



CITY COUNCIL MEETING AGENDA

7:00 PM - Tuesday, August 22, 2023
via Videoconference and In Person

Please Note: The City Council will meet in person as well as via Telephone/Video Conference

Telephone: 1-669-444-9171 / Webinar ID: 891 5406 1574

<https://losaltosca-gov.zoom.us/j/89154061574?pwd=eUw4QTJQVUxjU25WVDZDM0VFNDQrdz09>

Passcode: 625354

TO PARTICIPATE IN-PERSON: Members of the public may also participate in person by being present at the Los Altos Council Chamber at Los Altos City Hall located at 1 N. San Antonio Rd, Los Altos, CA.

TO PARTICIPATE VIA VIDEO: Follow the link above. Members of the public will need to have a working microphone on their device and **must have the latest version of ZOOM installed** (available at <https://zoom.us/download>). To request to speak, please use the “Raise hand” feature located at the bottom of the screen.

TO PARTICPATE VIA TELEPHONE: Members of the public may also participate via telephone by calling the number listed above. To request to speak, press *9 on your telephone.

TO SUBMIT WRITTEN COMMENTS: Prior to the meeting, comments on matters listed on the agenda may be emailed to PublicComment@losaltosca.gov. Emails sent to this email address are sent to/received immediately by the City Council. Please include a subject line in the following format:

PUBLIC COMMENT AGENDA ITEM ## - MEETING DATE

Correspondence submitted in hard copy/paper must be received by 2:00 PM on the day of the meeting to ensure distribution prior to the meeting. Correspondence received prior to the meeting will be included in the public record. .

Public testimony will be taken at the direction of the Mayor, and members of the public may only comment during times allotted for public comments.

AGENDA

[08-22-23](#) Regular Meeting Public Comments

CALL MEETING TO ORDER

ESTABLISH QUORUM

PLEDGE ALLEGIANCE TO THE FLAG

REPORT ON CLOSED SESSION

CHANGES TO THE ORDER OF THE AGENDA

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Members of the audience may bring to the Council's attention any item that is not on the agenda. Speakers are generally given two or three minutes, at the discretion of the Mayor. Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during the Public Comment Period. According to State Law (also known as "The Brown Act") items must first be noted on the agenda before any discussion or action.

SPECIAL ITEMS

Receive presentation from MidPeninsula Regional Open Space District

Issue Proclamation Recognizing Public Works Director Jim Sandoval's Contributions to the City of Los Altos

CONSENT CALENDAR

These items will be considered by one motion unless any member of the Council or audience wishes to remove an item for discussion. Any item removed from the Consent Calendar for discussion will be handled at the discretion of the Mayor.

1. Approve meeting minutes for the Regular Meeting of July 11, 2023
2. Treasurer's Report – Month Ended April 30, 2023 and Month Ended May 31, 2023
3. Approve Appointment of Councilmember Neysa Fligor as Council Liaison to the Parks, Arts, Recreation, and Cultural Commission
4. Approve appointment of Mayor Sally Meadows and Councilmember Neysa Fligor to attend Multi-Jurisdictional Meetings on the Stanford Community Plan
5. Receive the 2021 Santa Clara County Multi-Jurisdictional Program for Public Information Annual Report (FY23-Year 2)
6. Adopt a Resolution accepting completion of the On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 22/23 and authorized the Public Works Director to record a Notice of Completion as required by law
7. Authorize the City Manager to execute the proposed License Agreement with Los Altos Grill for the use of City's Parking Plaza to meet its parking demand as required in the Los Altos Municipal Code
8. Adopt a Resolution to approve the Fiscal Year 2023/24 Salary Schedule to Comply with California Public Employees' Retirement System (CalPERS) Statutory and Regulatory Requirements for Compensation Earnable and Publicly Available Salary Schedules

- [9.](#) Direct the City Manager to sign a new contract with the Los Altos History Museum in the initial amount of \$120,000 annually for five years

PUBLIC HEARINGS

- [10.](#) Introduce and Waive further reading of Zoning Ordinance Text Amendments implementing programs identified in the adopted housing element, Program 4.C Allow Low Barrier Navigation Centers consistent with AB 101, Program 4.D Allow transitional and supportive housing consistent with State law, Program 4. E Allow employee/farmworker housing consistent with State law, Program 4.F Reasonably accommodate disabled persons' housing needs. The proposed amendments are exempt from environmental review pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines since there would be no possibility of a significant effect on the environment

DISCUSSION ITEMS

- [11.](#) Introduce and Waive Further Reading of an Ordinance of the City Council of the City of Los Altos Adding Chapter 12.72 Penalty for Expired Permits and amending Chapter 12.08 and 12.10 of the Los Altos Municipal Code and find that this action is Exempt from Environmental Review Pursuant to Section 15061(b)(3) of the State Guidelines Implementing the California Environmental Quality Act of 1970
- [12.](#) Introduce and Waive Further Reading of an Ordinance of the City Council of the City of Los Altos Adding Chapter 11.14 Mechanical Equipment to Title 11 Miscellaneous Property Regulations of the Los Altos Municipal Code and find that this action is Exempt from Environmental Review Pursuant to Section 15061(b)(3) of the State Guidelines Implementing the California Environmental Quality Act of 1970
- [13.](#) Review guidelines for the authorization and administration of public funds for travel expenses and reimbursements for official City business as they apply to elected City officials, including the Mayor, Vice Mayor, and Council members
- [14.](#) Request From the Town of Los Altos Hills to Engage in Discussions for Future Law Enforcement Services Provided by the City of Los Altos

INFORMATIONAL ITEMS ONLY

- [15.](#) Tentative Council Calendar and Housing Element Update Calendar
- [16.](#) Housing Element Status Update
- [17.](#) Update from CHAC to JPA Partners

COUNCIL/STAFF REPORTS AND DIRECTIONS ON FUTURE AGENDA ITEMS

ADJOURNMENT

(Council Norms: It will be the custom to have a recess at approximately 9:00 p.m. Prior to the recess, the Mayor shall announce whether any items will be carried over to the next meeting. The

established hour after which no new items will be started is 11:00 p.m. Remaining items, however, may be considered by consensus of the Council.)

SPECIAL NOTICES TO THE PUBLIC

In compliance with the Americans with Disabilities Act, the City of Los Altos will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk 72 hours prior to the meeting at (650) 947-2610.

Agendas Staff Reports and some associated documents for City Council items may be viewed on the Internet at <http://www.losaltosca.gov/citycouncil/online/index.html>.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, and that are distributed to a majority of the legislative body, will be available for public inspection at the Office of the City Clerk's Office, City of Los Altos, located at One North San Antonio Road, Los Altos, California at the same time that the public records are distributed or made available to the legislative body.

If you wish to provide written materials, please provide the City Clerk with 10 copies of any document that you would like to submit to the City Council for the public record.

Melissa Thurman

From: Kuljeet Kalkat <kskalkat@gmail.com>
Sent: Tuesday, August 22, 2023 3:24 PM
To: Public Comment
Subject: PUBLIC COMMENT AGENDA ITEM 9 CONSENT CALENDAR - MEETING DATE 8/22/23

Dear Council members and City Manager,

I am writing to you as a member of the board of Directors of the Los Altos History Museum.

First of all I want to thank you and commend you for considering funding some of the operational expenses of our Museum. I realize it is a very small amount of our City's total budget but it is a significant portion of the Museum's budget. Without these funds, we would have serious difficulty in running the Los Altos History Museum. We have great support from the residents and they would rally to help their beloved institution, if the need arose; but a public contribution to the Museum is a validation of the very public nature of the service this museum provides.

The Los Altos History Museum was chartered by the City and handed over to a non-profit many years ago and since then it has fulfilled its promise to preserve and curate our local history. In addition it has become a part of the social fabric of our city with all the on-going events the Museum hosts. From school children to seniors, we see lots of enthusiasm for the Museum among our residents and their volunteer activities heavily subsidize our expenses. Hence our operating expenses are a lot less than if the City ran the Historical Museum and all the events itself.

Lastly, I wanted to let you know that as a board member I can attest to the transparent, judicious and frugal use of these funds at the museum. Our books are public and the City is welcome to review or audit them at will.

I hope you will approve this 5 year commitment to contribute to the museum and I hope we are able to keep the Museum going for at least another 50 years!

Thank you.

-Kuljeet Kalkat

Member of the Executive Committee of the Board
Los Altos History Museum

Melissa Thurman

From: Harry Guy <harrypguy@gmail.com>
Sent: Tuesday, August 22, 2023 3:25 PM
To: Public Comment
Subject: Public Comment Agenda Item 12 Mechanical Equipment - 08/22/2023

My sincere thanks to Staff for their concerted efforts to craft concise code language for Mechanical Equipment. Unfortunately, the current proposed wording does not provide workable solutions for our many Los Altos small lots, for example, 50ft wide lots. The distance between houses for these lots is 10ft, generally with a shared good neighbor fence along the property line at 5ft to each house. The proposed minimum setback of 5ft completely eliminates any mechanical equipment on the side of these homes, even a relatively quiet and thin exterior, wall-mounted demand water heater. Mountain View has apparently addressed this issue by adopting a 3ft minimum side setback. I would encourage Council to ask Staff to take another look at the unique adverse constraints this ordinance will have on small lots, before it is finally approved.

A closely related code is the Noise Control Ordinance, Chapter 6.16. This ordinance needs to be updated, particularly to be more flexible and encouraging for residents to install standby generators. The currently available generators cannot meet the requirements of Chapter 6.16, however they operate very infrequently, monthly for testing, or when the home loses grid power. The enforcement of the current code basically allows only solar with batteries, which is high cost to many older homeowners who need backup power now more than ever. In 2020 and 2021, some of us saw how many of the jurisdictions in Northern CA had modified their noise ordinances for increased flexibility for homeowners to install standby generators. Many of the jurisdictions in Marin and elsewhere have made these accommodations, and we provided that information to City staff with examples and requested that staff consider the need for changes in the noise ordinance for emergency generators. To our knowledge, no action has been taken on this important topic; I respectfully ask Council to request staff to reassess the noise ordinance.

Sincerely,
Harry
Harry Guy - Los Altos resident and emergency volunteer leader



**CITY OF LOS ALTOS
CITY COUNCIL MEETING MINUTES
TUESDAY, JULY 11, 2023
7:00 p.m.
1 N. San Antonio Rd. ~ Los Altos, CA**

Agenda Item # 1.

*Sally Meadows, Mayor
Jonathan Weinberg, Vice Mayor
Pete Dailey, Councilmember
Neysa Fligor, Councilmember
Lynette Lee Eng, Councilmember*

CALL MEETING TO ORDER – Sally Meadows, Mayor, called the meeting to order at 7:00 p.m.

ESTABLISH QUORUM – All Councilmembers were present and in person.

PLEDGE ALLEGIANCE TO THE FLAG – Sally Meadows, Mayor, led the Pledge of Allegiance.

REPORT ON CLOSED SESSION – There was no reportable action for the Closed Session meeting of July 11, 2023.

CHANGES TO THE ORDER OF THE AGENDA

Sally Meadows, Mayor, changed the order of the Discussion Items as follows:

- Item 10
- Item 12
- Item 14
- Item 11
- Item 13

Motion by Meadows and Seconded by Fligor to accept the changes to the order of the agenda. **Motion carried unanimously by roll call vote.**

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

There were no speakers during Public Comment.

SPECIAL ITEMS

Recognition of Los Altos Employee Award Recipients

Irene Silipin, Human Resources Director, announced Los Altos employees who recently received recognition for their services and showed a brief video of the Employee Recognition Event held earlier in the month for city staff.

Proclamation Recognizing 2023 as the 30-Year Anniversary of the Friends of Stevens Creek Trail

Sally Meadows, Mayor, presented the proclamation to Friends of Stevens Creek Trail members.

CONSENT CALENDAR

The following members of the public spoke regarding items on the Consent Calendar:

• Eric Muller (Item 7)	• Teresa Morris (Item 8)
• Don Bray (Item 7)	• Stacy Banerjee (Item 8)
• Don Weiden (Item 7)	• John McKenna (Item 7)

• Gary Hedden (Item 7)	• Bruce Naegel (Item 7)
• Eric Steinle (Item 8)	• Dashiell Leeds (Item 7)
• Teresa Morris (Item 3)	• Roberta Phillips (Item 1)

Pete Dailey, Councilmember asked to pull Item 7 for further discussion.

Jonathan Weinberg, Vice Mayor, requested to pull Item 7 and 8 for further discussion.

Lynette Lee Eng, Councilmember, requested to pull Items 1 and 9 for further discussion.

Sally Meadows, Mayor, moved Items 7 and 9 to the Discussion Item section of the agenda.

Motion by Weinberg and Seconded by Fligor to approve the Consent Calendar, excluding Items 7, 8 and 9. **Motion carried unanimously by roll call vote.**

Motion by Weinberg and Seconded by Dailey to approve Item 9. **Motion carried 4-1 with Councilmember Lee Eng opposed, by roll call vote.**

Sally Meadows, Mayor, moved Item 7 after Item 10 of the Discussion

1. Approve the Regular Meeting Minutes of June 27, 2023
2. Adopt a Resolution accepting completion of the Sanitary Sewer Video Inspection, Project WW-0101121; and authorize the Environmental Services and Utilities Department Director to record a Notice of Completion as required by law
3. Adopt a resolution to authorize the City Manager to execute Amendment No. 3 to the EOC Design Agreement between the City of Los Altos and Noll & Tam Architects and Planners in an amount not to exceed \$75,583 to evaluate an upsized generator sized for the whole Los Altos Community Center and some capacity for Los Altos Youth Center Office Conversion Project. (M. Loatfi)
4. Adopt a resolution to authorize the City Manager to execute Amendment No. 1 to the August 31, 2021, Plan Review Services Agreement between the City of Los Altos and TRB + Associates to provide as-needed civil, grading, and drainage engineering services that encompass plan review and construction inspection for private developments in Los Altos
5. Adopt a resolution to authorize the City Manager to execute an Agreement between the City of Los Altos and Silicon Valley Clean Energy to accept a Community Resilience Program Grant
6. Adopt an Ordinance of the City Council of the City of Los Altos Adding Chapter 11.15 to Title 11 Miscellaneous Property Regulations of the Los Altos Municipal Code Creating a Standalone Chapter for Leaf Blower Regulations and find that this action is Exempt from Environmental Review Pursuant to Section 15061(b)(3) of the State Guidelines Implementing the California Environmental Quality Act of 1970
9. Review and Authorize the Mayor to Sign Letters of Support for SB4 (Wiener) and SB423 (Wiener)

DISCUSSION ITEMS

10. Approve the updated Los Altos Police Department ALPR policy #462

City of Los Altos
City Council Regular Meeting Minutes
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Jonathan Weinberg, Vice Mayor, announced that on July 10, 2023, he received a formal letter from the Fair Political Practices Commission (FPPC), that explained that he did not have a conflict of interest regarding license plate readers in Los Altos, and as such, he would be able to discuss and vote on the subject with the other City Council members. A copy of the letter is on file with the City Clerk’s office.

Angela Averiett, Police Chief, presented the report.

The City Council took a recess at 8:36 p.m.
The City Council reconvened at 8:41 p.m.

The following members of the public spoke regarding the item:

- Teresa Morris
- Stacy Banerjee

The Council provided the following amendments to the policy:

- Add language to Section 462.8(d):

“or any local, state or federal agency for purposes that violates this policy or any federal regulation or California law or to track persons seeking reproductive or gender-affirming healthcare.”

- Add language to Section 462.8(a):

“The agency asking to use our data must sign a written affirmation that the data they collect must be destroyed within 30 days of its having been gathered, unless it is being preserved, or as otherwise used in this policy.”

- Add language to Section 462.8:

“In the event of a data breach, Flock Safety is to notify the Police Department within 24 hours of the data breach.”

- Staff to find a place in the policy for the following:

“If Federal law is changed, suspension of use of system while reviewing changes of Federal laws, compelling the release of data contrary with this policy...” *(Staff to insert remaining language)*

- Add language to 462.6 (Second paragraph):

“Any purging of data must ensure that the data is completely purged and sanitized and accessible, including, but not limited to, forensically.”

- Add further language to Section 462.11:

“Placement of the cameras shall not be solely based on targeting any particular residential neighborhood, street “and shall never be based solely on protected characteristics or class.”

Motion by Lee Eng and Seconded by Meadows to approve the updated Los Altos Police Department ALPR Policy #462, as amended. **Motion carried unanimously by roll call vote.**

7. Adoption of an Ordinance of the City Council of the City of Los Altos Adding Chapter 11.14 Mechanical Equipment to Title 11 Miscellaneous Property Regulations of the Los

Altos Municipal Code and find that this action is Exempt from Environmental Review Pursuant to Section 15061(b)(3) of the State Guidelines Implementing the California Environmental Quality Act of 1970

Pete Dailey, Councilmember, opened a discussion regarding the item.

The City Council provided the following amendments to the proposed ordinance:

- Change the setback from 10' to 5'
- Remove language pertaining to specific mechanical equipment appurtenances that was previously added during the meeting of June 27, 2023

Motion by Dailey and Seconded by to change the setback to 5'. **Friendly Amendment** by Meadows to remove language pertaining to specific mechanical equipment appurtenances that had been previously added during the meeting of June 27, 2023. **Motion, with the Friendly Amendment, carried 3-2 with Councilmembers Fligor and Lee Eng opposed, by roll call vote.**

The City Council took a recess at 10:05 p.m.

The City Council reconvened at 10:17 p.m.

12. Designate a Voting Representative Delegate and Alternate to Vote on Proposed Resolutions at the CalCities 2023 Annual Conference in Sacramento, CA on September 22, 2023

Sally Meadows, Mayor, opened the item for discussion.

The following City Councilmembers are attending the 2023 Annual Conference in Sacramento, CA:

- Sally Meadows
- Neysa Fligor
- Lynette Lee Eng

The City Council nominated **Sally Meadows** as the Voting Representative Delegate, **Neysa Fligor** as the First Alternate and **Lynette Lee Eng** as the Second Alternate for the CalCities 2023 Annual Conference in Sacramento, CA on September 22, 2023.

Motion by Meadows and Seconded by Dailey to approve the nominations as listed above.

Motion carried unanimously by roll call vote.

14. Discussion Regarding a Council Travel Policy

Sally Meadows, Mayor, opened the item for discussion.

