.02. In addition, this work may be supplemented by items identified in an Agricultural Worker Housing Workplan that the Board of Supervisors directed the preparation of at its meeting on August 29, 2023.

Table 4.47: Expanded Streamlining of Agricultural Employee Housing

PROGRAM OBJECTIVES:	<ul> <li>Continue to monitor the agricultural employee housing program.</li> <li>By earlyJune 2025, solicit feedback from development application review agencies, the development community, the public, and the agricultural community on opportunities for improvement.</li> <li>By December 2026, feasible and appropriate</li> <li>Feasible amendments will be developed and presented to the Planning Commission and Board of Supervisors by Fall 2026.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG8-1: Facilitate agricultural employee housing by streamlining-improving the permitting process. and development process.</li> </ul>

<ul> <li>HG8(i)_B: Identify and pursue additional opportunities to reduce regulatory constraints and expeditesupport the development of agricultural employee housing.</li> </ul>
<ul> <li>Availability of affordable units in a range of sizes</li> </ul>
<ul> <li>Location and type of affordable housing</li> </ul>
<ul> <li>Land use and zoning laws</li> </ul>
<ul> <li>Lack of access to opportunity due to high housing costs</li> </ul>
<ul> <li>Loss of affordable housing</li> </ul>

#### Program 2.16 - Adoption of "Reach" Codes

Every three years, the State of California adopts new Building Standards Code contained within Title 24 of the California Code of Regulations. Each city and county may adopt new building codes that exceed the state requirements, commonly known as "Reach" codes. These codes can require or encourage such improvements as electrification of buildings and additional electric vehicle (EV) infrastructure.

On December 7, 2021, the Board of Supervisors approved an ordinance that requires all new construction in unincorporated

county areas to use electricity (not natural gas) for water heating, space heating, cooking, clothes drying, indoor and outdoor fireplaces, and decorative appliances. The ordinance, through electrification of new buildings and expansion of electric vehicle (EV) infrastructure, will support increased EV usage and accomplish the follow goals:

- Reduce greenhouse gas emissions,
- Improve indoor air quality and safety, and;
- Meet California Energy Commission (CEC) new construction costeffectiveness requirements.

Table 4.48: Adoption of "Reach" Codes

PROGRAM OBJECTIVES	The County will continue to implement the ordinance in the next Housing Element cycle.
GEOGRAPHIC SERVICE AREA Unincorporated County, Countywide	
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG10-1: Promote energy, water efficiency, and electrification in new residential buildings to reduce energy costs, conserve water, provide quality and resilient housing, improve safety, comfort, and reduce greenhouse gas emissions.</li> <li>HG10(i) A: Adopt new energy efficiency, electrification, water conservation, and building performance standards for existing and new buildings.</li> </ul>

# **Program 2.17 - Expand Home Repair and Modifications to Include ADA Upgrades**

For aging adults, housing preferences vary greatly depending on their needs and changing physical abilities. According to a report issued by the U.S. Census Bureau, <sup>33</sup> as people age and experience the onset of physical decline, areas of their home may become unsafe or difficult to navigate. Many adults are faced with the choice of either relocating to be closer to family or friends or deciding to age in their own homes within their existing neighborhood.

Migration studies of older adults have indicated that they are less likely to change their residence and instead stay in their own homes. As such, there is a need to upgrade or repair homes to better support residents' changing needs.

Table 4.49: Expand Home Repair and Modifications to Include ADA Upgrades

PROGRAM OBJECTIVES:	<ul> <li>By October-2024, complete background and technical studies to form the basis of a County-wide program or policy to aid in the improvement and modification of homes for seniors.</li> <li>By December 2024, conduct public outreach on potential programs or policies.</li> <li>By 2025, if feasible, introduce draft policy and/or ordinance for consideration.</li> <li>By 2026, implementation and public outreach.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG6-4: Incorporate universal design principles into existing residential building standards.</li> <li>HG6(i)_C: Maintain existing programs to provide "Housing for All Ages," including housing for multigenerational households.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing and other integrated settings</li> </ul>

 $\frac{https://www.census.gov/content/dam/Census/library/publications/2022/demo/p23-218.pdf}{}$ 

 $<sup>^{\</sup>rm 33}$  Domestic Migration of Older Americans 2015-2019, prepared by Peter J. Mateyka and Wan He, Issued September 2022, accessed 12/2/22

# **Program 2.18 - Training and Support to Homeowners Aging in Place**

Staying in your home as you grow older is referred to as "aging in place" and it is an increasingly popular desire of older Americans. Multiple benefits are associated with aging in place, including the comfort of home, family and friends nearby, proximity to familiar

networks, and social engagement in one's community. Although there is a cost associated with modifying a home to accommodate a person's changing needs, this cost is typically less than that of a home care setting. Identifying barriers of opportunities to support aging in place can help ensure, to the extent possible, that people are able to age in place and are not displaced.

Table 4.50: Training and Support to Homeowners Aging in Place

	Engage with organizations focused on aging and housing program and policies.
PROGRAM OBJECTIVES	Assess whether there are any feasible updates to our existing codes and ordinances that will better support homeowners wishing to age in place by early 2025.
	By 2026, begin to involve stakeholders with possible updates.
	By early 2027, adopt any applicable updates.
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND	• HG6-3: Expand the Home Repair and Modification program to include the retrofit of existing housing units to become ADA compliant.
IMPLEMENTATION	•HG6( <u>i-</u> )_C: Maintain existing programs to provide "Housing for All Ages," including housing for multigenerational households.
	<ul> <li>State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing and other integrated settings</li> </ul>
CONTRIBUTING FACTORS	Displacement of residents due to economic pressures
CONTRIBOTING FACTORS	Lending discrimination
	Private discrimination
	Source of income discrimination

#### **Program 2.19 - Fire Safety Standards**

Fire Safe Standards are adopted for the purpose of establishing minimum wildfire protection standards in conjunction with building, construction, and development. Regulations are developed by the Board of Forestry and enforced by CAL-FIRE when a property is located within a State Responsibility Area (SRA) or very high fire hazard area. Under various statutes, the Board is authorized to adopt regulations to implement specified programs. To become effective, the state Office of Administrative Law must approve these regulations. In December 2022, the County updated its existing fire safety standards to more closely match the State and International

Fire Codes. The County standards apply to both the SRA as well as Local Responsibility Areas (LRA) in the unincorporated county.

Because a large portion of the unincorporated county is located in SRAs and the Wildland Urban Interface (WUI), development costs in unincorporated county are greatly impacted by these standards, which can include requirements for specific building materials and fire protection water, defensible space around structures, and adequate access routes that allow for safe evacuation concurrent with fire response. Nevertheless, the updated County standards are critical to protecting the community and environment from increasing fire risks, and will be updated periodically.

Table 4.51: Fire Safety Standards

PROGRAM OBJECTIVE	<ul> <li>Continue assessment of standards through 2023.</li> <li>Conduct public outreach in Fall 2023.</li> <li>Anticipate adoption of new guidelines in early 2024.</li> </ul>	
GEOGRAPHIC SERVICE AREA Unincorporated County, Countywide		
LEAD AGENCY	Department of Planning and Development	
FUNDING SOURCE	N/A	
POLICIES AND IMPLEMENTATION	<ul> <li>HG10-2: Limit development of new housing is areas likely to face high risk to climate related disasters, such as wildfires and floods.</li> <li>HG10(i) B: Adopt new land development standards to limit new development in high climate risk areas.</li> </ul>	

#### **Program 2.20 - Update Safety Element**

The Safety Element is a key component of the County's General Plan. The Safety Element is intended to ensure existing and future development is better protected from natural and human-caused hazards to keep County communities safer from future hazard events. The Safety Element allows public safety officials and County staff, elected officials, and members of the public to understand the

potential threats from natural and human-caused hazards and ways to reduce the vulnerability to these threats. These goals and policies aim to reduce personal injury and loss of life, prevent property destruction, and reduce environmental damage throughout the community.

The County is updating the Safety Element and plans to have it adopted by Winter of 2024.

Table 4.52: Update Safety Element

PROGRAM OBJECTIVES	<ul> <li>The County began the update of the Safety Element in the Summer of 2022.</li> <li>Technical Analysis, Public Outreach and Policy Document preparation will continue through Fall/Winter 2023.</li> <li>Adoption of the Safety Element is anticipated in Winter 2024.</li> </ul>	
GEOGRAPHIC SERVICE AREA Unincorporated County, Countywide		
LEAD AGENCY	Department of Planning and Development	
FUNDING SOURCE	N/A	
POLICIES AND IMPLEMENTATION	<ul> <li>HG10-2: Limit development of new housing is areas likely to face high risk to climate related disasters, such as wildfires and floods.</li> <li>HG10(i) B: Adopt new land development standards to limit new development in high climate risk areas.</li> </ul>	

#### **Program 2.21 – Adopt Local Hazard Mitigation Plan**

A Local Hazard Mitigation Plan (LHMP) identifies potential local natural hazards and prepares an action plan to reduce the level of injury, property damage, and community disruption that could result from identified hazards. The purpose of an LHMP is to help the County prepare for natural disasters to prepare for recovery after such events. Because this plan is countywide and not specific to the unincorporated county, the County is responsible for a Multi-

Jurisdictional Hazard Mitigation Plan (MJHMP) in cooperation with the other local jurisdictions.

The County is-began working on its MJHMP in June 2022. This plan provides participating agencies with access to potential grant funding sources to mitigate hazard conditions. The County is including the MJHMP within its Safety Element along with the Community Wildlife Protection Plan.

Table 4.53: Adopt Local Hazard Mitigation Plan

PROGRAM OBJECTIVE	<ul> <li>Technical Analysis, Public Outreach and Policy Document preparation will continue through Fall/Winter 2023.</li> <li>Adoption of the MJHMP is anticipated in Winter 2024.</li> </ul>	
GEOGRAPHIC SERVICE AREA Unincorporated County, Countywide		
LEAD AGENCY	Office of Emergency Management (OEM)	
FUNDING SOURCE	N/A	
POLICIES AND IMPLEMENTATION	<ul> <li>HG10-2: Limit development of new housing is areas likely to face high risk to climate related disasters, such as wildfires and floods.</li> <li>HG10(i) B: Adopt new land development standards to limit new development in high climate risk areas.</li> </ul>	

# Program 2.22 – Educate <u>H</u>homeowners in <u>H</u>high <u>F</u>fire <u>R</u>risk <u>A</u>areas of <u>H</u>hazards

We are experiencing more intense wildfire seasons due to climate change, and to adapt to this reality we must plan for these catastrophic events. Fires have contributed to the housing crisis as they have destroyed thousands of homes and displaced residents throughout our state and our region. Existing homeowners in and

around high fire risk areas can educate themselves and prepare for wildfire events by taking a number of measures. For example, through upgrades to their homes such as installing ember and flame-resistant vents, through vegetation management, and replacement of combustible materials with noncombustible materials in areas around their home.