The following member of the public spoke regarding the item:

- Roberta Phillips

The City Council provided the following direction to staff:

- If a Councilmember would like a representative to attend a non-CalCities conference, that Councilmember shall present their request during a meeting for discussion. During that meeting, the Council will either designate a member to attend, or will deny the request.
- The city should only pay for hotel rooms for the specified days of the conference. Extra nights of stay should be paid for by the Councilmember requesting the additional stay.
- To identify a budget, staff should add the costs of registration and hotel for all five Councilmembers to attend two CalCities conferences per year, and the costs of registration and hotel for two members to attend one national conference per year.

Discussion item only. No motion taken.

8. Adopt changes to the City of Los Altos Commission Handbook

Jonathan Weinberg, Vice Mayor and Neysa Fligor, Councilmember, explained why they pulled the item from the Consent Calendar for further discussion.

The City Council provided the following amendments to the Handbook:

- Place the Commission meeting schedule table on the city website to allow for updates to meeting schedules to be made immediately rather than waiting for an update to the Handbook.
- Remove the sentence on Page 4 of the Handbook: “A commission may request modifications to the work plan once a quarter for consideration of the City Council.”
- Change the language on Page 2 of the Handbook from “shall be” to “may be”: “Requests by a commission or commissioner for assistance in completing research or analysis for the benefit of a commission may be directed towards the Department Head which oversees the assigned Staff Liaison.”
- Add language on Page 6 of the Handbook “if possible” : If a Commissioner must miss a meeting they shall inform the staff liaison a minimum of two weeks’ notice prior to the regularly-scheduled commission meeting, if possible.”

Motion by Fligor and Seconded by Meadows to adopt the changes to the City of Los Altos Commission Handbook, as amended. **Motion carried unanimously by roll call vote.**

11. Receive an update on contracted use of café space in the Los Altos Community Center

Gabriel Engeland, City Manager and Manny Hernandez, Parks and Recreation Director, presented the update.

The following member of the public spoke regarding the item:

- Kathleen Foley-Hughes

Council provided the following direction:

- Do not limit the type of service provider.
- Direct Staff to determine the appropriate vendor based on Council direction and discussion.

Discussion item only. No motion taken.

13. Discussion on the Allen Bill and the School District

Lynette Lee Eng, Councilmember, opened a discussion regarding the item.

There were no speakers regarding the item.

The City Council authorized Council representatives of the 2x2 committee with the School District to add this item to a future agenda for discussion.

INFORMATIONAL ITEMS ONLY

15. Tentative Council Calendar and Housing Element Update Calendar

COUNCIL/STAFF REPORTS AND DIRECTIONS ON FUTURE AGENDA ITEMS

- **Neysa Fligor, Councilmember**, requested the following future agenda items:
 - Invitation to Silicon Valley Clean Energy to present an update to the City Council regarding future planning after recent legislation (*No second*)
 - **Pete Dailey, Councilmember**, recommended that staff provide a Closed Session meeting to present an update regarding future planning after recent legislation (*Staff would discuss with the City Attorney and report back to Council at a later date regarding this request*)

ADJOURNMENT – The meeting adjourned at 12:16 a.m. on July 12, 2023.

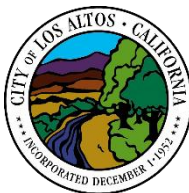
The meeting minutes were prepared by Melissa Thurman, City Clerk, for approval at the regular meeting of August 22, 2023.

Sally Meadows,
Mayor

Melissa Thurman, MMC
City Clerk

The July 11, 2023 City Council meeting recording may be viewed via the following external website: <https://www.youtube.com/@CityofLosAltosCA>

The City of Los Altos does not own or operate YouTube, and the videos referenced on these minutes were live at the time the minutes were published.



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject Treasurer’s Report – Month Ended April 30, 2023 and Month Ended May 31, 2023

Prepared by: Minh Nguyen, Senior Accountant

Reviewed by: June Du, Finance Director

Approved by: Gabriel Engeland, City Manager

Attachment(s):

1. Change in Total Fund Balances by Fund
2. Cash Balances by Fund

Initiated by:

Staff.

Fiscal Impact:

None

Environmental Review:

Not applicable

Policy Question(s) for Council Consideration:

- None

Summary:

As indicated in the City’s response to the 2022 Civil Grand Jury Report, the City is providing this report as desired by the Grand Jury. The following attachment provides various financial transaction data for the City of Los Altos for the month of April 30, 2023 and for the month of May 31, 2023.

Staff Recommendation:

Receive and accept the Treasurer’s Report for April 01, 2023 through May 31, 2023.

Reviewed By:

City Manager

GE

City Attorney

JH

Finance Director

JD

April 2023 Activities

May 2023 Activities

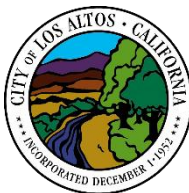
FUND	Estimated Ending Balance 03/31/2023	Revenue	Expenditures	Capital Expenditures	Transfer In/(Out)	Estimated Ending Balance 04/30/2023	Revenue	Expenditures	Capital Expenditures	Transfer In/(Out)	Estimated Ending Balance 05/31/2023
RESERVE FUND											
Grant Reimbursement Fund	290,145					290,145	33,918				324,063
Fiscal Policy Reserve	8,757,349					8,757,349					8,757,349
Vets Memorial	8,615					8,615					8,615
General Fund	9,872,914	11,067,276	(3,087,642)			17,852,549	2,051,397	(3,135,208)			16,768,738
Total General Fund:	18,929,024	11,067,276	(3,087,642)			26,908,658	2,085,315	(3,135,208)			25,858,766
ENTERPRISE FUNDS											
Sewer Fund ⁽¹⁾	26,262,307	461,535	(194,187)	(600,160)		25,929,496		(173,600)	(61,599)		25,694,296
Solid Waste Fund	4,851,806	237,209	(106,075)			4,982,940	76,654	(69,265)			4,990,329
Storm Drain Fund	-					-					-
Total Enterprise Funds:	31,114,113	698,744	(300,262)	(600,160)		30,912,436	76,654	(242,866)	(61,599)		30,684,625
CAPITAL IMPROVEMENT FUNDS											
Capital Projects Fund	9,553,510			(1,830,085)		7,723,426			(2,934,855)		4,788,571
Equipment Replacement Fund	753,610			(79,955)		673,655		(38,880)			634,775
Total Capital Improvement Funds:	10,307,120			(1,910,040)		8,397,080		(38,880)	(2,934,855)		5,423,346
INTERNAL SERVICE FUNDS											
PERS & OPEB Reserve	551,314					551,314					551,314
Technology Reserve	1,290,145	6,799				1,296,944	125,579				1,422,523
Dental/Vision Fund	(309,438)		(17,260)			(326,698)		(25,981)			(352,678)
Unemployment Fund	96,698					96,698					96,698
Workers Compensation Fund	1,866,584		(9,050)			1,857,534		(10,745)			1,846,789
Total Internal Service Funds:	3,495,303	6,799	(26,311)			3,475,792	125,579	(36,725)			3,564,646
SPECIAL REVENUE FUNDS											
Road Maintenance (SB1)	807,821	290,657				1,098,478	51,885				1,150,362
CDBG Fund	-					-					-
Grants Fund-ARP Act	-					-					-
Downtown Parking Fund	950,886	10,880				961,767	2,100				963,867
Estate Donation Fund	18,191	160				18,351					18,351
Gas Tax Fund	2,456,550	426,352				2,882,902	47,428				2,930,330
Prop 1B Road Maintenance	130					130					130
Measure B	436,933	744		(435,988)		1,690					1,690
In Lieu Park Fund	8,121,824	155,645				8,277,470					8,277,470
Supplemental Law Enforcement Fund	222,563	29,462				252,025	20,538				272,564
TDA Fund	88,358	242				88,600					88,600
Traffic Impact Fee Fund	(197,728)	6,774				(190,954)					(190,954)
Vehicle Registration Fund	1,374,181	10,862				1,385,042					1,385,042
PEG Fees	227,378	2,005				229,383	25,845				255,227
Public Art Fund	512,627					512,627					512,627
Storm Drain Deposits	56,086					56,086					56,086
AB-1379 CASP Fee	8,986	497				9,483	1,001				10,484
Vehicle Impound Fund	2,410	627				3,037	1,254				4,291
Total Special Revenue Funds:	15,087,195	934,907			(435,988)	15,586,114	150,051				15,736,165
DEBT SERVICE FUND											
General Obligation Bond	524,493	4,337				528,829		(155,938)			372,892
Community Center Lease	517,977					517,977					517,977
Total Debt Service Fund:	1,042,470	4,337				1,046,806		(155,938)			890,869
AGENCY FUND											
Blue Oaks Line Sewer	68,750	1,270				70,020					70,020
Total Debt Service Fund:	68,750	1,270				70,020					70,020
ALL FUNDS TOTAL	80,043,975	12,713,333	(3,414,214)	(2,510,200)	(435,988)	86,396,906	2,437,600	(3,609,616)	(2,996,454)		82,228,436

(1) Sewer Fund Balance includes \$15,335,666 in Nonspendable Capital Assets

April 2023 Activities

May 2023 Activities

FUND	Estimated Ending Cash Balance 03/31/2023	Debit	Credit	Estimated Ending Cash Balance 04/30/2023	Debit	Credit	Estimated Ending Cash Balance 05/31/2023
RESERVE FUNDS							
General Fund	18,924,622	10,637,867	(2,232,152)	27,330,338	1,931,187	(3,589,639)	25,671,886
Grant Reimbursement Fund	334,172			334,172	33,918		368,090
Payroll Liability Fund	-	884,949	(884,949)	-	958,234	(958,234)	-
Total General Fund:	19,258,794	11,522,816	(3,117,100)	27,664,510	2,923,339	(4,547,873)	26,039,976
ENTERPRISE FUNDS							
Sewer Fund	13,039,214	114,030	(858,556)	12,294,687	162	(809,254)	11,485,594
Solid Waste Fund	5,069,759	275,939	(86,400)	5,259,298	76,654	(64,534)	5,271,418
Storm Drain Fund	802			802			802
Total Enterprise Funds:	18,109,774	389,969	(944,956)	17,554,787	76,816	(873,788)	16,757,814
CAPITAL IMPROVEMENT FUNDS							
Capital Projects Fund	10,308,706		(788,377)	9,520,329		(1,762,080)	7,758,249
Equipment Replacement Fund	756,328		(2,717)	753,610		(79,955)	673,655
Total Capital Improvement Funds:	11,065,034	-	(791,095)	10,273,939	-	(1,842,035)	8,431,904
INTERNAL SERVICE FUNDS							
PEERS & OPEB Reserve	551,314			551,314			551,314
Technology Reserve	1,290,145	6,835	(36)	1,296,944	125,579		1,422,523
Dental/Vision Fund	(309,438)		(17,260)	(326,698)		(25,981)	(352,678)
Unemployment Fund	96,698			96,698			96,698
Workers Compensation Fund	6,465,075		(4,592)	6,460,483		(10,745)	6,449,739
Total Internal Service Funds:	8,093,795	6,835	(21,888)	8,078,741	125,579	(36,725)	8,167,595
SPECIAL REVENUE FUNDS							
Road Maintenance (SB1)	806,782	295,905		1,102,687	51,885		1,154,571
CDBG Fund	-			-			-
Downtown Parking Fund	949,537	10,834		960,371	2,100		962,471
Estate Donation Fund	18,161	160		18,321			18,321
Gas Tax Fund	2,452,411	433,994		2,886,405	47,428		2,933,834
Prop 1B Road Maintenance	56	74		130		(228)	(98)
Measure B	435,987		(438,278)	(2,291)	13		(2,278)
In Lieu Park Fund	8,106,040	156,447		8,262,488			8,262,488
Supplemental Law Enforcement Fund	222,563	29,462		252,025	20,538		272,564
TDA Fund	35,634	573		36,207			36,207
Traffic Impact Fee Fund	(198,144)	7,190		(190,954)	6		(190,948)
Vehicle Registration Fund	1,372,226	11,432		1,383,658			1,383,658
PEG Fees	226,090	2,624		228,714	25,845		254,559
Public Art Fund	512,627			512,627			512,627
Storm Drain Deposits	56,086			56,086			56,086
AB-1379 CASP Fee	8,986	497		9,483	1,001		10,484
Vehicle Impound Fund	2,410	627		3,037	1,254		4,291
Total Special Revenue Funds:	15,007,453	949,819	(438,278)	15,518,993	150,071	(228)	15,668,835
DEBT SERVICE FUNDS							
General Obligation Bond	352,284			352,284		(155,938)	196,346
Community Center Lease	517,977			517,977			517,977
Total Debt Service Fund:	870,260	-	-	870,260	-	(155,938)	714,323
AGENCY FUND							
Blue Oaks Line Sewer	22,890	89		22,979			22,979
Total Debt Service Fund:	22,890	89	-	22,979	-	-	22,979
ALL FUNDS TOTAL	72,428,000	12,869,527	(5,313,318)	79,984,210	3,275,804	(7,456,587)	75,803,427



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject Approve Appointment of Councilmember Neysa Fligor as Council Liaison to the Parks, Arts, Recreation, and Cultural Commission

Prepared by: Melissa Thurman, City Clerk

Approved by: Gabriel Engeland, City Manager

Attachment(s):
None

Initiated by:
City Council (S. Meadows)

Previous Council Consideration:

At the City Council meeting of June 13, 2023, the City Council approved an Ordinance with various changes and updates to the City of Los Altos Commissions. One of these changes was to merge the Parks and Recreation Commission with the Public Arts Commission, and to create the Parks, Arts, Recreation, and Cultural Commission.

Councilmember Neysa Fligor was serving in the role of Council Liaison to the Parks and Recreation Commission and Councilmember Pete Dailey was serving in the role of Council Liaison to the Public Arts Commission. Mayor Sally Meadows wishes to appoint Councilmember Neysa Fligor to the role of Council Liaison to the Parks, Arts, Recreation, and Cultural Commission.

Fiscal Impact:
None

Environmental Review:
Not applicable

Staff Recommendation:
To approve Mayor Sally Meadows appointment of Councilmember Neysa Fligor to the role of Council Liaison to the Parks, Arts, Recreation, and Cultural Commission.

Reviewed By:

City Manager

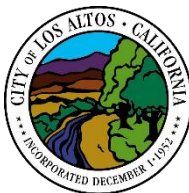
GE

City Attorney

JH

Finance Director

JE



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject **Multi-Jurisdictional Meeting on Stanford Community Plan**

Approved by: Gabriel Engeland, City Manager

Initiated by:
Santa Clara County Commissioner Joe Simitian

Previous Council Consideration:
N/A

Fiscal Impact:
None

Environmental Review:
Not applicable

Policy Question(s) for Council Consideration:

- Should the City Council appoint non-quorum representatives to attend a scheduled meeting, and future meetings, to discuss the Stanford Community Plan?

Summary:

- The Office of Supervisor Joe Simitian is convening a meeting with multiple jurisdictions around the Stanford Community Plan. The Supervisor has asked for a non-quorum attendance from each City.

Staff Recommendation:

The Mayor would like to appoint the following Councilmembers to attend this meeting, and future meetings of the Multi-Jurisdictional Stanford Community Plan:

- Mayor Sally Meadows
- Councilmember Neysa Fligor

Purpose

The City Council has been asked to appoint two representatives to attend a scheduled meeting, and future meetings, to discuss the Stanford Community Plan.

Reviewed By:

City Manager

GE

City Attorney

JH

Finance Director

JE



Subject: Multi-Jurisdictional Meeting on Stanford Community Plan

Discussion/Analysis

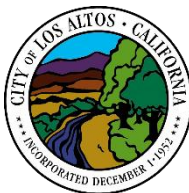
The Los Altos City Council should designate a non-quorum delegation to attend meetings on the topic of the Multi-Jurisdictional Stanford Community Plan. The appointments have taken place as follows:

- 2019: Mayor Lynette Lee Eng and Councilmember Anita Enander
- 2020: Mayor Jan Pepper and Councilmember Neysa Fligor
- 2021: Mayor Neysa Fligor and Councilmember Anita Enander
- 2022: Mayor Anita Enander and Councilmember Neysa Fligor
- 2023: Proposed: Mayor Sally Meadows and Councilmember Neysa Fligor

Recommendation

Accept the recommendation of the Mayor to appoint the following Councilmembers to attend this meeting, and future meetings of the Multi-Jurisdictional Stanford Community Plan:

- Mayor Sally Meadows
- Councilmember Neysa Fligor



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject 2021 Santa Clara County Multi-Jurisdictional Program for Public Information (PPI) Annual Report (FY23 - Year 2)

Prepared by: Steve Golden, Senior Planner
Reviewed by: Nick Zornes, Development Services Director
Approved by: Gabriel Engeland, City Manager

Attachment(s):

- 1. Santa Clara County Multi-Jurisdictional Program for Public Information Annual Evaluation Report for FY23

Initiated by:
Development Services Division/Floodplain Administrator

Previous Council Consideration:

July 13, 2021 – Council Adoption of the 2021 Santa Clara County Multi-Jurisdiction Program for Public Information (PPI)

September 20, 2022 – Council acceptance of the Santa Clara County Multi-Jurisdiction PPI Annual Evaluation Report for FY22 (Year 1)

Fiscal Impact:
None

Environmental Review:
Not applicable

Policy Question(s) for Council Consideration:
None

Summary:

- The Program for Public Information (PPI) is a program under the National Flood Insurance Program’s Community Rating System (CRS) which contributes to the city’s rating. The Federal Emergency Management Agency requires the elected body of each community to approve the PPI to receive credit for having a plan pursuant to the CRS guidelines and

City Manager GE City Attorney JH Finance Director JD



Subject: 2021 Santa Clara County Multi-Jurisdictional Program for Public Information (PPI) Annual Report (FY23 - Year 2)

receive an annual report on PPI efforts and requires the community to share the annual report with their governing body.

- Accept FY23 (Year 2) Annual Report for the 2021 Santa Clara County Multi-Jurisdictional Program for Public Information

Staff Recommendation:

Move to receive the 2021 Santa Clara County Multi-Jurisdictional Program for Public Information Annual Report (FY23-Year 2)

Purpose

Accept the 2021 Santa Clara County Multi-Jurisdictional Program for Public Information Annual Report (FY23-Year 2) so the City will continue to receive credit under the National Flood Insurance Program’s Community Rating System program.