Table 4.54: Educate homeowners in high fire risk areas of hazards

PROGRAM OBJECTIVES	<ul> <li>By the end of 2023, the County will adopt a Community Wildfire Protection Plan.</li> <li>In 2024, the County will consult with the local Fire Departments and California Fire (Cal Fire) to generate a program.</li> <li>By the end of 2024, the County will finalize the program and begin the outreach and educational program.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
FUNDING SOURCE	N/A
POLICIES AND IMPLEMENTATION	<ul> <li>HG10-4: Educate property owners in high-risk areas in methods to reduce their risk of a climate impact event.</li> <li>HG10(i) C: Create an Education Program for property owners in high-risk areas in methods to reduce their risk of an event.</li> </ul>

#### <u>Program 2.23 – Facilitate State Permit Streamlining Laws</u>

The State continues to adopt permit streamlining laws with the goal of increasing housing production, for example SB 35, SB 330, SB 9, and the State Density Bonus law. In order for applicants to clearly understand the requirements of each of these processes, the County

will prepare and publicly post checklists, standards, eligibility requirements, fees, and the review process for each type of streamlined application. This will allow applicants to proceed with confidence that if an application meets the requirements, they can expect it to be approved, and at what cost to them.

#### Table 4.55: Facilitate State Permit Streamlining Laws

PROGRAM OBJECTIVE

- By December 2024, technical analysis and policy document preparation.
- By December 2024, publication of checklists and associated information.

GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
<u>LEAD AGENCY</u>	Department of Planning and Development
FUNDING SOURCE	<u>N/A</u>
POLICIES AND IMPLEMENTATION	<ul> <li>HG1-8: Until a city annexes the unincorporated islands within its USA, the County will plan for housing development in these areas, as necessary to address Housing Element law during a planning cycle and Regional Housing Needs Allocations (RHNA).</li> <li>HG1(i) E: Amend General Plan and Zoning Ordinance to Plan for Housing in Unincorporated USAs.</li> <li>HG4-1: The County should continually review its land use and development procedures for opportunities to remove unnecessary constraints to, and provide new opportunities to fund, the construction of affordable housing.</li> <li>HG4(i) C: Monitor and modify development standards as needed, including the trends of ADU, JADU, and SB 9 development, to ensure development standards are objective, up to date with current State law, and reported to the State Department of Housing and Community Development annually.</li> </ul>

#### Program 2.24 - Streamline Multi-Family Housing Development

Currently, the County requires multi-family housing, where it is allowed, to go through an Architecture & Site Approval (ASA) process, which includes discretionary reviews and a public hearing. While designed to provide maximum community input and allow decision-makers flexibility in deciding what development standards will apply to a particular project, in practice, these subjective and non-mandatory guidelines and standards create uncertainty, which in turn can deter applicants from seeking to develop multi-family housing, with or without affordable units, in the unincorporated county.

Currently, applications for an ASA require review by the County's subject matter experts who provide recommendations and proposed conditions of approval to the Zoning Administrator, who makes an approval decision at a public hearing. The main basis for the decision is the County's ASA guidelines, adopted by the County's Planning Commission in 1981.

The ASA Guidelines include subjective requirements, such as "excellence of design," a "pleasing sense of scale," and colors, materials, and designs that blend with the surrounding area "or positive trends." Plantings should "enhance the architectural quality of the proposed buildings."

To support meeting the County's Sixth Cycle RHNA requirements, the County will create a Housing Opportunity Sites zoning designation comprised of the parcels listed in the housing sites inventory. This new zoning designation will not require eligible multi-family development proposals to go through the ASA process. These applications will instead go through a ministerial Planning Clearance process which will focus only on adherence to established codes, such as the California Building Code, the County's Water Efficiency Ordinance, and the County's Inclusionary Housing Ordinance, and other objective standards designed to incorporate desirable characteristics while providing minimal barriers to development.

By January 2027, the County will seek to replace the ASA process for multi-family housing with the Planning Clearance in all districts that allow multi-family housing. Expanding this approach to properties

not listed on the housing sites inventory will take additional time to go through the public review and ordinance approval process.

The County is currently in the process of revising all checklists for development applications in order to provide additional clarity to applicants. As part of this process, the County will create written procedures and checklists for all multi-family and mixed-use residential development and post these procedures and

requirements to the County's website. This will include streamlined application types required by various state laws. While Senate Bill 35 does not currently apply to the County, it may in the future, therefore these procedures and checklists will include this application type, as well as Senate Bill 330 and other state-required streamlined permit applications.