Background

The CRS is a voluntary program that allows communities to earn flood insurance premium discounts through the National Flood Insurance Program (NFIP) for residents and businesses by promoting flood risk reduction practices, floodplain management, and encouraging the purchase of flood insurance. These activities go above and beyond the normal enforcement of floodplain regulations and the community earns various points for different activities. There are CRS Class ratings that are assigned at 500-point increments, and each improvement in class rating nets an additional 5% discount for property owners paying flood insurance premiums. The PPI is a committee-based localized and coordinated approach to flood hazard community outreach efforts, that is primarily being organized and lead by the Santa Clara Valley Water District (“Valley Water”). The PPI is a major component of the public outreach effort that Los Altos earns points for by having some of the activities implemented locally or at the County level. The total savings in flood premium discounts for Santa Clara County residents from the CRS program (11 participating agencies) is approximately \$2.37 million per year¹. The PPI was reviewed by the Federal Emergency Management Agency (FEMA) to make sure its provisions fully comply with their requirements prior to approval by any participating agency’s governing body. FEMA informed the participating agencies that this is one of the first multi-jurisdictional PPI to be completed, and it involves the largest number of participating communities to date.

Every five years, CRS communities must update the PPI. The 2021 Santa Clara County Multi-Jurisdictional Program for Public Information represents the Five-Year Plan. The PPI was developed jointly, but it must be individually approved by each community’s elected body for that community to receive CRS points for its implementation. Valley Water’s Board approved the PPI on April 27, 2021. On July 13, 2021, the City Council adopted the PPI for the City of Los Altos.

¹ Last reviewed in 2021.



Subject: 2021 Santa Clara County Multi-Jurisdictional Program for Public Information (PPI) Annual Report (FY23 - Year 2)

Under the CRS requirements, each year, the CRS communities must reconvene to evaluate whether the flood risk reduction messages are still appropriate and adjust the PPI, as needed. Additionally, a report to FEMA must be submitted annually describing the PPI implementation, and the report is shared with each participating community governing body.

Discussion/Analysis

In October 2021, the City of Los Altos completed its mandated five-year audit administered by FEMA through the Insurance Services Office (ISO) which reviewed in detail all the local CRS recognized activities. Prior to the audit, the CRS activities contributed to the City’s Class 8 rating, giving residents a 10% discount on insurance premiums. With the adoption of the 2021 Santa Clara County Multi-Jurisdictional Program for Public Information (PPI) and the incorporation of City recognized CRS activities, the city received additional points along with other activities to improve its rating to a Class 7 which will give residents a 15% discount on insurance premiums issued or renewed on or after April 1, 2023.

The FY23 Annual Report is the second annual report for the 2021 Santa Clara County Multi-Jurisdictional PPI (see Attachment 1). The report includes background information on how the PPI was developed by the participants, the preparation of the annual evaluation, the PPI accomplishments for FY23, and new initiatives. With regard to projects accomplished in FY23, Attachment 2 of the Annual Report lists all the projects proposed in the 2021 PPI (titled “Appendix A CRS Creditable Outreach and Flood Response Project by CRS Community”), with a column titled “Project Accomplishments” noting actions taken during the second year of the PPI (FY23). The most extensive outreach project was the Valley Water’s Annual Flood Awareness Campaign, which the city of Los Altos gets CRS credit for since it targets our community. Specific city activities include: making brochures available in public buildings; including flood information and links to Valley Water Flood Awareness and FEMA information on the city’s website; publishing two newspaper ads in the Town Crier titled “Assess Your Flood Risk and Flood Insurance Availability”; sending letters targeted to property owners in special flood hazard areas; coordinating with Mission Trail to send out a Valley Water flood awareness bill insert (no cost to city); and participating in PPI coordination meetings.

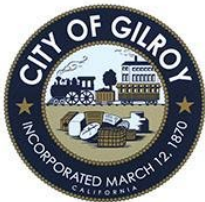
Recommendation

Receive the 2021 Santa Clara County Multi-Jurisdictional Program for Public Information Annual Report (FY23-Year 2).

Santa Clara County Multi-Jurisdictional Program for Public Information 2021

Annual Evaluation Report for FY23

(Year 2: July 2022 to June 2023)



July 2023

Prepared by:

Santa Clara Valley Water District

and

Santa Clara County CRS communities

I. INTRODUCTION

The Community Rating System (CRS) is a voluntary program of the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program (NFIP). The CRS program allows communities to earn flood insurance premium discounts for their residents and businesses by implementing local mitigation, floodplain management, and outreach activities that exceed the minimum NFIP requirements to reduce the risk of flooding.

In Santa Clara County, 11 (eleven) communities, including Santa Clara Valley Water District (Valley Water) have actively participated in the FEMA NFIP CRS for over 30 years.

The CRS participating communities (CRS communities) are City of Cupertino, City of Gilroy, City of Los Altos, City of Milpitas, City of Morgan Hill, City of Mountain View, City of Palo Alto, City of San Jose, City of Santa Clara, City of Sunnyvale, and the Santa Clara Valley Water District (Valley Water).

CRS communities, along with their external non-governmental stakeholders, non-CRS communities: *City of Saratoga, Town of Los Altos Hills, Town of Los Gatos, and the County of Santa Clara* who opted to join the 2021 Program for Public Information (PPI), comprised the 2021 PPI Committee. The original 2021 PPI Committee is listed in *Table 1. Original Members of the Santa Clara County Multi-Jurisdictional 2021 PPI Committee* of the 2021 PPI (*Attachment 1*). Since the development of the 2021 PPI, there may have been changes to the community's original 2021 PPI Committee members (*either the internal representatives to the organization and/or the external stakeholders*). Those member changes are noted on the meeting attendance sheets.

For CRS credit, FEMA requires that each CRS community provide at least two representatives to the regional PPI Committee, with at least half of the representatives from outside the local government. Additionally, at least half of the representatives must attend all the meetings of the regional PPI Committee. Non-CRS communities are also required to provide an external stakeholder.

An important benefit of the PPI Committee's work is close collaboration between local public agency staff who work on flood protection throughout Santa Clara County. Together, PPI Committee members continue strengthening their individual CRS programs and ensuring communities can evaluate their flood programs against a nationally recognized benchmark.

The 2021 PPI Committee, the remaining non-CRS communities (City of Campbell and City of Monte Sereno), and other interested parties make up the Santa Clara County CRS Users Group.

The Santa Clara County CRS Users Group collaborates to ensure floodplain management activities provide enhanced public safety, reduced damage to property and public infrastructure, and avoidance of economic disruption and loss in Santa Clara County. Through the five-year PPI development and the annual reporting process, members of the SC County CRS Users Group learn from one another about local floodplain management activities, including flood protection and land use issues. For both the Santa Clara County CRS Users Group and the 2021 PPI Committee, the PPI is one of the most impactful activities of the CRS program.

Under the CRS program, flood insurance premium rates are discounted to reward CRS communities' actions that meet the three goals of the CRS:

- (1) reduce flood damage to insurable property
- (2) strengthen and support the insurance aspects of the NFIP; and
- (3) encourage a comprehensive approach to floodplain management.

Flood insurance premiums for CRS communities are reduced in 5% increments for every 500 CRS points earned. As of April 30, 2023, the total savings for Santa Clara County residents from CRS discounts is approximately \$1.5 million.

**Santa Clara County 2021 Multi-Jurisdictional Program for Public Information
Annual Evaluation Report for FY23 (Year 2: July 2022 to June 2023)**

Valley Water is the lead flood risk reduction agency for Santa Clara County. Valley Water performs many flood preparedness outreach and stream stewardship/maintenance activities that earn credit points for CRS communities. Since Valley Water is not a land-use agency, the points Valley Water earns, as a “fictitious community, provide a foundation upon which the CRS communities can build. FEMA approved this unique arrangement with Valley Water in 1998.

The *CRS Coordinator’s Manual, 2013 Edition*, included the option to undertake a Program for Public Information (PPI) which is a method that standardizes our flood risk and loss reduction outreach messages and increase communities’ CRS points. Each participant of the PPI Committee brings unique perspectives and suggestions that enhance the PPI. Each community must adopt the PPI through a formal vote by the community’s governing body.

In 2013, Valley Water initiated and facilitated the effort to develop the first Multi-Jurisdictional PPI so that all Santa Clara County CRS communities could work together and benefit from this activity. Non-CRS communities were also invited to participate in the development of the PPI. This work effort resulted in the 2015 Multi-Jurisdiction PPI (2015 PPI).

On April 14, 2015, Valley Water’s Board adopted the 2015 PPI, which sunset in April 2020. Following Valley Water’s lead, the other CRS communities’ governing bodies adopted the 2015 PPI soon thereafter.

Under the CRS, the PPI must be updated every five years. Each subsequent year after adopting the PPI, the PPI Committee must submit an annual evaluation report to FEMA describing the PPI implementation for the prior fiscal year. The PPI Committee must evaluate whether the flood risk reduction messages in the PPI are still relevant and adjust the PPI, if needed. The annual evaluation report is shared with each CRS community’s governing body as an informational item.

As required, annual evaluation reports for FY16 (Year 1 of the 2015 PPI) through FY19 (Year 4 of the 2015 PPI) were prepared, sent to each CRS community’s governing body, and included in each community’s respective annual recertifications or as part of a community’s documentation for those that were cycled on any given year.

In FY20 (Year 5 of the 2015 PPI), the PPI Committee was required to update the 2015 PPI. The Insurance Services Office (ISO), FEMA’s CRS program management contractor, exempted the PPI Committee from submitting an annual evaluation report for FY20 (Year 5 of the 2015 PPI) as the committee focused on updating the document.

In February 2020, Valley Water hosted the start of the five-year PPI updated process. Fifteen Santa Clara County communities worked together to update the 2015 PPI. These communities included the current 11 CRS communities as well as four non-CRS communities that expressed interest in joining the 2015 PPI and possibly the CRS program. Staff and external stakeholders from each agency participated in developing the new PPI.

In March 2020, the Coronavirus (COVID-19) outbreak started. The California State Emergency Services Act, the Governor’s Emergency Declaration related to the COVID-19 pandemic, the Governor’s Executive Order N-29-20, and Order of the County of Santa Clara Public Health Officer dated March 16, 2020, went into effect.

The COVID-19 pandemic caused far-reaching, unprecedented changes. Businesses and organizations faced economic and operational uncertainty across every industry and sector. The workforce impacts during COVID-19 caused delays beyond control, including the PPI Committee’s ability to continue its work of updating the 2015 PPI. Many communities shifted priorities to respond to the public health crisis; therefore, FEMA provided an extension of completing the update to the 2015 PPI to early 2021.

The 2021 PPI Committee reconvened in October 2020 to resume the 2015 PPI update. Several virtual meetings followed until the 2021 PPI Committee completed the 2021 PPI in April 2021. The 2021 PPI was adopted by CRS communities, as indicated in *Table 1. Dates 2021 PPI Adopted*.

II. 2021 PPI DEVELOPMENT PROCESS

Valley Water, CRS and non-CRS communities initiated the 2021 PPI process in February 2020. Due to

**Santa Clara County 2021 Multi-Jurisdictional Program for Public Information
Annual Evaluation Report for FY23 (Year 2: July 2022 to June 2023)**

COVID-19, discussions were postponed, and reinitiated the process in October 2020. The Santa Clara County 2021 Multi-Jurisdictional Program for Public Information document was completed in April 2021 (refer to Section I. Introduction for COVID-19 related delays).

Virtual meetings were held between 2020 and 2021 to develop the 2021 PPI. FEMA’s six priority topic messages and the three additional messages identified in the 2015 PPI carried forward into the 2021 PPI. The 2021 PPI Committee felt all nine topics and supporting messages were still relevant for reaching Santa Clara County residents and ensuring they are Flood Ready.

The below listed is Table 3 in the 2021 PPI: CRS Priority Messages

Topic Number	Topic message	Public Message <i>(Select one message per topic)</i>
TOPIC #1	Know your flood hazard	<ul style="list-style-type: none"> • Know your flood risk • Contact your floodplain manager to find out if your property is in a floodplain • Check if your home or business is in a Special Flood Hazard Area
TOPIC #2	Insure your property for your flood hazard	<ul style="list-style-type: none"> • Get flood insurance ahead of time • Insure your property • There is a 30-day waiting period for the policy to take place
TOPIC #3	Protect people from the flood hazard	<ul style="list-style-type: none"> • Put your 3-day emergency kit together • Follow evacuation orders • Learn the best route to high ground
TOPIC #4	Protect your property from the flood hazard	<ul style="list-style-type: none"> • Protect your home from flood threats • Prepare your home • Sandbags can offer protection against a foot or less of floodwater • Get sandbags before a flood
TOPIC #5	Build responsibly	<ul style="list-style-type: none"> • Build responsibly in floodplains • Comply with development requirements • Check with your city/county floodplain manager before you build
TOPIC #6	Protect natural floodplain functions	<ul style="list-style-type: none"> • Keep creeks clean and flowing • Keep debris and trash out of our streams • Don’t pollute, dump, or drain anything in creeks
Additional Outreach Topic Messages <i>(only one message per topic)</i>		
TOPIC #7	Develop an emergency plan	<ul style="list-style-type: none"> • Develop an emergency plan
TOPIC #8	Download disaster apps	<ul style="list-style-type: none"> • Download disaster emergency apps
TOPIC #9	Understand shallow flooding risks— don’t drive through standing water	<ul style="list-style-type: none"> • Understand shallow flooding risks - don’t drive through standing water

The 2021 PPI Committee worked between the meetings to draft the 2021 PPI and review the extensive list of outreach and flood response projects (Attachment 2).

Based on the 2021 PPI Committee’s evaluation of the 2015 PPI, the consensus was that most of the 2015 PPI flood risk reduction messages were still relevant, so only minor edits were incorporated as needed. This became the basis for the 2021 PPI; therefore, no additional FEMA review was required, as the 2015 PPI already ensured its provisions were fully compliant with FEMA requirements.

The number of CRS points that the 2021 PPI activities will earn is determined by FEMA’s CRS Specialist and Technical Reviewers from ISO. The PPI Committee estimates that of the possible 350 points for Activity 330, each CRS communities could earn up to 300+/- points for PPI efforts.

Once Valley Water approved the 2021 PPI (5-Year Plan), the final document was provided to the 2021 PPI Committee to present to their governing bodies for adoption and implementation. Table 1. Dates of 2021 PPI Adoption shows the 2021 PPI approval dates by each agency; all 11 CRS communities have

**Santa Clara County 2021 Multi-Jurisdictional Program for Public Information
Annual Evaluation Report for FY23 (Year 2: July 2022 to June 2023)**

adopted the 2021 PPI.

Table 1. Dates 2021 PPI Adopted

Community	Date Presented	Adopted
Santa Clara Valley Water District	4/27/21	X
City of Cupertino	8/17/21	X
City of Gilroy	7/01/21	X
City of Los Altos	7/13/21	X
Town of Los Altos Hills <i>(*non-CRS community)</i>	Not required	Not required
Town of Los Gatos <i>(*non-CRS community)</i>	Not required	Not required
City of Milpitas	5/18/21	X
City of Morgan Hill	6/16/21	X
City of Mountain View	6/22/21	X
City of Palo Alto	6/14/21	X
City of San Jose	11/16/21	X
City of Santa Clara	7/06/21	X
County of Santa Clara <i>(*non-CRS community)</i>	Not required	Not required
City of Saratoga <i>(*non-CRS community)</i>	Not required	Not required
City of Sunnyvale	6/29/21	X
Total Approved		11

**Non-CRS communities are encouraged to participate in Santa Clara County CRS Users Group and/or PPI Committee ongoing efforts and initiatives; however, for those that opted to participate in the 2021 PPI, are not required to adopt the PPI or share annual evaluation reports with their governing bodies.*

III. ANNUAL EVALUATION REPORTS

The 2021 PPI states that the 2021 PPI Committee will meet at least once yearly to evaluate the PPI and incorporate any needed revisions. This meeting is coordinated in conjunction with the ongoing CRS User’s Group meetings, which occur at least twice a year.

The evaluation will cover the following:

- Review of projects that were completed;
- Evaluate progress toward outcomes;
- Provide recommendations on projects that have not been completed;
- Provide recommendations for new projects not previously identified;
- Address any Target Audience changes; and
- Assess the impact of the program during an actual flood event if one has occurred.

The 2021 PPI Committee prepares the annual evaluation report for submission with each CRS community’s annual CRS recertification package (or schedule 5-year cycle visits). The annual evaluation report is then shared with each CRS communities’ governing body as an informational item.

Section V. 2022 Santa Clara County CRS Users Group/PPI Committee Meetings – Monitoring and Evaluating the 2021 PPI of this annual evaluation report summarizes the meetings held to develop the FY23 Annual Evaluation Report (Year 2 of the 2021 PPI).

Table 2 below shows how each community expects to share the FY23 Annual Evaluation Report with its governing body.

**Santa Clara County 2021 Multi-Jurisdictional Program for Public Information
Annual Evaluation Report for FY23 (Year 2: July 2022 to June 2023)**

Table 2. How the 2021 PPI Annual Evaluation Report for FY23, Year 2 will be shared with Community's Governing Body

Community	Method for Sharing
Santa Clara Valley Water District	Board Non-Agenda Item
City of Cupertino	Consent Item Council Agenda
City of Gilroy	Consent Calendar
City of Los Altos	Council Consent Calendar or Informational Staff Report
Town of Los Altos Hill (<i>*non-CRS community</i>)	Not required
Town of Los Gatos (<i>*non-CRS community</i>)	Not required
City of Milpitas	Memo to City Council
City of Morgan Hill	Council Consent Calendar
City of Mountain View	Council Weekly Update "Council Connection"
City of Palo Alto	Informational Staff Report
City of San Jose	Council Consent Calendar
City of Santa Clara	Council Consent Calendar
County of Santa Clara (<i>*non-CRS community</i>)	Not required
City of Saratoga (<i>*non-CRS community</i>)	Not required
City of Sunnyvale	City Manager's "Update Sunnyvale"

**Non-CRS communities are not required to share annual evaluation reports with their governing bodies.*

IV. 2021 PPI ACCOMPLISHMENTS FOR FY23

The 2021 PPI Committee identified three efforts needed from each CRS community in order to prepare and finalize subsequent annual evaluation reports.

1. Governing bodies must adopt the 2021 PPI (*Table 1. Dates 2021 PPI Adopted*). The 2021 PPI Committee must prepare an annual evaluation report and share the reports with its governing body as informational items (*Table 2. How the 2021 PPI Annual Evaluation Report for FY23, Year 2 will be shared with Community's Governing Body*).
2. For each fiscal year (*July 1 - June 30*), the communities must carry out and monitor the implementation of the outreach/flood response projects identified in Appendix A CRS Creditable Outreach and Flood Response Projects by CRS Community of the 2021 PPI (*Attachment 2*).
3. The PPI Committee must review and consider the 'New Initiatives' identified in the 2021 PPI (*page 66*) for advancing flood risk reduction efforts.

Governing Bodies Approval: Including Valley Water, all 11 CRS communities' governing bodies adopted the 2021 PPI. The approval dates are shown by each agency (Community) in *Table 1. Dates of 2021 PPI Adopted* noted above.

Tracking System: The 2021 PPI is multi-jurisdictional and includes 15 agencies (*11 CRS communities and four non-CRS communities*). Tracking implementation is quite complex compared to a single-agency PPI. As the informal lead agency, Valley Water oversees the record-keeping to ensure consistency throughout the county. An electronic file-sharing system, Egnyte, is set up with folders for each community to file and share documents related to the 109 potential outreach/flood response projects identified in the 2021 PPI and all CRS-related documentation. This also includes a comprehensive spreadsheet tracking which lists projects that were accomplished in any given fiscal year by each individual community (*Attachment 2*). This spreadsheet, along with the annual evaluation report, will be submitted with annual CRS recertifications or as part of scheduled 5-year cycle visits.

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ISO assigns credit for Valley Water outreach/flood response projects to all Santa Clara County CRS communities' ratings. Some communities also choose to carry out and report on their own outreach/flood response projects, in addition to those of Valley Water. These projects are shown on the composite spreadsheet (*Attachment 2 - Appendix A from 2021 SC County Multi-Jurisdictional PPI noting FY23 Project Accomplishments*) and include input from each agency.

The PPI Committee discussed the benefits of using the Egnyte shared-filing system for tracking the 2021 PPI outreach/flood response projects and all CRS-related documentation. The PPI Committee also discussed the importance of ensuring each agency regularly uploads its CRS documentation. These benefits are:

- Information Share/Knowledge Transfer: CRS communities can view each other's program documentation. When a community improves its CRS rating, another community can access the documents submitted to determine how the CRS credited activities helped improve the score.
- Document Repository: A central location for CRS-related documentation, organized to mirror the CRS Coordinator's Manual (by community/activity/element), proves helpful when a community experiences staff turnover.
- Documentation Submittals: CRS documents are organized and easy to share with the CRS Specialists conducting cycle visits and/or annual recertification.

Summary of PPI Projects Accomplished in FY23

The complete list of outreach/flood response projects is included as Attachment 2 of this annual evaluation report, listing all projects proposed in the 2021 PPI, with a "Project Accomplishments" column noting actions taken during the second year of the PPI, FY23.

Audiences	Projects Accomplished
Community at Large (CAL)	81 potential projects, 63 accomplished
Residents and Businesses in the Special Flood Hazard Area (SFHA)	18 potential projects, 16 accomplished
Messengers to Other Target Audiences (Organizations & Businesses Serving the Community)	10 potential projects, 10 were accomplished
*Total Accomplished Projects	
89 of 109	

** Note: All projects carried out by CRS communities were accomplished in FY23. Variance in the number of potential projects versus accomplished projects is due to no updates received from non-CRS communities, which is not required for this annual evaluation report.*

These numbers go well beyond the minimum requirements of the CRS program for PPI credit under Activity 330; we anticipate all CRS communities will receive the maximum number of credits for our collective efforts in FY23.

Valley Water's Outreach/Flood Response Projects

Annual Flood Awareness Campaign

Valley Water's FY23 Flood Awareness Campaign theme was "Our Climate Has Changed." It launched after the ¹Fourth National Climate Assessment was published; there could not have been a better time for this conversation. The federal report assessed that intense extreme weather and climate-related events are becoming more frequent and will have catastrophic impacts on vulnerable communities, infrastructure, ecosystems, and our economy. Extreme storm events could result in more frequent and severe flooding in our region. Valley Water's message emphasized its commitment to reducing flood risks and protecting the community but acknowledged that we cannot eliminate all risks. Thus, our communities must adapt and prepare; and it starts with being informed and aware of risks.

¹ US Global Change Resource Program (USGCRP) has a legal mandate to conduct a state-of-the-science synthesis of climate impacts and trends across U.S. regions and sectors every four years, known as the National Climate Assessment (NCA).

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An educational paid advertising campaign supplemented Valley Water’s community outreach effort. The advertising campaign was supported by a series of formative research to understand target audiences and their awareness levels and explore what educational messages and images most appealed to them.

The Flood Awareness Campaign lasted four months, from mid-November 2022 to February 2023. The paid advertisement campaign cost a total of \$330,000.

Valley Water’s FY23 Annual Flood Awareness Campaign continued the shift from general digital and public space advertising to a series of direct mailings to the 51,120 homes and businesses in Santa Clara County’s FEMA SFHA.

Valley Water sent two separate targeted mailers to all homes and businesses in or near a high-risk flood area, as designated by the FEMA SHFA. The mailers were multilingual (English, Spanish, Chinese, and Vietnamese) and are posted on Valley Water’s website.

1. Annual Floodplain Mailer (FPM) - Valley Water’s multi-language (English, Spanish, Chinese, and Vietnamese) annual FPM “Our Climate Has Changed - Be Aware, Be Prepared, Take Action” (dated 11/22) mailed on November 28, 2022. <https://online.flipbuilder.com/tkap/tmie/>
2. Trifold “You Live in a Flood Zone– Make Sure You Are Ready. Do You Know What to Do Before, During, and After a Flood?” mailed on January 6, 2023. <https://online.flipbuilder.com/tkap/zmoX/>

Additionally, Valley Water’s FY23 Countywide Mailer (CWM) included a ‘Floods Can Follow Droughts’ section and was sent starting November 8 through 18, 2022, countywide to 744,025 addresses (USPS: ECRWSS - Extended/Enhanced Carrier Route Walking Sequence Saturation Postal Customer). The CWM includes flood protection and preparedness measures information, knowing your flood risk, getting flood insurance, developing an emergency plan and kit, protecting your home from flood threats, signing up for AlertSCC and the American Red Cross Disaster Emergency App, and understanding shallow flooding – Turn Around Don’t Drown®. https://s3.us-west-1.amazonaws.com/valleywater.org.us-west-1/s3fs-public/2022-10-26_Drought%20Countywide%20Mailer.pdf

Lastly, ‘Are You Flood Ready?’ multilingual postcards that included the nine CRS topics and supporting messages, and links to various flood readiness/preparedness webpages were produced and distributed. <https://www.valleywater.org/are-you-flood-ready>

Requested copies of the FPM, postcards, and trifold mailers were sent to all Santa Clara County cities and county Public Works and Planning Departments.

Public Agency	Annual Floodplain Mailer (FPM)	Postcard	Trifold (Mailed Jan 2023)
	(Mailed late Nov 2022 and early Jan 2023)		
City of Los Altos	50	100	20
Town of Los Altos Hills	25	150	20
City of Milpitas	50	25	20
City of Mountain View	25	25	20
City of Cupertino	100	100	20
VW CRS Program	150	300	20
All other 10 cities & County (10 count)	250 25 count each	250 25 count each	200 20 count each

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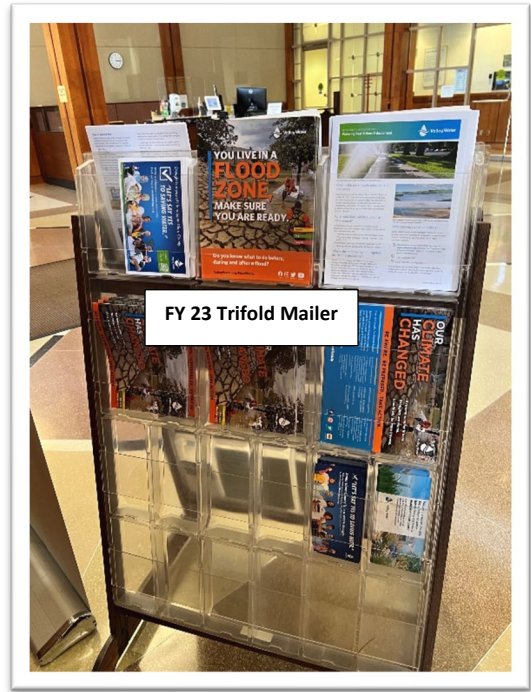
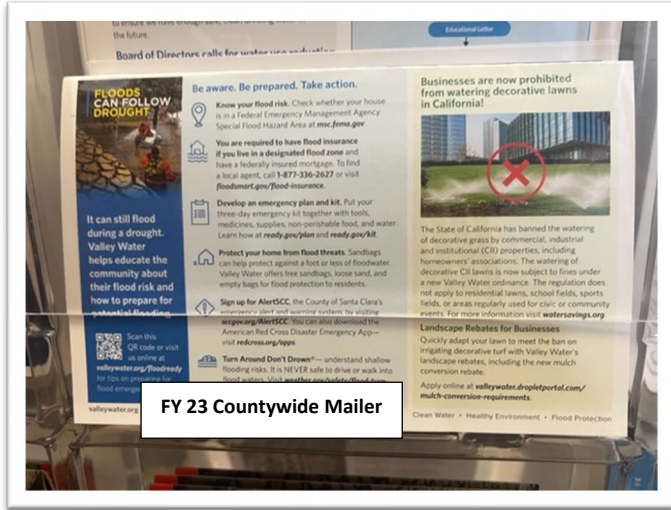
In mid-November 2022, Valley Water’s 2022-2023 Flood Awareness Outreach Partner Social Media Toolkit, ‘Our Climate Has Changed,’ was made available for download to all partnering agencies, including CRS communities. The toolkit provided links to the multilingual annual FPM, the ‘Flood Can Follow Droughts’ 2001-2023 Timeline, the ‘Are You Flood Ready?’ postcard, social media graphics and videos that included messages for all nine flood awareness tips (PPI CRS message topics), and blog posts for all Santa Clara County communities to use. <https://www.dropbox.com/s/p438zrw8lwi614r/Flood%20Awareness%202022-2023%20Partner%20Toolkit.pptx?dl=0>.



Valley Water HQ Lobby Displaying Flood Readiness Materials

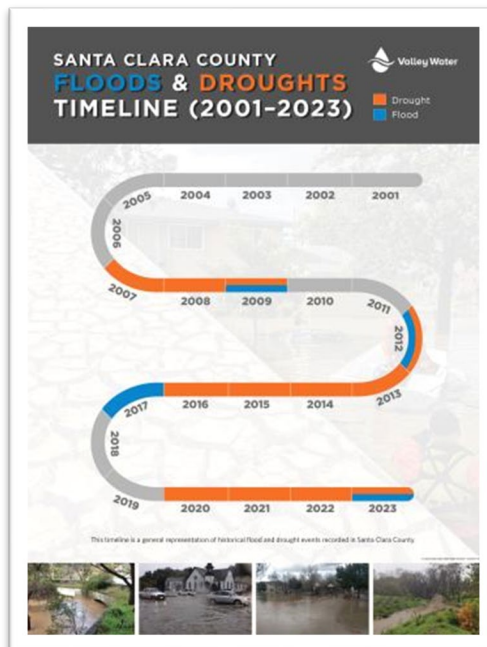


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During FY23, Santa Clara County experienced a drought emergency. Valley Water’s annual FPM reminded everyone that flooding can happen anytime it rains and that climate change has made extreme weather the new normal. Drought conditions can harden the ground and increase run-off to streams and creeks during the first few days of heavy rain, increasing the risk of flooding. In addition, the flood mailer showcased Valley Water's ongoing flood protection projects in areas susceptible to flooding.

In FY23, the FPM featured a QR code, a cling with important flood safety websites, a detachable emergency phone list, photos of our most recent flood protection projects, and a graphic image displaying how historical floods have followed droughts in Santa Clara County (see below attached “Santa Clara County Floods & Droughts Timeline [2001-2023]).



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Valley Water also deployed a small-scale multilingual social media campaign, with the slogan "Flooding can happen during a drought," on social media and web platforms. The campaign launched in Winter FY23, starting with the season's first rains, and continuing through March 2023.

A key strategy for the paid flood awareness campaign was incorporating the 2021 PPI 6 priority topics and the three additional outreach topics, including messages supporting the nine topics, in Valley Water ads. Staff crafted messages derived from Valley Water's annual FPM to residents in the SFHA. Additionally, the Valley Water Board of Directors shared posts on Nextdoor highlighting the "Flooding can happen during a drought" messaging and the nine CRS topics in Winter 2022-23. Valley Water also posted a flood preparedness blog, a digital copy of the FPM, and a guide on what to do before, during, and after a flood.

Valley Water 2022-23 Flood Media Campaign (October 2022 – February 2023)

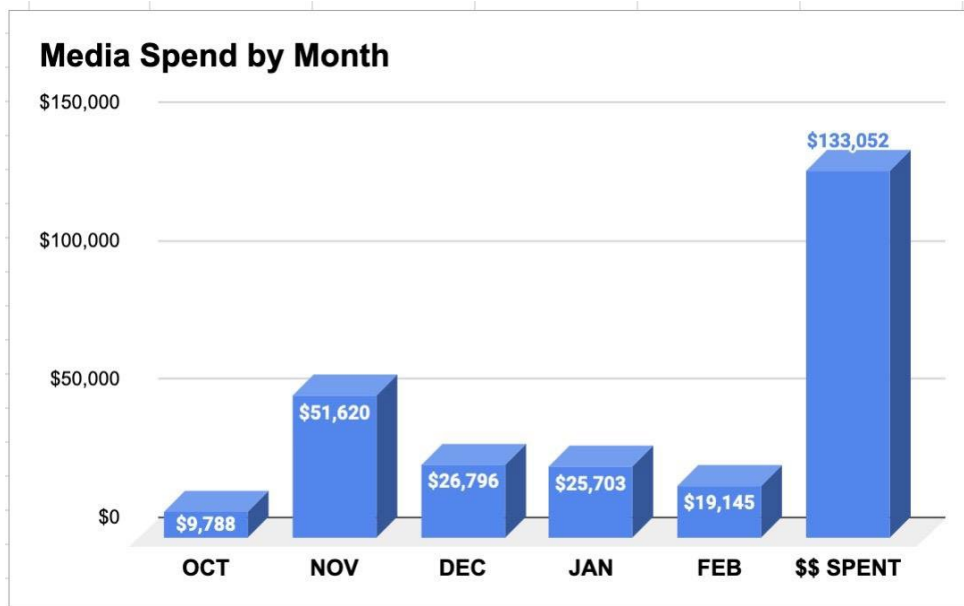
Target: Santa Clara County residents

Objective: Flood Awareness for All SCC Residents

Digital ads targeted residents and commuters in or near the SFHA, using zip codes from published FEMA flood maps.

The Media Plan

MEDIA PLATFORM:	TARGET:	BUDGET	\$\$ SPENT	IMPs	CPM
Digital Banners (four languages)	Zip Codes	\$18,000	\$18,000	6,246,254	\$2.88
Social Media (FB - IG - ND)	SCC	12000	\$9,552	267,508	\$35.71
AUDIO (Local On Air and Streaming)	SCC	75500	\$75,500	3,339,773	\$22.61
LOCAL NEWSPAPERS (Online)	SCC	\$30,000	\$30,000	2,625,000	\$11.43
OVERALL TOTALS:		\$135,500	\$133,052	12,478,535	\$10.66



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The Ads

Boosts: Animated Facebook posts “Boosted” on Facebook, Instagram, NextDoor

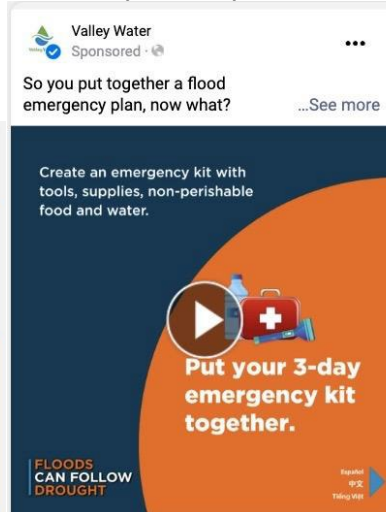
Boost #1 (Nov8-9)



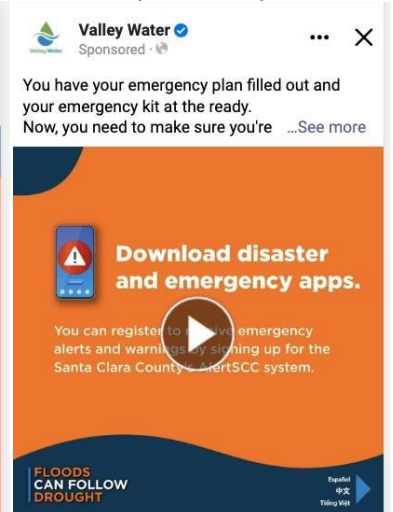
Boost #2 (Dec01-05)



Boost #3 (Dec7-11)



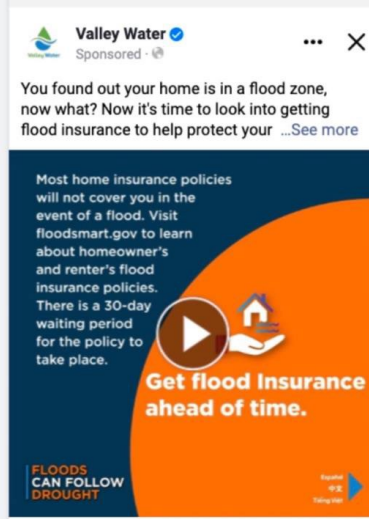
Boost #4 (Dec26-30)



Boost #5 (Dec28-31)



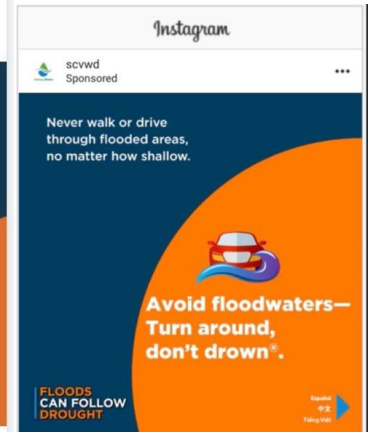
Boost #6 (Jan4-10)