Table 4.56: Streamline Multi-Family Housing Development

PROGRAM OBJECTIVE	<ul> <li>By July 2024, post application procedures and checklists of required items on the County website.</li> <li>By January 2027, develop a ministerial application process for all multi-family housing.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
<b>FUNDING SOURCE</b>	<u>N/A</u>
	HG1-8: Until a city annexes the unincorporated islands within its USA, the County will plan for housing development in these areas, as necessary to address     Housing Element law during a planning cycle and Regional Housing Needs Allocations (RHNA).
	HG1(i) E: Amend General Plan and Zoning Ordinance to Plan for Housing in Unincorporated USAs.
POLICIES AND	<ul> <li>HG4-1: The County should continually review its land use and development procedures for opportunities to remove unnecessary constraints to, and provide new opportunities to fund, the construction of affordable housing.</li> </ul>
IMPLEMENTATION	<ul> <li>HG4(i) C: Monitor and modify development standards as needed, including the trends of ADU, JADU, and SB 9 development, to ensure development standards are objective, up to date with current State law, and reported to the State Department of Housing and Community Development annually.</li> </ul>
	<ul> <li>HG4(i) D: Create opportunities for adaptive reuse of non-residential buildings where single-family residential uses are allowed in the County Zoning Ordinance. The County will remove barriers related to development standards, such as providing exceptions to setbacks, building heights, and parking requirements, when a non-residential building is converted to a single-family residence.</li> </ul>
CONTRIBUTING FACTORS	Land use and zoning laws

#### <u>Program 2.25 – Tracking and Ongoing Compliance with State</u> <u>Housing Laws</u>

The State continues to adopt legislation that promotes the development of a variety of housing types, including ADUs, transitional housing, group homes, and single room occupancy (SRO) units. It is the County's intent to proactively track state housing laws and maintain County ordinance codes, policies, and other regulations to ensure ongoing compliance with state housing laws. Where any provisions of County regulations are in conflict with state law, then those provisions shall be void and state law shall apply, and moreover, the County will work to revise the implicated regulations as appropriate.

In order to ensure the County's regulations are consistently in conformance with state law, the County will track and review state legislation and bring forward code amendments on an annual basis to address discrepancies or inconsistencies. Throughout this process, the County will collaborate with HCD to bring current codes into compliance, as needed.

The County is aware of recent legislation that may require the County to make ordinance amendments regarding the following topics:

- Emergency Shelters
- Transitional and Supportive Housing
- Permanent Supportive Housing
- Low Barrier Navigation Centers
- Single Room Occupancy (SRO) units
- Agricultural Employee Housing
- ADUs, JADUs, and SB 9 units
- Group Homes for Seven or More

As noted in the table below, the County will review its current ordinance codes and determine if amendments are needed by the December of 2024.

Table 4.57: Tracking and Ongoing Compliance with State Housing Laws

PROGRAM OBJECTIVES	<ul> <li>By December 2023, the County will review its codes and regulations against recent state laws and identify areas that may require updating.</li> <li>By December 2024, the County will adopt revisions to County codes and regulations necessary to comply with recent state laws.</li> <li>By the end of each year thereafter, the County will continue to track and review its codes and regulations and identify areas that may require updates.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
<b>FUNDING SOURCE</b>	<u>N/A</u>
POLICIES AND IMPLEMENTATION	<ul> <li>HG4-2: Review and reduce, where appropriate, regulations and processing procedures regarding the development of ADUs, JADUs, and SB9 Units.</li> <li>HG4(i) C: Monitor and modify development standards as needed, including the trends of ADU, JADU, and SB 9 development, to ensure development standards are objective, up to date with current State law, and reported to the State Department of Housing and Community Development annually.</li> <li>HG8-1: Facilitate agricultural employee housing by improving the permitting process.</li> <li>HG8(i) B Identify and pursue additional opportunities to support the development of agricultural employee housing.</li> </ul>
CONTRIBUTING FACTORS	Land use and zoning laws

#### Program 2.26 - Streamlined Rehabilitation and Replacement

Due to the County's policy for the past 50 years to encourage cities to annex unincorporated lands where multi-family development is proposed, there are currently a limited number of multi-family buildings of four or more units in the unincorporated county. The County has identified 97 such developments, of which only 12 have 10 or more units and only 2 have 20 or more units. These relatively larger developments are located on the Stanford University Campus, the rural unincorporated area of San Martin, and in the Cambrian Park, Fruitdale, Burbank, Parkmoor, and Alum Rock neighborhoods of San -José. They were established between 1917 and 1998. Smaller multi-family buildings (less than 10 units) were primarily constructed in the 1950s, when the County experienced a housing and population boom following World War 2. Out of these 97 developments, 94 were constructed prior to 1970. The County has

identified 179 two- and three-unit residential buildings within the unincorporated county, not including ADUs. No such units have been constructed since 2016, and only two new buildings and one rehabilitated building have been constructed since 2000. Some 158 buildings are at least 50 years old, 73 are at least 75 years old, and 30 are at least 100 years old. Many of these units were built prior the County requiring building permits (1947), or prior to current zoning requirements, leaving many in a legal nonconforming status. This status provides a serious disincentive to any property owner seeking to renovate or rebuild these older units, as significant work may require compliance with the existing zoning standards.

The County additionally has two condominium developments in the unincorporated county; Fairway Gardens constructed in 1972, which consists of 20 duet homes and one single-family residence, and Holmes Estates constructed in 1982, which consists of 19 attached

and semi-detached homes. Both developments are located in the East Foothills of San José.

Beginning in 2024, the County will review options to allow rehabilitation or replacement of such multi-family units without compromising their legal nonconforming status. In 2025, the County will develop ordinance or policy updates to help streamline such rehabilitation and replacement of older multi-family units. The County will also consider opportunities to preserve the affordability of existing units, whether required or naturally occurring. This may include partnering with community development corporations to acquire, rehabilitate, and preserve the affordability of units.

The County works with Rebuilding Together Silicon Valley to promote critical home repairs in a successful program that has provided support to 430 property owners of very low-, low-, or moderate-income, from 2015 to 2022 (refer to Program 1.31). Such aid totals over \$1.4 million over this period. The County will continue this partnership and seek out opportunities to work with other community-based organizations to facilitate rehabilitation of existing units (refer to Program 1.32).