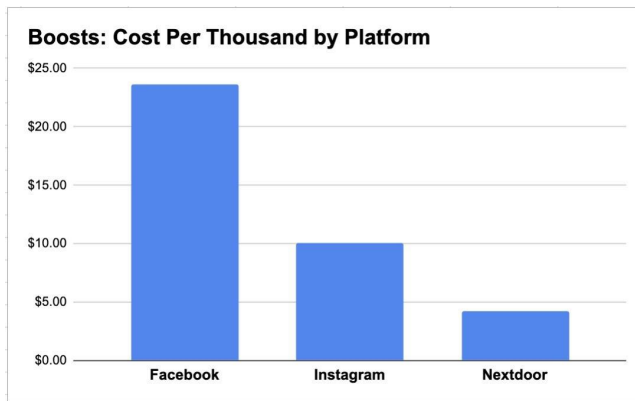
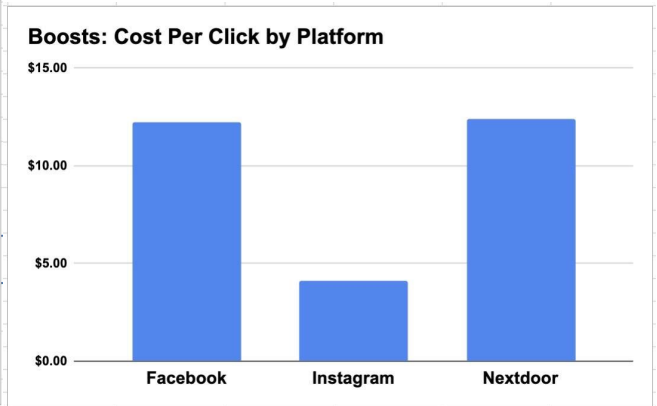
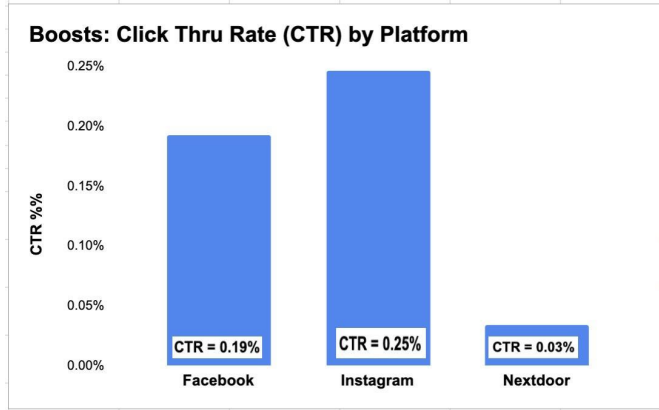
Boost #7 (Jan10-17)




Boost #8 (Jan15-20)





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 **Best BOOST performance:**

Boost #6: *So you found out your home is in a Flood Zone...*

 Ad seen 171,113 times

 Ad clicked on 425 times

 Lowest Cost Per Click: \$2.42 on Facebook

Display Ads

300X250

Served to all adults in Santa Clara County

Delivered: 6,246,254 Impressions

Audio

30-second audio ads served via Streaming and Local On-Air Radio stations

Delivered: 1,724,173 Impressions

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FY 23 Flood Awareness Campaign Results

Valley Water also used its monthly newsletter, news blog, and social media profiles to enhance flood awareness efforts before and during forecasted storms starting as early as September 2022. During the length of the campaign and leading up to anticipated storm events, Valley Water posted flash flood warnings, shared posts with critical messages about flood safety, and promoted the Flood Watch Tool throughout the winter.

Valley Water's flood protection resources page at ValleyWater.org/floodready serves as a hub of flood safety information with icons leading to a series of related web pages, including information on flood zone maps, signing up for emergency alerts, sandbags, reporting local flooding, and safety tips.

All cities and the county were requested to add a link redirecting site visitors from their respective flood protection resource pages and/or homepage to ValleyWater.org/floodready, Floodsmart.gov, and Ready.gov.

All Santa Clara County communities received hard copies of Valley Water's FPM, postcard, and trifold for their outreach efforts.

Valley Water shared the 2022-2023 Flood Awareness Outreach Partner Social Media Toolkit with all Santa Clara County cities/county, including CRS communities. The toolkit provided links to the multilingual annual FPM, social media graphics, messages for all nine flood awareness tips (PPI CRS message topics), and blog posts for all communities to use.

The 2022-2023 post-Flood Awareness Campaign survey found:

- 39% recalled receiving mail with information about flood safety (59% in 2021-22).
- 64% are confident they have taken all necessary precautions to protect themselves from floods (76% in 2021-22).
- 43% rate the job Valley Water is doing at keeping them informed as excellent, good, or fair (61% in 2021-22).
- 48% are aware that their home was located in a flood zone awareness over last year (56% in 2021-22).
- 39% of respondents clearly understood Valley Water's three main calls to action to be Flood Ready [*develop an emergency plan, build an emergency kit, and get flood insurance*] (58% in 2021-22).
- 39% of respondents have flood insurance; 15% of renters polled have insurance (51% in 2021-22).

The results above demonstrate an effective campaign that is less expensive than general advertising, yielding a savings of approximately \$150,000 with more robust results. Based on the findings, we will continue with targeted mailings to the FEMA SFHA as our outreach strategy for the flood awareness campaign rather than targeted advertising.

Flood Emergency Starter Kit Distribution

Pilot 'Get Flood Ready' Flood Event Kits (Flood Kits) were distributed to all cities and the county from late October through early November 2022. The Flood Kits included the following items: rolling storage bins, customized and branded (both Valley Water and agency's logos) 'Get Flood Ready' banners and tablecloths, flood emergency starter kits, flood preparedness materials, and giveaway items. The Flood Kits will standardize local flood-preparedness outreach throughout the county and expand Valley Water's 'Get Flood Ready' campaign.

In addition to the Flood Kits, CRS will increase and broaden our flood-preparedness outreach to underserved communities by partnering with other community organizations to distribute multilingual flood-preparedness materials and flood emergency starter kits.

This year, Valley Water acquired 6,000 flood emergency starter kits (Starter Kits). These Starter Kits will be distributed by all Santa Clara County communities and Valley Water's CRS and other public-facing programs.

The Starter Kits include essential supplies, such as a hand squeeze flashlight, rain poncho, safety whistle, N95

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mask, and gloves. These popular Starter Kits encourage the community to ‘Get Flood Ready’ by developing an emergency plan and putting together a more comprehensive three-day emergency kit.

CRS communities Outreach/Flood Response Projects

The 2021 PPI Committee identified the outreach/flood response projects for each community. The implementation of these projects is reflected in the ‘FY 2023 (Year 2 of the 2021 PPI) Project Accomplishments’ column of Attachment 2.

Valley Water Education Outreach Program

Valley Water’s Education Outreach includes flood awareness messaging in every program presented year-round. A dedicated flood-focused program is offered from October through April, depending on the rainfall situation in any given year.

Valley Water’s role as a flood protection agency is highlighted in all presentations so that participants in the Education Outreach Programs know that flood protection is one of Valley Water’s core objectives in Santa Clara County.

Flood-focused Programs

Education Outreach has three programs focusing on flood awareness and preparedness: ‘The Three Little Pigs and The Bad Weather Wolf,’ ‘Mapping Landforms,’ and ‘Watershed Maps.’

In FY23, Valley Water more than doubled its flood-focused programs from FY22. A high demand for in-person programs brought us back into the community and schools; therefore, we added a third flood-focused program, ‘Mapping Landforms,’ for 1st - 2nd grades. The demand for flood-focused programs was due to the unusually long rainy season extending into April 2023.

The results of Flood-focused programs delivered between October 2022 and April 2023 are as follows:

- 113 Presentations
- 2,751 Attendees
- 122 Educators

Flood Awareness Messaging

In addition to the Flood-focused Programs, the Education Outreach Program provided additional flood awareness messaging in their general classroom presentations, STEAM (*Science, Technology, Engineering, Art, and Math*) programs, libraries, and camp programs.

The results of the general flood protection messaging between October 2022 and April 2023 are as follows:

- 233 Presentations
- 8,548 Attendees
- 323 Educators

Community Events and Engagement

Booth Support at Events

Valley Water staff made a concerted effort to actively participate in community events, including community festivals and emergency preparedness affairs, particularly in communities and neighborhoods in or near flood zones. In FY23 (*from September 2022 – May 2023*), both Valley Water and the communities staff hosted 18 booths

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and distributed flood preparedness information on flood safety and emergency preparedness materials, including Valley Water’s annual FPM. Those events are listed below.

1. 2022 Santos Family 16th Annual Car Show-9/3/22 Alviso, CA
2. Emergency Preparedness Resource Fair-9/10/22 San Martin, CA
3. Mountain View Art & Wine Festival-9/11/22
4. Assembly Member Ash Kalra’s VeggieFest-9/17/22 San Jose, CA
5. Rotary Club Fall Festival-9/24/22 Cupertino, CA
6. Friends of Stevens Creek Trail Trailblazer Race-9/25/22 Mountain View, CA
7. Fall Festival at Martial Cottle Park-10/1/22 San Jose, CA
8. Santa Clara Parade of Champions-10/1/22
9. Pumpkins in the Park-10/8/22 San Jose, CA
10. Bay Area Diwali Festival of Lights-10/8/22 Cupertino, CA
11. Supervisor Lee’s Day on the Bay-10/8/22 Alviso, CA
12. Santa Visits Alviso-12/10/22
13. AAUW Wildflower Run-3/26/23 Morgan Hill, CA
14. VMC Foundation Women’s Leadership & Policy Summit-4/29/23 Saratoga, CA
15. Tech Interactive Tech Challenge-4/30/23 San Jose, CA
16. Berryessa Art Festival-5/13/23
17. San Jose Giants-5/13/23
18. Campbell Boogie Music Festival, 5/20/23-5/21/23

Speakers Bureau Program

In FY23, [Valley Water’s ‘Let’s Talk Water: Speakers Bureau Program’](#) reached the 18 organizations listed below. All general presentations include mention of flood protection, the need to ‘Get Flood Ready’ regardless of the county’s drought status, and links to Valley Water’s ‘Flood Ready’ information and resources webpage ([ValleyWater.org/floodready](#)), and the hotline to call to report obstructions in creeks.

Valley Water’s Speakers Bureau Program can customize presentations to update community groups on water-specific issues and provide updates on projects in their area. ‘Let’s Talk Water’ also discusses local water conservation efforts and rebate programs. The FY23 presentations that included flood preparedness information are listed below.

1. October 13, 2022 – City of San Jose Board of Retirees meeting
2. October 20, 2022 – Palo Alto Kiwanis meeting
3. October 22, 2022 – Greentown Los Altos Library event
4. November 3, 2022 – Harbor Industrial Association luncheon
5. December 6, 2022 – RE/MAX Realtor informational meeting
6. January 4, 2023 – Mount Pleasant Neighborhood Assoc meeting
7. January 18, 2023 – Cupertino Library presentation hosted by Cupertino Library Foundation
8. February 9, 2023 – Sons in Retirement: Branch 54 monthly meeting
9. February 13, 2023 – Rotary Club of Evergreen Valley meeting
10. February 14, 2023 – Santa Clara County: Sustainability Working Group presentation
11. March 1, 2023 – Seven Trees Neighborhood Association meeting
12. March 6, 2023 – Leadership Morgan Hill presentation
13. March 9, 2023 – Presentation during Mountain View Senior Center afternoon workshop
14. March 23, 2023 – Mission San Jose Rotary Zoom meeting
15. April 6, 2023 – Water 101 Academy presentation
16. April 11, 2023 – Presentation during Terraces Los Gatos monthly speaker series
17. May 4, 2023 – West San Jose Kiwanis meeting
18. May 19, 2023 – Rotary Club of San Jose Silicon Valley

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Other Community Engagement Efforts

Valley Water partnered with the Silicon Valley Bike Coalition at the Ride Out the Drought event held on October 15, 2022; the Salvation Army on October 22, 2022; Santa Visits Alviso Foundation on December 7, 2023; Sacred Heart Community Services on February 8, 2023, and Ms. Gail Osmer, homeless advocate, on March 15, 2023 by providing and/or distributing FEMA, US Army Corps of Engineers, and Valley Water multilingual flood preparedness educational materials, flood insurance promotion, AlertSCC, American Red Cross All-Hazard APP, and emergency preparedness starter kits which supports Valley Water’s ‘Get Flood Ready’ campaign.

Additionally, presentations on flood preparedness were made at the City of Cupertino Public Safety and Community Emergency Response Team (CERT) held on October 26, 2022, and at the City of San Jose Neighborhood CERT event held on November 15, 2022. Flood resources were also shared at these events.

**V. 2023 SANTA CLARA COUNTY CRS USERS GROUP/PPI COMMITTEE MEETINGS –
MONITORING AND EVALUATING THE 2021 PPI**

The FY23 Santa Clara County CRS Users Group/PPI Committee meetings were held on March 21, 2023, and May 16, 2023. Attendance was good and quorum was met with staff from the 11 CRS communities for both meetings. Staff from some non-CRS communities, external stakeholders, and other interested parties were also in attendance. Agendas/minutes, and attendance sheets for each meeting are included (*Attachments 3-6*).

As required by CRS, the objective for both the March and May 2023 meetings was to monitor the implementation of the 2021 PPI, determine if the desired outcomes were achieved, and discuss if any changes to the 2021 PPI were needed to complete this annual evaluation report. The PPI Committee agreed that the 2021 PPI messaging and projects would remain the same for the duration of the 2021 PPI, which sunsets in 2026.

At the March 21, 2023, meeting, a draft FY 2023 (Year 2 of the 2021 PPI) Project Accomplishments worksheet was shared with the PPI Committee for their review/input.

The PPI Committee:

- Assessed whether the desired outcomes of the 2021 PPI were achieved in FY23 and what, if anything, should be changed. The consensus of the PPI Committee is that our 2021 PPI implementation for FY23 continues to be on target and that no changes are needed. Cities with the PPI approved by their elected officials reported receiving strong support.
- Reviewed which communities have adopted the 2021 PPI. Ensured that those communities who have adopted the PPI have all the conformed/enacted copies and supporting documentation in their respective governing bodies uploaded into Egnyte and a copy sent to Valley Water.
- Provided instruction on how communities will submit their updates to Appendix A of the 2021 PPI to Valley Water for consolidating annual evaluation report, including the spreadsheet (*Attachment 2*).
- Communities were informed that all updates were due by the next CRS Users Group Meeting or sooner.
- Reviewed and discussed ‘Other New Initiatives’ identified in the 2021 PPI (*see below, Section VI. Future Messaging – Other New Initiatives*).

Amy Fonseca, Valley Water CRS Program Administrator asked the group to share any ideas they may have on how we could carry out a new initiative as a group.

Initiative #1 - Continue and expand the standardized flood message prepared for each community to include flood messages in utility bills yearly, including PG&E

- Utility bills will continue to be offered by Valley Water.
- The PPI Committee decided to continue discussion of this initiative discussion to the May 16, 2023, meeting; Valley Water’s as Communications would be providing an update of the FY23 Flood Awareness Campaign which those results could impact and guide initiative actions.

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Initiative #2 - Expand on partnerships with local chambers of commerce to disseminate and share flood preparedness information

- Group was asked if anyone have any ideas or contacts to share? For example, the Santa Clara County Chamber of Commerce. Does anyone have any contacts with them? Who are these events catered to?
- Beginning of FY23-24 flood season, we will work together to coordinate something county-wide or locally?

Initiative #3 - Expand on outreach to the Asian and Latino communities who live in flood prone areas

- Group was asked if they had any ideas to expand outreach Asian or Latino communities in your areas that have been impacted by flooding?

Paola Giles, Valley Water Communications offered that we could reach out to school districts (specific schools with the Asian/Latino demographics), libraries, recreational and senior centers.

Jenn Chu, City of Cupertino mentioned that their Safe Routes to School Coordinator meets with schools and provides flyers, communications.

- Valley Water shared the ArcGIS Online: Valley Water Open Data <https://data-valleywater.opendata.arcgis.com/>, a free public data and resource. We demonstrated the Disadvantaged Community Web Mapping Application layer: <https://gis.valleywater.org/portal/apps/webappviewer/index.html?id=9c12e4acd60d4e14a4839ce01fcc8bc2>.

Initiative #4 - Expand on outreach to “hot spot” flood-prone areas by hosting on-site or virtual events

Pointed out that the ArcGIS tool has several layers, including Santa Clara County Low Income Census Tracts (Poverty Zones) and Valley Water Flood Hot Spots. If any community is interested in accessing this information, reach out to Valley Water. We asked the group if there was any overlap of Valley Water’s hot spots versus their jurisdiction’s hot spots?

Initiative #5 - Expand on reaching local homeowners associations (HOA)s and apartment associations (i.e., Executive Council of Homeowners [ECHO])

Shared with the group that Valley Water’s Speakers Bureau: Valley Water’s ‘Let’s Talk Water: Speakers Bureau Program (<https://www.valleywater.org/learning-center/lets-talk-water-speakers-bureau>) offers presentations on the history of Valley Water and how we operate and includes information on flood preparedness. Presentations can be customized for groups, as requested.

Steve Golden, City of Los Altos suggested communities could assist with providing contacts for HOA’s and property management companies that interact with renters.

Initiative #6 - Expand on reaching residents in marginal and low-income communities through partnering with organizations that reach these communities (i.e., Second Harvest Food Bank and others)

Demonstrated the ArcGIS Disadvantaged Community Application Map Tool Santa Clara County Low Income Census Tracts (Poverty Zones) layer

Initiative #7 - Communities could pursue FEMA Matching Funds Grants for severe Repetitive Loss Areas

This is something we could possibly investigate in future years; as was mentioned earlier during the meeting, as part of the Feasibility Study for CRS regionalization in Santa Clara County. The immediate need is us to retain the 280 points for Activity 510 FMP that are currently credited under the 2017 County of Santa Clara Multi-Jurisdictional Hazard Mitigation Plan (MJHMP).

Valley Water and Santa Clara County are looking into Valley Water possibly developing a separate flood-centric FMP rather than including it as part of the update of the County’s 2017 MJHMP. The proposed flood-centric FMP could have a direct tie-in to this initiative; however, it may not include the RLAA element as part of the FMP.

Valley Water has shared some grant opportunities Climate Change Resiliency, CAL Office of Emergency Services (OES) with our Grant’s Team. It was also mentioned, that under Valley Water’s Safe Clean Water, we have some community grants available to cities/county through our Grants Program.

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Initiative #8 - Review and expand other public information activities, such as Flood Protection Assistance (Activity 360) and Flood Insurance Promotion (Activity 370)

This initiative ties in with the ongoing CRS regionalization efforts. We will see what recommendations come out of the draft Feasibility Study.