Lastly, the County will assess the housing stock and conditions of agricultural worker housing and explore related opportunities to streamline rehabilitation and replacement of such units, as appropriate (refer to Programs 2.05, 2.15, & 4.02).

Table 4.58: Streamlined Rehabilitation and Replacement

PROGRAM OBJECTIVES	<ul> <li>By December 2024, the County will review options to allow for the rehabilitation or replacement of older multi-family units without losing legal nonconforming status.</li> <li>By December 2025, the County will consider ordinance or policy amendments to streamline such rehabilitation or replacement.</li> <li>Ongoing: the County will seek out opportunities to work with community development corporations and other community based organizations to rehabilitate and preserve existing housing.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development
<b>FUNDING SOURCE</b>	<u>N/A</u>
POLICIES AND IMPLEMENTATION	<ul> <li>HG9-1: The conservation and rehabilitation of the existing housing supply shall be encouraged and facilitated.</li> <li>HG9(i) A: Maintain ongoing programs for monitoring the physical condition of neighborhoods to assist in guiding rehabilitation program efforts, scheduling infrastructure maintenance activities, and to provide accurate information for Federal and State programs. Expand monitoring component to include rent price information.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Land use and zoning laws</li> <li>Deteriorated and abandoned properties</li> </ul>

Program 2.27 – Objective Standards for Multi-Family Housing
Currently, the County relies on subjective development standards
when considering Use Permits, Architecture & Site Approvals, and
Design Review. Therefore, it is currently difficult for a developer
seeking to build multi-family housing to know what development
and design criteria are necessary to include for their project to be
approved. To increase certainty, the County will develop and consider
adopting objective development standards for all multi-family
housing.

The County is committed to removing barriers to multi-family and mixed-use residential development on the sites identified in the housing sites inventory in the short-term, and more broadly in the long-term.

The County will begin by considering requirements for sites listed in the housing sites inventory, both on the Stanford University campus and within the San José urban service area, but the County will also consider extending objective standards to all other multi-family housing projects. Creating such standards will also better align the County with new state housing laws that require ministerial approval under certain circumstances, where only objective standards may be applied. These standards may be neighborhood-specific, tiered based on the number of units, or general enough to apply to all project types. The County intends to limit these standards to those that will not create prohibitive costs or other impediments to development of multi-family housing.

Table 4.59: Objective Standards for Multi-Family Housing

By June 2024, the County will complete a study of potential objective standards for multi-family housing projects on the Stanford University campus and consider adoption of these standards.
 By December 2024, the County will complete a study of potential objective standards for multi-family housing projects on housing opportunity sites in the San José urban service area and consider adoption of these standards.
 By December 2025, the County will complete a study of potential objective standards for all multi-family housing projects and consider adoption of these standards.
 Unincorporated County, Countywide
 Department of Planning and Development
 N/A
 HG1-8: Until a city annexes the unincorporated islands within its USA, the County will plan for housing development in these areas, as necessary to address Housing Element law during a planning cycle and Regional Housing Needs Allocations (RHNA).
 HG1() E: Amend General Plan and Zoning Ordinance to Plan for Housing in Unincorporated USAs.
 HG4-1: The County should continually review its land use and development procedures for opportunities to remove unnecessary constraints to, and provide new opportunities to fund, the construction of affordable housing.

CONTRIBUTING
<u>FACTORS</u>

- HG4(i) C: Monitor and modify development standards as needed, including the trends of ADU, JADU, and SB 9 development, to ensure development standards are objective, up to date with current State law, and reported to the State Department of Housing and Community Development annually.
- Land use and zoning laws
- Availability of affordable units in a range of sizes
- Lack of access to opportunity due to high housing costs
- Location and type of affordable housing
- Loss of affordable housing

#### **Program 2.28 – Tracking Housing Conditions**

The County currently tracks building, grading, and zoning violations; however, the County's database does not easily allow for identification of violation types beyond those three broad categories. In 2024, the County will add a subcategory that allows for violations related to housing conditions to be easily identified and tracked. This will allow greater clarity in reporting, and allow County staff to better connect those impacted by housing-related violations with the appropriate resources.

The County will add a housing-related subcategory to violation records in the County's database by December 2024, track such violations during the following year, and by December 2025 create a webpage to connect those impacted by housing-related violations to the appropriate public resources, including the ability to report substandard housing conditions online and anonymously.

Following the Farmworker Housing Needs Assessment (refer to Program 2.05), and one year of tracking reports of housing-related violations, the County will assess the need for a broad housing conditions survey and seek partners and resources to conduct such a survey, as appropriate.

#### **Table 4.60: Tracking Housing Conditions**

By December 2024, the County will add a housing-related subcategory to violation records in the County's database.
 By December 2025, the County will create a webpage to connect those impacted by housing-related violations to the appropriate public resources, including the ability to report substandard housing conditions.
 By December 2025, the County will assess the need for a broad housing conditions survey and seek partners and resources to conduct such a survey, as appropriate.
 Unincorporated County, Countywide
 Department of Planning and Development

# HG5-1: The County shall continue its work to enforce laws and foster policies and programs aimed towards preventing discrimination against people of protected status under Federal and State law. HG5-5: Identify and increase access to services and other opportunities for residents of historically disinvested low-income communities (R/ECAPs and Burdened Households) across unincorporated county. HG5(i) F: Identify R/ECAP and communities with Burdened Households and identify areas of improvement that will increase access to amenities and resources such as (but not limited to) transit, parks, fresh groceries, and health improvement facilities.

#### **Program 2.29 – Apply for Prohousing Designation**

The State has created a Prohousing Designation Program that HCD can bestow on jurisdictions that meet certain criteria demonstrating an overall commitment to proactively helping the State meet its goal of building two million new housing units. Jurisdictions with such a designation will be eligible to receive funds to facilitate housing

production. Once the County adopts a certified Housing Element, it will begin work toward submitting an application to HCD for the Prohousing Designation. To qualify for the program, additional policy or ordinance changes may be required, and the County will consider implementing changes that will increase the likelihood of earning entry to the program.

#### Table 4.61: Apply for Prohousing Designation

PROGRAM OBJECTIVES	<ul> <li>By December 2023, the County will review all existing policies in relation to the Prohousing Designation criteria.</li> <li>By December 2024, the County will consider changes to existing polices and ordinances to better align with the program and submit an application.</li> </ul>
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Department of Planning and Development, Office of Supportive Housing
<b>FUNDING SOURCE</b>	<u>N/A</u>
POLICIES AND IMPLEMENTATION	<ul> <li>HG2-3: Housing resources should be combined, and their use coordinated, among County Departments.</li> <li>HG2(i) B: Establish and expand intergovernmental processes to more effectively define and achieve local and regional housing objectives.</li> <li>HG2(i) C: Continue to support cross-agency integration of housing services within the County Departments through internal agency agreements.</li> </ul>
CONTRIBUTING FACTOR	<ul> <li>Lack of access to opportunity due to high housing costs</li> <li>Location and type of affordable housing</li> </ul>

#### **Program 2.30 – Incentivize Lot Consolidation**

The unincorporated areas within the City of San José's urban service area have a historic land use pattern of small parcels that are less than 0.5 acres in size. Within these urban pockets, approximately 96 percent of parcels are less than 0.5 acre and 87 percent are less than 0.3 acres in size. The average parcel size in these areas is 0.35 acres and the median parcel size is 0.18 acres. In built-out communities such as Burbank, Fruitdale, and Alum Rock, parcels that allow mixeduse zoning can be incentivized to develop lower-income housing. However, most vacant and nonvacant parcels within these neighborhoods are relatively small legal lots under 0.5 acres. The County is aware that multi-family housing, especially projects including affordability-restricted units, are less likely to be built on lots smaller than 0.5 acres. Therefore, the County will aim to facilitate the consolidation of these smaller lots when possible.

To facilitate lot consolidation, the County currently allows for neighboring lots to be consolidated through a voluntary merger of contiguous parcels for a nominal fee. To further incentivize multifamily development, the County will consider adopting strategies to encourage the consolidation of smaller lots in areas suitable for such development. Lot consolidation strategies may include the reduction of development standards and deferral or reduction of fees, both of which are already minimal in the unincorporated county.

The County has a history of completing lot consolidations, usually when property owners own multiple full or partial lots that are not large enough to develop a single-family residential project. Once adopted, the County would advertise lot consolidation incentives to existing property owners and prospective mixed-use and affordable housing developers.

Table 4.62: Incentivize Lot Consolidation

By December 2024, the County will research policy and ordinance changes to encourage and streamline lot consolidation.
 In 2025, the County will consider adopting necessary changes to encourage and streamline lot consolidation.
 Unincorporated County, Countywide
 Department of Planning and Development
 N/A
 MG1-8: Until a city annexes the unincorporated islands within its USA, the County will plan for housing development in these areas, as necessary to address Housing Element law during a planning cycle and Regional Housing Needs Allocations (RHNA).
 HG1(i) E: Amend General Plan and Zoning Ordinance to Plan for Housing in Unincorporated USAs.
 HG4-1: The County should continually review its land use and development procedures for opportunities to remove unnecessary constraints to, and provide new opportunities to fund, the construction of affordable housing.
 HG4(i) D: Create opportunities for adaptive reuse of non-residential buildings where single-family residential uses are allowed in the County Zoning Ordinance. The County will remove barriers related to development standards, such as providing exceptions to setbacks, building heights, and parking requirements, when a non-residential building is converted to a single-family residence.



- Availability of affordable units in a range of sizes
- Lack of access to opportunity due to high housing costs
- Lack of affordable, accessible housing in a range of unit sizes
- Land use and zoning laws
- Location and type of affordable housing

#### 4.03c Behavioral Health Services Department

The Behavioral Health Services Department (BHSD) is the public behavioral health system for Santa Clara County. The mission of BHSD is to assist individuals in our community affected by mental illness and serious emotional disturbance to achieve their hopes, dreams, and quality of life goals. To accomplish this, services must be delivered in the least restrictive, non-stigmatizing, most accessible environment within a coordinated system of community and self-care, respectful of a person's family and loved ones, language, culture, ethnicity, gender, and sexual identity.

# **Program 3.01 - SCC Mental Health Department Evans Lane Wellness and Recovery Center**

The Evans Lane Wellness and Recovery Center is dedicated to serving individual adults who suffer from a mental illness, substance use, and co-occurring disorders who are involved in the criminal justice system. The program works in collaboration with Santa Clara County

Superior Court, Santa Clara County Adult Probation Department, and the California Department of Corrections and Rehabilitation. The program is a community environment based on wellness and recovery. The participants of this program are active community members. This is demonstrated through the community governance meetings, which are facilitated by the participants of the program. In addition, the participants display ownership of their recovery, the program, and the community environment by contributing to a variety of tasks. The program includes both residential and outpatient services. These two distinct programs are featured on one campus. The residential program provides housing, support, and care to the justice-involved population and supports the participants by providing evening and weekend groups and activities. This program is fully implemented, and clients released from federal, state prisons, and local jails access this program on an ongoing basis. In addition, referrals to this program come from our justice partners. The program served 434 clients between FY21 and FY22 and is ongoing.