Initiative #9 - Develop a region-wide Flood Response Preparations (FRP) messaging plan

Demonstrated an electronic copy of the City of Santa Clara’s FRP. As the PPI Committee has discussed in past meetings, we are still considering using the City of Santa Clara’s FMP as a model for developing a countywide FRP that can be credited uniformly. ISO indicated this approach would likely be credited regionally.

- Discussed usage of Flood Event Kits that Valley Water provided to all communities at the end of October – early November 2022. We requested that communities share these flood preparedness resource materials with other appropriate departments within their organization.
- Provided a status update on the Feasibility Study for CRS Regionalization in Santa Clara County. Discussed the Multi-Jurisdictional Floodplain Management Plan (MJFMP) that Valley Water, its consultant, Tetra Tech, and all Santa Clara County communities will develop. This MJFMP will be a flood-centric FMP and separate from the update to the County of Santa Clara’s 2017 Multi-Jurisdictional Hazardous Mitigation Plan (MJHMP).
- Reminded all CRS communities to review their flood information landing page *monthly* and to verify all links are valid and *annually* to ensure content is still relevant and current to comply with *CRS Activity 350 - Flood Protection Information, Element c*, *Flood Protection Website*, from the CRS Coordinator’s Manual, CRS. They were also reminded to ensure their flood resources landing page re-directs to Valley Water’s Flood Ready landing page, ValleyWater.org/FloodReady, FEMA’s floodsmart.gov and ready.gov.

At the May 16, 2023, meeting, a draft 2021 PPI FY23 Annual Evaluation Report was briefly shared with the communities. The PPI Committee discussed that the FY22 Annual Evaluation Report was used as the starting basis for the FY23 Annual Evaluation Report. We reminded communities that the annual evaluation report will be due as part of communities’ annual CRS recertification package, which will be due on August 1, 2023, or during scheduled 5-year cycle visits (*for Cities of Santa Clara, Palo Alto, Sunnyvale, and Mountain View*) which are tentatively scheduled to be conducted in November 2023.

Valley Water Communications staff presented an overview of the 2022-2023 Flood Awareness Campaign, including the annual FPM that was mailed in November 2022 to all addresses in the FEMA Special Flood Hazard Area (SFHA) and was also sent to city/town/county managers, public works and planning directors, and communities’ staff at the end of December 2022.

Additionally, Valley Water Communications staff and their consultant, Probolsky Research, shared the FY23 post-campaign polling results the PPI Committee. It was determined that future flood awareness campaigns have an opportunity for expanded outreach to renters of both single-family homes and multi-family units, as well as providing localized historical flood information and outreach materials in public spaces. The FY24 Flood Awareness Campaign approach was discussed.

Valley Water shared the status on the Feasibility Study for regionalizing the CRS program in Santa Clara County. We are shared that Valley Water will be leading a flood-centric Multi-Jurisdictional Floodplain Management Plan (MJFMP) in lieu of including CRS requirements as part of the update of the County of Santa Clara’s 2017 Multi-Jurisdictional Hazard Mitigation Plan (MJHMP).

There was discussion regarding forming a separate working group for communities scheduled to be cycled in November 2023 (Cities of Mountain View, Palo Alto, Santa Clara, and Sunnyvale). Valley Water will first meet with Marlene Jacobs, ISO CRS Specialist assigned to all Santa Clara County communities, to see what Valley Water can provide to streamline the document process for activities we perform that are creditable under the CRS program, and which said credit transfers to the CRS communities. In the July/August 2023 timeframe, a coordination meeting between Valley Water, ISO, and the communities scheduled to be cycled will be set up.

Valley Water CRS staff shared information on the Department of Water Resources (DWR) statewide agency coordination calls scheduled to begin by late June – early July 2023. The DWR calls lead up to the California Flood Preparedness Week (CFPW) held each October annually (*specific dates for October 2023 to be announced*).

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shared Valley Water's experience participating in these calls, including the benefits of learning about CFPW, what other agencies throughout the state are doing, ways to participate, setting up lobby displays for the public, and accessing available resources for public events. All communities were strongly encouraged to participate this year, including presenting a resolution (*Valley Water's template available upon request*) to their city councils to adopt CFPW and to forward information to other staff that can help promote flood-preparedness.

We also discussed the usage of the Flood Event Kits that Valley Water provided to all communities in late 2022. Communities were encouraged to use the Flood Event Kits at various city-hosted events, safety fairs, etc., where flood preparedness messaging and materials are shared with residents. These resources will ensure our messaging and information on how to 'Get Flood Ready' is uniformed throughout the county.

The group was asked if there was interest in Valley Water, in coordination with the California State Department of Water Resource (DWR), hosting CRS/ISO training required for Certified Floodplain Managers (CFMs) for their continuing education credit requirement. The group expressed interest; Valley Water will work with Robert Lampa of DWR to explore options to bring a four-day training course to California (*possibly Valley Water's facility*) sometime in early 2024.

We reviewed actions needed to complete the development of the 2021 Multi-Jurisdictional Program for Public Information (PPI) Annual Evaluation Report, FY 23 (*Year 2: July 2022 to June 2023*). This annual evaluation report is the second report for the 2021 PPI which documents our collective outreach project activities.

VI. FUTURE MESSAGING – Other New Initiatives

The PPI Committee identified several opportunities to expand on existing initiatives and initiate new ones as follows:

1. Continue and expand the standardized flood message prepared for each community to include flood messages in utility bills yearly, including PG&E.
2. Expand on partnerships with local chambers of commerce to disseminate and share flood preparedness information.
3. Expand on outreach to the Asian and Latino communities who live in flood-prone areas.
4. Expand on outreach to 'hot spots'/flood-prone areas by hosting on-site or virtual public events.
5. Expand the reach to local homeowners associations (HOA)s and apartment associations (*i.e., Executive Council of Homeowners [ECHO]*).
6. Expand the reach to residents in historically underserved and low-income communities through partnerships with organizations that serve these communities (*i.e., Second Harvest Food Bank and others*).
7. Communities could pursue FEMA Matching Funds Grants for severe Repetitive Loss Areas.
8. Review and expand other public information activities, such as Flood Protection Assistance (Activity 360) and Flood Insurance Promotion (Activity 370).
9. Develop a region-wide Flood Response Preparations (FRP) messaging plan.

The messages that the PPI Committee originally chose are still relevant to Santa Clara County. The committee will continue to increase its efforts to encourage people to prepare personal/family emergency plans and be Flood Ready. This will be incorporated into the flood preparedness outreach starting every fall. The PPI Committee will also continue coordinating efforts with Valley Water's Education Outreach Program to promote flood preparedness in local schools.

The PPI Committee recommends continued use of social media for messaging. Mobile usage among individuals has increased exponentially over the years, and online platforms are rapidly adjusting to mobile-friendly standards. This provides an excellent opportunity to modernize campaign ad efforts by utilizing social media and digital advertising to increase exposure and reach more residents in Santa Clara County. Furthermore, these modern advertising methods allow for specialized demographic targeting to reach a narrow and defined audience, improving the ability to reach vulnerable populations effectively.

In support of our preparedness messaging, the PPI Committee will continue to promote the importance of having family emergency plans and kits ready before an emergency/flood event occurs.

The PPI Committee will continue to promote the American Red Cross All-Hazard App which monitors alerts for

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severe weather, including floods, and the Floodsmart.gov and Ready.gov websites. The communities will distribute American Red Cross Emergency Contact Cards at events throughout the county.

VII. CONCLUSION

Overall, the CRS Users Group/PPI Committee successfully implemented the 2021 PPI in FY23. The 2021 PPI allowed PPI Committee members to mutually decide which flood risk reduction messages are most appropriate for our residents and identified how to effectively deliver these messages. The objectives of participating in the 2021 PPI are to enhance the effectiveness of the flood risk messages to residents, reduce flood risks within Santa Clara County, and to earn valuable CRS credit points when identified outreach projects are implemented.

The CRS Users Group/PPI Committee will continue their outreach efforts through FY24.

Attachments for submission to Valley Water Board, City Councils/Managers, and FEMA as part of 2023 Annual Recertification/5-year Verification Package, as required:

1. Members of the Santa Clara County Multi-Jurisdictional 2021 PPI Committee
2. Appendix A from 2021 SC County Multi-Jurisdictional PPI noting FY23 Project Accomplishments
3. March 21, 2023, Santa Clara County CRS Users Group Meeting Agenda**
4. March 21, 2023, Santa Clara County CRS Users Group Meeting Attendance Sheet
5. May 16, 2023, Santa Clara County CRS Users Group Meeting Agenda**
6. May 16, 2023, Santa Clara County CRS Users Group Meeting Attendance Sheet

** Meeting minutes are included in Section V of this report.

Table 1. Original Members of the Santa Clara County Multi-Jurisdictional 2021 PPI Agenda Item # 5.

Community	Local Government Representative and Alternates	External Stakeholders
County of Santa Clara	Chris Freitas , Sr. Civil Engineer Neville R. Pereira , PE, Development Services Manager, Department of Planning and Development, Floodplain Manager	Marsha Hovey , CADRE Board Chair
Cupertino	Chad Mosley , Assistant Public Works Director/City Engineer, Public Works Department, Floodplain Manager Jennifer Chu , Senior Civil Engineer Public Works Department	Jim Oberhofer , Emergency Coordinator Cupertino ARES/RACES
Gilroy	Gary Heap , City Engineer Public Works Department Jorge Duran , Senior Civil Engineer, Floodplain Manager Public Works Department	Merna Leal , City of Gilroy resident
Los Altos	Steven Golden , Senior Planner, Floodplain Manager Andrea Trese , Associate Civil Engineer	Christopher Wilson , Operations Manager, Los Altos Suburban District, California Water Company
Los Altos Hill	Carl Cahill , City Manager, Floodplain Manager Nichol Bowersox , Public Works Director/ City Engineer Christine Hoffmann , Assistant Engineer (DPW)	Phil Witt , General Manager Purissima Hills Water District
Los Gatos	WooJae Kim , P.E, Town Engineer Parks and Public Works, Floodplain Manager	Annamaria Swardenski , Swardenski Consulting
Milpitas	Steven Erickson , City Engineer/Engineering Director, Floodplain Manager Kan Xu , Principal Civil Engineer, Engineering Land Development Section Brian Petrovic , Associate Civil Engineer Engineering Land Development Section Elizabeth Koo , Administrative Analyst, Engineering Land Development Section	Warren Wettenstein , Chairman of the Economic Development & Trade Commission and President of the Milpitas Chamber
Morgan Hill	Maria Angeles , Senior Civil Engineer, Floodplain Manager, CFM Charlie Ha , Supervising Civil Engineer Engineering & Utilities Department	Swanee Edwards , City of Morgan Hill resident
Mountain View	Renee Gunn , Senior Civil Engineer, Public Works Department Gabrielle Abdon , Assistant Engineer, CFM	Kevin Conant , PG&E
Palo Alto	Rajeev Hada , Project Engineer, CFM Public Works Department, Engineering Services Division, Floodplain Manager	Dan Melick , CERT Volunteer City of Palo Alto resident
San Jose	Arlene Lew , Principal Engineering Technician Vivian Tom , Senior Transportation Specialist Department of Public Works Development Services Division	Shari Carlet , City of San Jose resident, certified Floodplain Manager
Santa Clara	Evelyn Liang , Senior Civil Engineer Falguni Amin , Principal Engineer Public Works – Engineering	Kevin Moore , Retired City Council member
Saratoga	David Dorcich , PE, QSP/D, Associate Civil Engineer, Community Development Department, Floodplain Manager	Rebecca Gallardo , Real Estate Agent for Intero, a Berkshire Hathaway Affiliate, servicing all areas of the Bay Area
Sunnyvale	Tamara Davis , Senior Management Analyst	Jeff Holzman , Director, Real Estate District Development Google Agnes Veith , City of Sunnyvale resident
Valley Water	Trisha Howard , Program Administrator Paola Giles , Public Information Representative III Sherilyn Tran , Office of Civic Engagement Unit Manager	Nikki Rowe , American Red Cross

Note: Since the development of the 2021 PPI there may have been changes to a community's 2021 PPI Committee members (either the local government representatives and/or the external stakeholders). Those member changes are noted on the meeting attendance sheets.

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 CRS Creditable Outreach and Flood Response Projects by CRS Community
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 FY 2023 (Year 2) Project Accomplishments by CRS Communities

Audience	¹ Message	Outcome	Project(s) Proposed to Support the Messages (XX denotes Community acronym, and Outreach Project #)	Assignment	² Schedule	³ Stakeholder	FY 2023 (Year 2 of the 2021 PPI) Project Accomplishments
							INPUT HERE ONLY
Community At Large (CAL) - Multilingual Communities - Groups with Special Evacuation Needs - New Residents, Visitors and Tourists	<p>Topic 1: Know your flood hazard Message 1A - Know your flood risk Message 1B - Contact your floodplain manager to find out if your property is in a floodplain Message 1C - Check if your home or business is in a Special Flood Hazard Area</p> <p>Topic 2: Insure your property for your flood hazard Message 2A - Get flood insurance ahead of time Message 2B – Insure your property Message 2C – There is a 30-day waiting period for the policy to take place</p> <p>Topic 3: Protect people from the flood hazard Message 3A - Put your 3-day emergency kit together Message 3B - Follow evacuation orders Message 3C – Learn the best route to high ground</p> <p>Topic 4: Protect your property from the flood hazard Message 4A - Protect your property from the flood hazard Message 4B - Prepare your home Message 4C - Sandbags can offer protection against a foot or less of floodwater Message 4E - Get sandbags before a flood</p> <p>Topic 5: Build responsibility Message 5A - Build responsibly in floodplains Message 5B - Comply with development requirements Message 5C - Check with your local floodplain manager before you build</p> <p>Topic 6: Protect natural floodplain functions Message 6A -Keep creeks clean and flowing Message 6B - Keep debris and trash out of our streams Message 6C - Don't pollute, dump, or drain anything in creeks</p>	Educate our community on flood protection and preparedness measures	(VW OP #01) Multi-language Countywide Mailer (CWM) to every postal address in Santa Clara County (Topics 1-5 and 7, 8)	Valley Water Communications	Each late October or November	All Santa Clara County CRS Communities	Valley Water's FY23 Countywide Mailer (CWM) included a 'Floods Can Follow Droughts' section and was sent starting November 8 through 18, 2022, countywide to 744,025 addresses (USPS: ECRWSS -Extended/Enhanced Carrier Route Walking Sequence Saturation Postal Customer). The CWM includes flood protection and preparedness measures information, knowing your flood risk, getting flood insurance, developing an emergency plan and kit, protecting your home from flood threats, signing up for AlertSCC and the American Red Cross Disaster Emergency App, and understanding shallow flooding – Turn Around Don't Drown®. https://s3.us-west-1.amazonaws.com/valleywater.org.us-west-1/s3fs-public/2022-10-26_Drought%20Countywide%20Mailer.pdf All Santa Clara communities support and promote Valley Water's outreach projects.
			(VW OP #02) Distributes a soft copy of our Flood Safety Tips brochure for all SCC CRS communities' use (print hard copies to distribute at events and/or post of flood preparedness webpages) (Topics 1-9)	Valley Water Communications	Annually, November/December	All Santa Clara County CRS Communities	Multilingual postcards that included the 9 CRS topics and supporting messages, and links to various flood readiness/preparedness webpages were produced and distributed to all Santa Clara County communities, including CRS communities, in early January 2023. Additionally, in mid-November 2022, Valley Water's 2022-2023 Flood Awareness Outreach Partner Social Media Toolkit, "Our Climate Has Changed," which included the postcards, were made available for download to all partnering agencies. The toolkit includes the following items which contained messages for all nine flood awareness tips (PPI CRS message topics) for all Santa Clara County communities to use: <ul style="list-style-type: none"> • Key flood outreach messages, • SFHA floodplain mailer (multilingual)

¹ **Message Topics: Outreach Projects (OP):** Topic 1 – Know your flood hazard; Topic 2 – Insure your property for your flood hazard; Topic 3 – Protect people from the flood hazard; Topic 4 – Protect your property from the hazard; Topic 5 – Build responsibly; Topic 6 – Protect natural floodplain functions; Topic 7 – Develop a Family Emergency Plan; Topic 8 – Download disaster Apps; Topic 9 – Understand shallow flooding risks – “Don't drive through standing water.”
Flood Response Preparations (FRP): What to Do Before, During and After a Flood/Storm

² Each September, all deliverables need to be reported to Valley Water for tracking purposes.

³ A **stakeholder** can be any agency, organization, or person (other than the community itself) that supports the message. Stakeholders can be: an insurance company that publishes a brochures on flood insurance, even if it is set out at City Hall; a local newspaper that publishes a flood or hurricane season supplement each year; FEMA, if, for example, a FEMA brochure is used as an informational material; schools that implement outreach activities; a local newspaper; a neighborhood or civic association that sponsors and hosts a presentation by a community employee; a utility company that includes pertinent articles in its monthly bills; or presentations made by state or FEMA staff at a Risk Map meeting.