Table 4.5563: SCC Mental Health Department Evans Lane Wellness and Recovery Center

PROGRAM OBJECTIVES	<ul> <li>Within the first 30 days of residence, the client will have completed a transition plan for self-sufficiency which will include employment/education and housing. The plan will detail the behaviorally measurable goals that are needed for development to transition from Evans Lane within the 6-month period. The recovery philosophy of "harm reduction" is be applied at Evans Lane.</li> <li>Social skills training is aimed at teaching specific skills to clients for getting their interpersonal needs met and for handling common situations involving alcohol, drugs use, and other high-risk behaviors. Group sessions are focused primarily on teaching particular skills that are important for functioning without alcohol and drugs and staying on psychiatric medications.</li> <li>Program length for social skill building varies based on the needs of the client and the range of social skills that are being addressed. The fewer the skills taught the shorter the duration. Curricula can include a variety of skills pertinent to the underlying dual-diagnosis issues as well as the skills to live within the Evan Lanes environment.</li> </ul>	
GEOGRAPHIC SERVICE AREA		
LEAD AGENCY	County Department of Behavioral Health Services	
FUNDING SOURCE	Mental Health Services Act, General Fund and AB109 Funding	
	<ul> <li>HG1-5: Prioritize suitable county-owned underutilized parcels within Cities and Urban Service Areas for affordable, supportive and workforce housing development.</li> </ul>	
	<ul> <li>HG1(i)_D: Continue consideration of publicly owned lands suitable for the construction of extremely low-income housing and develop a priority of county-owned sites suitable for housing development.</li> </ul>	
POLICIES AND	<ul> <li>HG5-5: Identify and increase access to services and other opportunities for residents of historically disinvested low-income communities (R/ECAPs and Burdened Households) across unincorporated county.</li> </ul>	
IMPLEMENTATION	HG5(i) C: Fair housing services provided shall be respectful of language, culture, and special needs.	
	HG6-1: Encourage the development of affordable housing which is suitable for a variety of special needs populations.	
	<ul> <li>HG6(i) A: Advocate for the expansion of Federal and State programs and funding to assist local government in developing special needs housing         not provided through the private market. Seek expanded Federal and State programs and funding to assist local governments in developing special         needs housing not provided through the private market.</li> </ul>	
	HG6(i) E: Support implementation of housing-related policies in the county.	

# Program 3.02 – Substance Use Recovery Residences (formerly Department of Alcohol and Drugs Services)

The Behavioral Health Services – Substance Use Treatment Services (SUTS) provides 310 recovery residence beds for eligible clients.

While being housed, clients attend substance use treatment service programs. The SUTS recovery residences provide housing for men, women, women with children, and men with children. SUTS recovery residences served 471 clients in FY22 and is ongoing.

Table 4.5664: Substance Use Recovery Residences (formerly Department of Alcohol and Drugs Services)

PROGRAM OBJECTIVES	<ul> <li>Substance Use Treatment Services (SUTS) provides 310 Recovery Residence beds for eligible clients. While being housed, clients attend substance use treatment service programs. The SUTS recovery residences provide housing for men, women, women with children and men with children.</li> <li>As of Fiscal Year 2021-2022, SUTS Recovery Residences served 471 clients.</li> </ul>
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	County Department of Behavioral Health Services
FUNDING SOURCE	County General Fund, AB109
POLICIES AND IMPLEMENTATION	<ul> <li>HG6-1: Encourage the development of affordable housing which is suitable for a variety of special needs.</li> <li>HG6(i)_B: Develop and implement policies and ordinances that create housing that is adaptable to the needs of physically, developmentally, and emotionally challenged persons.</li> </ul>

#### 4.03d Office of County Executive

#### **Program 4.01 – Dispute Resolution Program**

Santa Clara County Office of Mediation and Ombuds Services (OMOS) formerly referred to as DRP has provided mediation services to Santa Clara County residents since 1977, paid for from County funds and provided free of charge to County residents. These services include mediation, conciliation, and coaching services to any and all landlords and tenants within Santa Clara County. OMOS empowers people by facilitating communication and increasing education in conflict resolution principles, thereby providing a model for effective efficient resolution of disputes. OMOS provides specific

services tailored to meet the diverse individual needs of those involved in daily disputes or those affected locally by national and global events. By being proactive, OMOS supports a community where individual differences are respected while responsibility for conflict and out comes are encouraged.

OMOS previously considered adopting a sliding scale fee for service but did not adopt a sliding scale due to the cost to administer such a program. Instead, OMOS continues to provide services free to County residents. OMOS has updated its website and partnered with the City of San José Housing Department to reach more vulnerable populations. Mediation services are provided by OMOS via Zoom or in person.

Table 4.5765: Dispute Resolution Program

PROGRAM OBJECTIVES	The program will continue to expand outreach to high-risk and vulnerable populations and otherwise maintain the program.
GEOGRAPHIC SERVICE AREA	Countywide
LEAD AGENCY	Office of Mediation and Ombuds Services

FUNDING SOURCE	General Fund
POLICIES AND IMPLEMENTATION	<ul> <li>HG5-3: The rights of tenants and landlords shall be recognized and protected, and opportunities for mediation of disputes shall be provided.</li> <li>HG5-4: Reduce displacement of low-income household tenants and increase tenant protections prior to evictions proceedings.</li> <li>HG5(i) E: Maintain tenant/landlord dispute mediation services in all areas of the county.</li> </ul>
CONTRIBUTING FACTORS	<ul> <li>Displacement of residents due to economic pressures</li> <li>Loss of affordable housing</li> <li>Private discrimination</li> </ul>

#### **Program 4.02 – Agricultural Worker Housing Workplan**

In 2020, as an implementation measure of the Santa Clara Valley Agricultural Plan, the County adopted Zoning Ordinance amendments to streamline the land use entitlement approval process for agricultural employee housing based on objective development standards and requirements. During the first two years of implementation, only three new units of privately funded housing were developed.

The County Board of Supervisors directed County staff and County Counsel on August 29, 2023, to develop an Agricultural Worker Housing Workplan to be presented to the Board in 90 days, which may consist of the following components:

 Process, Informational, and Funding Strategies – Including further research into the housing conditions and needs of agricultural workers, engaging specialists, and establishing a stakeholder committee.

- Permitting Process Improvements Including research and proposals to make the permitting process for agricultural worker housing more understandable and easier to undertake with more parcel-specific information to help developers make better informed business decisions.
- Strategies Utilizing County Land Including exploration of partnerships to develop agricultural worker housing on County-owned land.
- Legislative and Partnership Strategies Including work with the state, other jurisdictions, and agencies to explore funding and policy strategies for developing agricultural worker housing.

This program will be closely coordinated with Programs 1.07, 2.01, 2.05 & 2.15.

Table 4.66: Agricultural Worker Housing Workplan

PROGRAM OBJECTIVES

By December of 2023, finalize a work plan to further promote agricultural worker housing.

GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
<u>LEAD AGENCY</u>	Office of County Executive
FUNDING SOURCE	General Fund
	HG8-1: Facilitate agricultural employee housing by improving the permitting process.
	HG8(i) B: Identify and pursue additional opportunities to support the development of agricultural employee housing.
POLICIES AND IMPLEMENTATION	HG8-4: Seek new funding sources to support the construction of farmworker housing.
	HG8(i) C: Monitor new State and Federal Funding regarding farmworker rental and homeownership programs and collaborate with housing developers to identify sites suitable for farmworker housing.
CONTRIBUTING FACTORS	Location and type of affordable housing
CONTRIBUTING FACTORS	Lack of access to opportunity due to high housing costs

#### <u>Program 4.03 – Coordinated Annexation and RHNA Transfer</u>

For over 50 years, the County has worked cooperatively with cities and LAFCO to facilitate the annexation and efficient use of urban unincorporated islands.

Many unincorporated properties within the USAs of the county are eligible for streamlined annexation into cities pursuant to County Ordinance Code C1-52, LAFCO policies, and as provided under State law. When a new residential development is proposed to the County on properties that are within a USA and contiguous to a city (directly neighboring the city limits, separated from the city by a road, or within 300 feet of the city limits as measured along public rights of way), it is required that the applicable city already providing urban services complete a ministerial form, either approving the parcel for annexation or waiving the annexation, prior to the County processing the development application. This annexation referral applies to most of the San José sites selected in the Housing Sites Inventory.

Under State law, if a parcel is approved for annexation, the city (which subsequently would issue permits for development on the parcel) will receive any resulting RHNA credit for such development. However, under the final RHNA methodology adopted by ABAG and approved by HCD, the development potential of parcels in unincorporated USAs was the basis to assign RHNA obligations to the County rather than to the cities into which the parcels will be annexed.

As a result of the final RHNA methodology approved for the 2023-2031 planning period, the units assigned to the County increased by 1,028%, necessitating that the County plan for increased housing in unincorporated USAs, despite likely annexation and thereby RHNA credit apportioned to cities rather than the County. For the County to meet the RHNA obligations assigned to it, the County must pursue RHNA transfers with the applicable city when an annexation occurs. State law provides for such a process; pursuant to Government Code Section 65584.07(d), "within 90 days after the date of annexation,

either the transfer [of RHNA units], by income category, agreed upon by the city and county, or a written request for a transfer, shall be submitted to the council of governments, subregional entity, and to the department." Therefore, upon annexation of an unincorporated parcel, the County will coordinate with the applicable city and ABAG to effectuate a commensurate transfer of RHNA units to the jurisdiction annexing County lands within 90 days of annexation.

Table 4.67: Coordinated Annexation and RHNA Transfer

PROGRAM OBJECTIVES	Upon annexation of an unincorporated parcel, the County will coordinate with the applicable city and ABAG to effectuate a commensurate transfer of RHNA units within 90 days.
GEOGRAPHIC SERVICE AREA	Unincorporated County, Countywide
LEAD AGENCY	Office of County Executive
FUNDING SOURCE	General Fund
POLICIES AND IMPLEMENTATION	<ul> <li>HG1-1: Planning for the supply and diversity of housing types in urbanized areas of the County shall include consideration of both current and projected employment, household income needs, and a variety of housing types.</li> <li>HG1(i) A: Maintain and, where necessary, strengthen County and cities' joint land use policies and agreements that direct urban development to areas within city urban service areas.</li> </ul>