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	<p><u>Topic 7:</u> Develop a Family Emergency Plan Message 7A: Develop an emergency plan</p> <p><u>Topic 8:</u> Download disaster Apps Message 8A - Download disaster emergency apps</p> <p><u>Topic 9:</u> Understand shallow flooding risks – don't drive through standing water Message 9A - Understand shallow flooding risks - don't drive through standing water FEMA's message: "Turn Around Don't Drown®."</p>						<ul style="list-style-type: none"> ● 'Are You Flood Ready?' Postcard ● Flood Awareness 'Our Climate Has Changed" (dated 11/2022) double-sided flyer (multilingual) for digital use and print ● Digital multilingual ads (web and social media graphics) ● Videos, ● Flood Awareness text, tips, and URLs (multilingual), and ● Flood Can Follow Droughts 2001-2023 Timeline <p>Cupertino distributes copies of Valley Water's Flood Safety Tips at various fairs/events (i.e., Earth Day Festival) and provides additional copies for the public on display at City Hall. Cupertino also has a direct link to Valley Water's annual mailer and Flood Ready webpage on the City's "Floodplain Management" webpage.</p> <p>Los Altos distributes brochures available at City Hall, library, and community center. They are also distributed at community events (emergency training, wine stroll, etc.).</p> <p>Morgan Hill hosted 'National Night Out' on August 2, 2022. Flood preparedness information (Valley Water floodplain mailer, red 'Get Flood Ready' which includes an emergency supply list tote bags, etc.) were distributed.</p> <p>Mountain View promotes and distributes Valley Water's Flood Safety Tips and emergency kits at fairs (i.e., Earth Day Celebration). Valley Water's flood safety brochures are available at city hall.</p> <p>Palo Alto promotes and distributes Valley Water's Flood Safety Tip and emergency kits at fairs (i.e., Earth Day Festival) and provides as an informational item on Utility Inserts sent every year. Valley Water's flood safety brochures are available at city hall.</p> <p>The City of Santa Clara has hard copy brochures available at city hall and central library. They are distributed at the yearly art & wine festivals as well.</p> <p>All Santa Clara communities support and promote Valley Water's outreach projects.</p>

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			(CUP OP #03) Flood notice in the local newsletter, "The Cupertino Scene" (Topics 1-9)	City of Cupertino	Each October or November issue	N/A	Cupertino published the annual flood preparation article in the October 2022 issue of "The Cupertino Scene".
			(LA OP #04) Two (2) newspapers ads, in the Los Altos Town Crier (Topics 1-5)	City of Los Altos	Each fall	N/A	Los Altos published two newspaper ads titled "Assess Your Flood Risk and Flood Insurance Availability" on 10/5/22 and on 10/19/22 in the Los Altos Town Crier.
			(LAH OP #05) The town's "Our Town" quarterly newsletter includes information on flood preparedness. The newsletter is mailed out town-wide and is also available online on the town's website (Topics TBD during cycle visit)	Town of Los Altos Hills	Each fall	N/A	Town of Los Altos Hills: No update available - non-CRS participating community.
			(LAH OP #06) The town distributes various flood preparedness and safety materials at events, including Valley Water's annual floodplain mailer and promotional item (e.g., emergency starter kits, Get Flood Ready Emergency Supply Checklist tote bags, etc.), FEMA flood insurance information, ReadySCC, and American Red Cross Flood apps, AlertSCC, sandbag guidelines, flood protection project-specific notices, FEMA NFIP materials, and preparedness activity/coloring books, etc.) to the public	Town of Los Altos Hills	Annually, spring and late summer	N/A	Town of Los Altos Hills: No update available - non-CRS participating community.
			(MIL OP #07) "Flood Public Advisory" brochure to community at large (Topics 1-6)	City of Milpitas	Each December or January	N/A	Milpitas: A utility bill insert was sent to every address in Milpitas on 11/16/22. This was sent out in four languages (English, Vietnamese, Spanish, and Chinese).
			(MH OP #08) Sends a citywide "Flood Report" brochure (Topics 1-9)	City of Morgan Hill	Annually, close to or during the start of the rainy season	N/A	It is anticipated that the City of Morgan Hill will mail out citywide the "2023 Flood Report" in late June 2023 or sometime in July 2023.
			(MV OP #09) Sends "The View" citywide newsletter, Winter version, includes information on flood risk, flood safety, and the importance of buying flood insurance (Topics 1-9)	City of Mountain View	Fall newsletter edition	N/A	Mountain View's publications have been updated. This year in March 2023 after a large round of storms we provided information (link to webpage, reporting flooding, sandbags) in the "City Hall Connection" which is sent to all registered users in the city.
			(MV OP #10) Mails a utility bill insert to all resident and businesses that contains information on flood risk, flood safety, and the importance of buying flood insurance (Topics 9)	City of Mountain View	Between July - September	N/A	Mountain View sent out Valley Water's Get Flood Ready flier as a utility billing insert to every City utility customer in December 2022.
			(PA OP #11) Sends the "Are You Ready for Winter Storms?" flier (aka utilities insert) to all residents and businesses in the City, along with their utility bills (Topics 1-9)	City of Palo Alto	Each Fall	N/A	Palo Alto sent "Are You Ready for Winter Storms?" fliers to all residents and businesses along with their utility bills in October 2022. The social media ad campaign (i.e. Facebook, Instagram, Nextdoor) was also included in the utility bills that went out in October 2022.
			(PA OP #12) Sends out utility announcement, "Anytime it can rain, it can flood. Don't get caught off-guard" (Topics 1, 2,3, 4, 5, 6, 7, & 9 – will pursue adding other topic)	City of Palo Alto	Each March/April	N/A	Palo Alto sent a utility announcement as an informational announcement on utility bills went out in December 2022. Effective FY 23, the City's Public Works Department has

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							shifted from the March/April time frame of this announcement, to December each year.
			(PA OP #13) The city distributes various flood preparedness and safety documents, including FEMA NFIP materials for public/policyholders	City of Palo Alto	Year Round	N/A	Palo Alto distributed flood preparedness documents, including the emergency starters kit, to the local libraries and also made informational materials available in the HQ lobby.
			(SC OP #14) Mails out a citywide newsletter for residents and businesses called "Inside Santa Clara" (Topics 1-9)	City of Santa Clara	Each fall	N/A	Santa Clara: Citywide newsletter was sent to residents and is available on the city website in November 2022.
		Educate our community on flood protection and preparedness measures Increase in 'hits' on Valley Water and communities Flood Protection Resources webpage <hr/> <i>These website projects are credited under Activity 350 – Flood Protection Information, element c). Flood protection website (WEB), not credited under Activity 330</i> Note: To receive any WEB credit, the community's website must meet the following criteria: <i>The community must check the website's links at least monthly, and fix those that are no longer accurate. At least annually, the community must review the content to ensure that it is still current and pertinent</i>	(VW OP #15) Flood Ready webpage: Flood & Safety, Flood Protection Resources, includes floodplain and countywide mailers https://www.valleywater.org/floodready	Valley Water	Year Round	All Santa Clara County CRS Communities	Valley Water's flood protection resources landing page includes the most current version of the annual floodplain mailer "Our Climate Has Changed - Be Aware, Be Prepared, Take Action" (dated 11/22 https://online.flipbuilder.com/tkap/tmie/) and "Floods Can Follow Drought" countywide mailer (dated 10/2022 https://s3.us-west-1.amazonaws.com/valleywater.org.us-west-1/s3fs-public/2022-10-26_Drought%20Countywide%20Mailer.pdf), and "You Live in a Flood Zone, Make Sure You Are Ready. Do You Know What to Do Before, During, and After a Flood" trifold (dated 12/2022 https://online.flipbuilder.com/tkap/zmox/). Cupertino's "Floodplain Management" webpage has a link that redirects to Valley Water's Flood Ready landing page. Gilroy's "Flood Management" and "Emergency Preparedness" web pages link to Valley Water's Flood ready landing page. Los Altos' "Floodplain Management Information" web page links to Valley Water's Flood Ready web page. Morgan Hill's "Floodplain Management" landing page redirects to Valley Water's Flood Ready landing page. Palo Alto's "Flood Information and Winter Storm Preparedness" webpage redirects to Valley Water's Flood Ready landing page. City of Santa Clara's "Flood Protection Information" web page redirected to Valley Water's Flood Ready page. All Santa Clara communities flood protection resource landing pages redirect to Valley Water's Flood Ready landing page.

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			(ALL OP #16) All communities' website flood protection resources webpage includes language that contains the three additional PPI priority messages noted below: 7. Develop an emergency plan 8. Download disaster apps 9. Understand shallow flooding risks—don't drive through standing water	All Santa Clara County Communities	Year Round	N/A	Valley Water's flood protection resources landing page includes the top 6 CRS priority topic messages, as well as the 3 additional messages identified in the 2021 PPI (page 45). Cupertino's "Floodplain Management" webpage has a link to Valley Water's annual mailer which includes the CRS 9 topics. Gilroy's "Emergency Preparedness" webpage redirects to Valley Water's Flood Ready landing page, '9 Essential Tips to Get Flood Ready.' Our Emergency Preparedness page also includes topics 7, 8, and 9. Morgan Hill's "Flood Information, Floodplain Management" webpage includes a link to the "2021 Flood Report" that includes the CRS 9 topics. Palo Alto's utility insert includes all three additional PPI priority messages, and the Flood Information and Winter Storm Preparedness website has a link to the utility insert which shows the three additional PPI. City of Santa Clara's "Flood Protection Information" web page includes resources for preparedness.
			(SCC OP #17) Hosts a "Storm and Flood Information and Resources" webpage available for all residents in the county, includes re-directing to www.floodsmart.gov https://www.sccgov.org/sites/opa/Pages/storm.aspx	Santa Clara County Office of Public Affairs	Year Round	N/A	Santa Clara County: No update available - non-CRS participating community
			(SCC OP #18) Hosts a "Flood Safety Information" webpage, includes re-directing to www.valleywater.org/floodready https://cpd.sccgov.org/flood-safety-information	Santa Clara County Consumer Protection Division	Year Round	N/A	Santa Clara County: No update available - non-CRS participating community
			(SCC OP #19) Hosts a "Be a Prepared Community Member" webpage that includes emergency preparedness information https://emergencymanagement.sccgov.org/be-prepared-community-member	Santa Clara County Office of Emergency Management	Year Round	N/A	Santa Clara County: No update available - non-CRS participating community
			(SCC OP #20) Hosts a "People with Access and Functional Needs (AFN)" webpage https://emergencymanagement.sccgov.org/people-access-and-functional-needs-afn	Santa Clara County Office of Emergency Management	Year Round	N/A	Santa Clara County: No update available - non-CRS participating community

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			(CUP OP#21) Hosts a “Citizen Preparedness” webpage that includes emergency preparedness information, includes re-directing to Valley Water’s www.valleywater.org/floodready webpage https://www.cupertino.org/residents/community-services-programs/emergency-services/citizen-preparedness	City of Cupertino Office of Emergency Services	Year Round	N/A	Cupertino has archived the “Citizen Preparedness” webpage and created a new “Floodplain Management” webpage: https://www.cupertino.org/our-city/departments/public-works/permitting-development-services/floodplain-management
			(GIL OP #22) The city hosts an “Emergency Preparedness” webpage Emergency Preparedness Gilroy, CA - Official Website (cityofgilroy.org) (listed in Appendix B)	City of Gilroy Fire Department	Year Round	N/A	Gilroy continues to maintain an “Emergency Preparedness” webpage, including a link that redirects to Valley Water’s Flood Ready landing page, the National Weather Service webpage, Ready.gov, FloodSmart.gov, and the City’s Flood Management webpage. The Emergency Preparedness webpage is reviewed once a month and updated as needed.
			(LA OP #23) The city’s Public Works Department hosts a ‘Flood Zone Information’ webpage on its website (listed in Appendix B) https://www.losaltosca.gov/publicworks/page/flood-zone-information	City of Los Altos Public Works Department	Year Round	N/A	Los Altos’ webpage is updated as needed. The webpage URL is: https://www.losaltosca.gov/publicworks/page/floodplain-management-information
			(LAH OP #24) The town hosts a “Flood Information” webpage on the town’s website. This webpage includes information on the PPI nine topics, including a supporting message. The webpage redirects to the following key resource websites: www.valleywater.org/floodready , www.floodsmart.org , www.ready.gov , and www.weather.gov	Town of Los Altos Hills	Year Round	N/A	Town of Los Altos Hills: No update available - non-CRS participating community
			(LG OP #25) The town’s website encourages residents and businesses to purchase flood insurance and redirects visitors to www.floodsmart.gov	Town of Los Gatos	Year Round	N/A	Town of Los Gatos: No update available - non-CRS participating community
			(MIL OP #26) The city’s website has a “Flood Information” webpage that contains information on several of the PPI message topics; the webpage also redirects to Valley Water, FEMA, NOAA, www.floodsmart.gov , www.Ready.gov , and USGS webpages The city’s website also has a “Important Flood Hazard Information” webpage that contains information on several of the PPI message topics; the webpage also redirects to Valley Water, FEMA, NOAA, www.floodsmart.gov (listed in Appendix B) https://www.ci.milpitas.ca.gov/milpitas/departments/engineering/flood-information/	City of Milpitas Engineering Department	Year Round	N/A	Milpitas: On-going. Link: https://www.ci.milpitas.ca.gov/milpitas/departments/engineering/flood-information/
			(MH OP #27) The city’s website has a “Flood Information, Floodplain Management” webpage that contains city’s flooding information which redirects to their Floodplain Management page and includes a link to the city’s latest annual “Flood Report.” The webpage redirects Valley Water’s flood ready webpage and also contains FEMA flood information http://www.morgan-hill.ca.gov/747/Flood-Information	City of Morgan Hill Engineering Land Development	Year Round	N/A	Morgan Hill’s “Flood Information, Floodplain Management” webpage will be updated to include a link to the “2023 Flood Report” brochure.

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			Floodplain Management City of Morgan Hill, CA - Official Website (MH OP #28) The city's website has an "Emergency Preparedness" webpage (listed in Appendix B) http://www.morgan-hill.ca.gov/133/Emergency-Preparedness	City of Morgan Hill Police Department	Year Round	N/A	Morgan Hill continues to maintain its "Emergency Preparedness" landing page. The Emergency Preparedness landing page promotes "Do 1 Thing" a 12-month program with a goal of assisting the community to be better prepared for emergencies and disasters. This information was also included in the "Weekly 411."
			(MV OP #29) Hosts a "Flood Protection and Insurance Information" webpage on its website (listed in Appendix B) www.mountainview.gov/depts/pw/flood_protection.asp	City of Mountain View Public Works Department	Year Round	N/A	City of Mountain View's "Flood Protection and Insurance Information" web page includes resources for preparedness.
			(PA OP #30) Hosts a "Floodplain Management" webpage (listed in Appendix B) https://www.cityofpaloalto.org/gov/depts/pwd/stormwater/floodzones.asp	City of Palo Alto Public Works Department	Year Round	N/A	Palo Alto continues to host the "Floodplain Management" webpage that has all relevant information regarding flood plain management topics.
			(PA OP #31) Hosts a "Flood Safety Tips" webpage www.cityofpaloalto.org/storms; flood_safe_11-16.cdr (cityofpaloalto.org)	City of Palo Alto Public Works Department	Year Round	N/A	Palo Alto continues to host the "Flood Information and Winter Storm Preparedness Webpage" which has links to the "Flood Safety Tips" flier under 'Before the Storm Additional Information.'
			(PA OP #32) Hosts a 'Creek Monitor' webpage (listed in Appendix B) https://www.cityofpaloalto.org/gov/depts/pwd/creek_monitor/default.asp	City of Palo Alto Public Works Department	Year Round	N/A	Palo Alto continues to host the real time creek monitor webpage that warns residents of imminent danger of flooding.
			(PA OP #33) Hosts a "Flood Information and Winter Storm Preparedness" web page which contains useful information for flood readiness (listed in Appendix B) https://www.cityofpaloalto.org/services/public_safety/flood_information_winter_storms/default.asp	City of Palo Alto Office of Emergency Services	Year Round	N/A	Palo Alto continues to host the "Flood Information and Winter Storm preparedness" website has useful information on flood preparedness for before storm, during storm and after storm.
			(SJ OP #34) The city's webpages includes a "Flood Hazard Zones" webpage which includes information of flood preparedness https://www.sanjoseca.gov/your-government/departments/public-works/development-services/floodplain-management	City of San Jose Public Works, Development Services	Year Round	N/A	San Jose: Website includes flood zone and flood smart information. Updated link: https://www.sanjoseca.gov/your-government/departments-offices/public-works/development-services/flood-hazard-zone
			(SC OP #35) The city's "Flood Protection Information" webpage contains valuable information on flood related topics https://www.santaclaraca.gov/our-city/departments-g-z/public-works/engineering/flood-protection (also listed in Appendix B)	City of Santa Clara	Year Round	N/A	Santa Clara: Website is updated and maintains flood topic information
			(SAR OP #36) The city's website encourages residents/businesses to purchase flood insurance and redirects visitors to www.floodsmart.gov	City of Saratoga	Year Round	N/A	Saratoga: No update available - non-CRS participating community
			(SAR OP #37) The city has a "Staying Safe, Winter Storms" webpage. They have also linked the city's Winter Storms webpage to Valley Water's Flood Ready webpage https://www.saratoga.ca.us/218/Winter-Storms	City of Saratoga	Year Round	N/A	Saratoga: No update available - non-CRS participating community

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			(SUN OP #38) The city has a “Flood Protection” webpage Sunnyvale, CA - Flood Protection (listed in Appendix B)	City of Sunnyvale	Year Round	N/A	Sunnyvale: The City continues to maintain its flood protection website.
	Topics 1-9 and supporting messages Flood Awareness Media Campaign, including social media	Educate our community on flood protection and preparedness measures	(VW OP #39) Conducts a flood awareness media campaign, reaching the community at large, including our multilingual community. Many of the Santa Clara County CRS Communities recognize Valley Water’s Flood Awareness Campaign and link it on their community’s flood information web page and redirect to Valley Water’s Flood Ready webpage (Topics 1-9) <i>Campaign features social media videos and postings on various platforms (i.e., Facebook, Twitter, Instagram, Nextdoor, etc.), digital banners, newspaper advertorials, radio ads, billboards, utility bill inserts for communities to use, communities redirect to ValleyWater.org/FloodReady, and television/mobile ads targeting residents who live in flood-prone areas and multilingual ethnic communities</i>	Valley Water Communications	Annually, for the duration of the rainy season, typically from November to April	All Santa Clara County CRS Communities	<p>The Flood Awareness Campaign lasted four months, from mid-November 2022 to February 2023. The paid advertisement campaign cost a total of \$330,000.</p> <p>Valley Water’s FY23 Annual Flood Awareness Campaign continued the shift from general digital and public space advertising to a series of direct mailings to the 51,120 homes and businesses in Santa Clara County’s FEMA SFHA.</p> <p>As part of Valley Water’s FY23 Flood Awareness Campaign, Valley Water sent two separate targeted mailers to all homes and businesses in or near a high-risk flood area, as designated by the FEMA SHFA. The mailers were multilingual (English, Spanish, Chinese, and Vietnamese) and are posted on Valley Water’s website.</p> <ol style="list-style-type: none"> 1. Annual Floodplain Mailer (FPM) - Valley Water’s multi-language (English, Spanish, Chinese, and Vietnamese) annual FPM “Our Climate Has Changed - Be Aware, Be Prepared, Take Action” (dated 11/22) mailed on November 28, 2022. https://online.flipbuilder.com/tkap/tmie/ 2. Trifold “You Live in a Flood Zone– Make Sure You Are Ready. Do You Know What to Do Before, During, and After a Flood?” mailed on January 6, 2023. https://online.flipbuilder.com/tkap/zmoz/ <p>Additionally,, ‘Are You Flood Ready?’ multilingual postcards that included the 9 CRS topics and supporting messages, and links to various flood readiness/preparedness webpages were produced and distributed. https://www.valleywater.org/are-you-flood-ready</p> <p>Requested copies of the FPM, postcards and trifold mailers were sent to all Santa Clara County cities and county Public Works and Planning Departments.</p> <p>In mid-November 2022, Valley Water’s 2022-2023 Flood Awareness Outreach Partner Social Media Toolkit “Our Climate Has Changed,” was made available for download to all partnering agencies, including CRS communities. The</p>

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							<p>toolkit provided links to the multilingual floodplain mailer, Flood Can Follow Droughts 2001-2023 Timeline, 'Are You Flood Ready?' postcard, and social media graphics and videos, that included messages for all nine flood awareness tips (PPI CRS message topics), and blog posts for all Santa Clara County communities to use. https://www.dropbox.com/s/p438zrw8lwi614r/Flood%20Awareness%202022-2023%20Partner%20Toolkit.pptx?dl=0.</p> <p>During FY23, Santa Clara County experienced a drought emergency. Valley Water's annual FPM reminded everyone that flooding can happen anytime it rains, and that climate change has made extreme weather the new normal. Drought conditions can harden the ground and increase run-off to streams and creeks during the first few days of heavy rain, increasing the risk of flooding. In addition, the flood mailer showcased Valley Water's ongoing flood protection projects in areas susceptible to flooding.</p> <p>In FY23 the FPM featured a QR code, a cling with important flood safety websites, a detachable emergency phone list, photos of our most recent flood protection projects and a graphic image displaying how historical floods have followed droughts in Santa Clara County (see below attached "Santa Clara County Floods & Droughts Timeline [2001-2023]).</p> <p>Valley Water also deployed a small-scale multilingual social media campaign, with the slogan "Flooding can happen during a drought," on social media and web platforms. The campaign launched in Winter FY23, starting with the season's first rains, and continuing through March 2023.</p> <p>At the May 16, 2023 CRS Users Group/PPI Committee Meeting, Adam Probolsky shared the FY 22-23 post-campaign polling results.</p> <ul style="list-style-type: none"> • 39% recalled receiving mail with information about flood safety (59% in 2021-22). • 64% are confident they have taken all necessary precautions to protect themselves from floods (76% in 2021-22). • 43% rate the job Valley Water is doing at keeping them informed as excellent, good, or fair (61% in 2021-22).

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							<ul style="list-style-type: none"> 48% is aware that their home is located in a food zone awareness over last year (56% in 2021-22). 39% of respondents clearly understood Valley Water’s three main calls to action to be Flood Ready [<i>develop an emergency plan, build an emergency kit, and get flood insurance</i>] (58% in 2021-22). 39% respondents have flood insurance; 15% of renters polled, have insurance (51% in 2021-22). <p>The results above demonstrate an effective campaign that is less expensive than general advertising, yielding a savings of approximately \$150,000 with more robust results. We will continue with targeted mailings to the FEMA SFHA as our outreach strategy for the flood awareness campaign rather than targeted advertising.</p> <p>All Santa Clara communities support and promote Valley Water’s outreach projects.</p> <p>Los Altos included an insert provided by Valley Water to all residents and businesses via a refuse collection bill insert in November 2022 (non-residential) and January 2023 (residential).</p> <p>Morgan Hill’s flood preparedness outreach efforts for FY23 are listed below:</p> <ul style="list-style-type: none"> August 2, 2022 - Hosted ‘National Night Out.’ Flood preparedness information (<i>Valley Water floodplain mailer, red ‘Get Flood Ready’ which includes an emergency supply list tote bags, etc.</i>) were distributed. September 2022 - Announced in its Weekly 411 that September was National Emergency Preparedness Month. October 2022 - Starting in June 2022, began participating in the ongoing statewide agency coordination calls that led up to California Flood Preparedness Week held during the week of October 22-29, 2022. The City also supported Valley Water’s efforts throughout the month of October 2022 promoting flood preparedness. January 2023 - Included information regarding flooding and weather precautions via the “Weekly 411.” Additionally, later in the month, another “Weekly 411” included information on signing up for Alert SCC and information on flood preparedness.

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							<ul style="list-style-type: none"> March 2023 - Promoted "Do 1 Thing" s a 12-month program with a goal of assisting the community to be better prepared for emergencies and disasters. This information was included in the "Weekly 411" and is also included on the City's Emergency Preparedness landing page: https://www.morgan-hill.ca.gov/133/Emergency-Preparedness
			(VW OP #40) As part of the flood awareness campaign, a 'Get Flood Ready, Social Media and Web Resources Guide' is provided to all cities/county in Santa Clara County for their use as part of their outreach efforts	Valley Water	Upon the completion of the annual FPM	All Santa Clara County CRS Communities	<p>In mid-November 2022, Valley Water's 2022-2023 Flood Awareness Outreach Partner Social Media Toolkit "Our Climate Has Changed," was made available for download to all partnering agencies, including CRS communities. The toolkit provided links to the multilingual floodplain mailer, Flood Can Follow Droughts 2001-2023 Timeline, 'Are You Flood Ready?' postcard, and social media graphics and videos, that included messages for all nine flood awareness tips (PPI CRS message topics), and blog posts for all Santa Clara County communities to use. https://www.dropbox.com/s/p438zrw8lw614r/Flood%20Awareness%202022-2023%20Partner%20Toolkit.pptx?dl=0</p> <p>All Santa Clara communities support and promote Valley Water's outreach projects.</p> <p>Los Altos has included links to the flood awareness campaign web resources in electronic newsletters during the 2022/2023 flood season and on the city's website.</p> <p>Morgan Hill's Public Information utilizes Valley Water's Get Flood Ready social media and resources as they deem applicable on any given period.</p> <p>Palo Alto has Valley Water's Flood Awareness Campaign linked on the City's Flood Information and Winter Storm Preparedness website.</p> <p>Santa Clara has Valley Water's Flood Awareness Campaign linked on the City's Public Works, Engineering, Flood Protection Information landing page on their website.</p>
			(SCC OP #41) Shares Valley Water's digital social media resource links during the flood season. The "Floods Follow Fires. Are you Ready?" and "Got Sandbags" messages redirect to Valley Water's website. Messages are used on social media, short form newsletter, short form email, web, and Nextdoor	Santa Clara County Office of Emergency Management	Year Round	N/A	Santa Clara County: No update available - non-CRS participating community

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			(CUP OP #42) Recognizes the robust social media campaign led by Valley Water and has linked the city’s main flood preparation webpage to Valley Water’s Flood Ready webpage	City of Cupertino	Year Round	N/A	Cupertino continues to maintain the “Floodplain Management” webpage, including a link that redirects to Valley Water’s Flood Ready webpage.
			(GIL OP #43) The city recognizes Valley Water’s Flood Awareness Campaign and has linked the city’s main flood webpage to Valley Water’s Flood Ready webpage	City of Gilroy	Year Round	N/A	Gilroy: The “Emergency Preparedness” and Public Works “Flood Management” webpage both link to Valley Water’s Flood Ready webpage.
			(LAH OP #44) The town recognizes Valley Water’s Flood Awareness Campaign and has linked the town’s main flood webpage to Valley Water’s Flood Ready webpage	Town of Los Altos Hills	Year Round	N/A	Town of Los Altos Hills: No update available - non-CRS participating community
			(LG OP #45) Recognizes Valley Water’s Flood Awareness Campaign and has linked the Town’s main flood webpage to Valley Water’s Flood Ready webpage	Town of Los Gatos	Year Round	N/A	Town of Los Gatos: No update available - non-CRS participating community
			(MV OP #46) The city does a social media notification about storm preparation for winter storms ahead of time. The notification directs residents to their “Flood Protection and Insurance Information” webpage. The city has also linked the city’s webpage to Valley Water’s Flood Ready webpage	City of Mountain View	Year Round	N/A	Mountain View shared several social media posts before, during and after the major rain events during the winter. Posts included information on preparation, forecasts for rain events and real time updates on current flooding .
			(SC FRP #47) City publishes social media posts, on Facebook, Twitter, and other platforms, focused on safety. The city has prepared a pre-flood plan (FRP) for public information projects that will be implemented before, during, and after a storm/flood, as well as identifying who is responsible for posting these messages, what type of events they apply to, what social media platforms to post to and how often	City of Santa Clara Office of Emergency Services	During the storm season	N/A	Santa Clara: Information was posted on social media for flood awareness week led by City Streets Division
			(SJ OP #48) Recognizes Valley Water’s Flood Awareness Campaign and has linked the city’s main flood webpage to Valley Water’s Flood Ready webpage. Keeps Valley Water’s floodplain mailer static location at City Hall for residents to pick-up and is also distributed at various events throughout the year	City of San Jose	Year Round	N/A	San Jose places Valley Water’s FPM at City Hall and their website redirects to Valley Water’s Flood Ready webpage. The City recognizes and supports Valley Water’s Flood Awareness Campaign.
			(SAR OP #49) Recognizes Valley Water’s Flood Awareness Campaign and has linked the city’s main flood webpage to Valley Water’s Flood Ready webpage	City of Saratoga	Year Round	N/A	Saratoga: No update available - non-CRS participating community
			(SAR OP #50) The city does a social media notification about storm preparation for winter storms ahead of time	City of Saratoga	Year Round	N/A	Saratoga: No update available - non-CRS participating community
			(SUN OP #51) The city actively posts flood safety and preparedness messaging through social media platforms (i.e., Facebook and Twitter)	City of Sunnyvale Environmental Services	During the rainy season (October – March)	N/A	Sunnyvale: City staff posted information to Facebook regarding keeping the storm drain clear to prevent clogging.

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	Topics 1-9 and supporting messages Community Events – Distribute flood preparedness materials to the community	Educate our community on flood protection and preparedness measures Increase in 'hits' on Valley Water and cities Flood Protection Resources pages and improve Valley Water's Flood Campaign results Residents less stress during emergencies and better prepared before a flood event	(VW OP #52) Copies of Valley Water's multilanguage floodplain mailer is made available to all Santa Clara County CRS Communities to disseminate at various events, including keeping the mailer static in lobby areas for visitors to pick-up. Valley Water attends various communities' events/fairs throughout the county and disseminates flood readiness materials, including various FEMA flood-related publications and Valley Water flood ready materials (Topics 1– 9)	Valley Water	Annually, September - May	All Santa Clara County CRS Communities	Valley Water's FY23 Annual Flood Awareness Campaign continued the shift from general digital and public space advertising to a series of direct mailings to the 51,120 homes and businesses in FEMA SFHA for Santa Clara County. Valley Water's multi-language (English, Spanish, Chinese, and Vietnamese) annual FPM "Our Climate Has Changed - Be Aware, Be Prepared, Take Action" (dated 11/22) was mailed on November 28, 2022 to all parcels in the FEMA SFHA and copies were mailed to all Santa Clara County cities and county Public Works and Planning Departments in December 2022. The below table reflects the quantities requested/sent by/to the agency. <table border="1" data-bbox="2560 955 3080 1141"> <thead> <tr> <th>Community</th> <th>Floodplain Mailer</th> <th>Postcard</th> </tr> </thead> <tbody> <tr> <td>City of Los Altos</td> <td>50</td> <td>100</td> </tr> <tr> <td>Town of Los Altos Hills</td> <td>25</td> <td>150</td> </tr> <tr> <td>City of Milpitas</td> <td>50</td> <td>25</td> </tr> <tr> <td>City of Mountain View</td> <td>25</td> <td>25</td> </tr> <tr> <td>City of Cupertino</td> <td>100</td> <td>100</td> </tr> <tr> <td>VW CRS Program</td> <td>150</td> <td>300</td> </tr> <tr> <td>All other cities/county (10 ct.)</td> <td>25</td> <td>25</td> </tr> </tbody> </table> The FPM is posted on our website https://online.flipbuilder.com/tkap/tmie/ . Valley Water's 2022-2023 Flood Awareness Outreach Partner Toolkit was made available for download to all partnering agencies: https://www.dropbox.com/s/p438zrw8lwi614r/Flood%20Awareness%202022-2023%20Partner%20Toolkit.pptx?dl=0 . The toolkit includes the following: <ul style="list-style-type: none"> • Key flood outreach messages, • SFHA FPM (multilingual) • Flood awareness double-sided flier (multilingual) for digital use and print, • Digital multilingual ads (web and social media), and • Flood Awareness text, tips, and URLs (multilingual). 	Community	Floodplain Mailer	Postcard	City of Los Altos	50	100	Town of Los Altos Hills	25	150	City of Milpitas	50	25	City of Mountain View	25	25	City of Cupertino	100	100	VW CRS Program	150	300	All other cities/county (10 ct.)	25	25
Community	Floodplain Mailer	Postcard																													
City of Los Altos	50	100																													
Town of Los Altos Hills	25	150																													
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							<p>Cupertino distributes copies of Valley Water’s Floodplain Mailer at various fairs/events and provides additional copies for the public on display at City Hall.</p> <p>Los Altos distributes copies of the Valley Water’s Floodplain Mailer and postcards at City Hall and Community Center buildings.</p> <p>Palo Alto distributes Valley Water’s multi-language floodplain mailer during fairs during Earth Day event and Palo Alto’s Open House every year.</p> <p>Santa Clara: Fliers and additional information are currently at city hall and public library.</p>
			(CUP OP #53) Distributes flood readiness outreach materials at various events/facilities	City of Cupertino	Year Round, as needed	N/A	Cupertino distributes copies of Valley Water’s Floodplain Mailer and other promotional items provided by Valley Water at various fairs/events and provides additional copies of the mailer for the public on display at City Hall.
			(GIL OP #54) Participates in two fair/events: Gilroy Garlic Festival (GF) and city’s Public Works Week Community Open House (PWWCOH)	City of Gilroy	End of July (GF) Typically, in May (PWWCOH)	N/A	Gilroy: There was no Garlic Festival (due to the shooting at this festival in July 2019, the City has postponed this event indefinitely) or PWWCOH in 2023, so no materials were distributed at those events. However, on October 4, 2022, the City hosted National Night Out where flood readiness materials were distributed.
			(LAH OP #55) Hosts two events - Earth Day (ED) and the Town Picnic (TP)	Town of Los Altos Hills	Annually, Spring (ED) and late Summer (TP)	N/A	Town of Los Altos Hills: No update available - non-CRS participating community
			(MIL OP #56) Distributes FEMA flood-related publications at various events	City of Milpitas	Year Round	N/A	Milpitas: Ongoing. Distributing flood ready kits and information on “Earth Day” which is on April 22, 2023.
			(MV OP #57) The city participates Mountain View Art & Wine Festival (MVA&WF) and Thursday Night Live (TNL) and distributes flood preparedness information	City of Mountain View	Each September (MVA&WF) Months of June/July (TNL)	Valley Water	Many events have changed post-COVID. Mountain View attends various events such as Earth Day, Public Works Week and distributes flood readiness fliers and handouts during these events.
			(PA OP #58) Staff hosts a flood readiness table at city’s annual Earth Day (ED) event and at the city Municipal Corporation Open House (MCOH). Upon request, the city also participates in other fairs and promotes flood readiness, including Creekwise mailer/brochure	City of Palo Alto	Each April (ED) and July (MCOH)	Can vary depending on requests made to City to support fairs	Palo Alto was not able to host a flood readiness table at the Earth Day Event, however, in substitute to that, the City will host a table at the July 4th event (FY24) and City Municipal Corporation Open House which will be held on July 15, 2024 (FY24). During FY23, the City provided the local library with flood readiness materials, including the emergency starter kits.

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			(SJ OP #59) Staff hosts and participates in the 'Building Permits and Home Safety Open House.' The city's also hosts 'Pumpkins in the Park' event which Valley Water staff participates in and promotes flood preparedness	City of San Jose	Each May and October	Valley Water	San Jose hosts the annual Building and Home Safety Open House. However, this year's event was on hold due to COVID-19 pandemic. The Open House is scheduled to be back on 7/18/23. The City hosted "Pumpkins in the Park" on 10/8/22. Valley Water hosted an information booth and distributed flood preparedness information on flood safety and emergency preparedness materials, including Valley Water's annual floodplain mailer.
			(SC OP #60) City hosts a flood readiness table at the Art & Wine Festival. Valley Water also sponsors a table at the festival promoting flood preparedness and distributes various flood readiness materials to the community	City of Santa Clara	Each September	N/A	Santa Clara: Flood readiness table was set-up at Arts & Wine Festival September 2022. Flood promotional packets and fliers provided by Valley Water were distributed to visitors.
	<p><u>Topic 3:</u> Protect people from the flood hazard Message 3A - Put your 3-day emergency kit together Message 3B - Follow evacuation orders Message 3C – Learn the best route to high ground</p> <p><u>Topic 9:</u> Understand shallow flooding risks – don't drive through standing water Message 9A - Understand shallow flooding risks - don't drive through standing water FEMA's message: "Turn Around Don't Drown®."</p>	<p>Less damage due to the floods; improve sandbag distribution</p> <p>Fewer accidents and rescues</p>	(SUN OP #61) City has permanent "Road May Flood" street signs in areas of the City prone to flooding and promotes the "Flood Zone Look Up" featured on the city's website	City of Sunnyvale	Year Round	N/A	Sunnyvale: Ongoing. City staff still promote the use of the "Flood Zone Lookup."
	<p><u>Topic 4:</u> Protect your property from the flood hazard Message 4A - Protect your property from the flood hazard Message 4B - Prepare your home Message 4C - Sandbags can offer protection against a foot or less of floodwater Message 4E - Get sandbags before a flood</p> <p><u>Topic 5:</u> Build responsibility Message 5A - Build responsibly in floodplains Message 5B - Comply with development requirements Message 5C - Check with your local floodplain manager before you build</p>	<p>Increase in inquiries on retrofitting measures. Decrease the number of repairs and elevations without permits. Increase number of repairs with permits</p> <p>Ensure people who are interested in protecting their property from flooding are getting the help they need</p> <p>Keep families safe</p>	<p>(CUP OP #62) The city offers Flood Protection Assistance, Property Protection Advice. Staff provides in-person flood risk consultation at the front counter and/or site visits when requested</p> <p>(MIL OP # 63) The city offers Flood Protection Assistance, Property Protection Advice and provides in-person flood risk consultation at the front counter</p> <p>(SC OP #64) The city offers Flood Protection Assistance, Property Protection Advice</p>	<p>City of Cupertino</p> <p>City of Milpitas</p> <p>City of Santa Clara</p>	<p>Year Round</p> <p>Year Round</p> <p>Year Round</p>	<p>N/A</p> <p>N/A</p> <p>N/A</p>	<p>Cupertino: Ongoing. The City maintains a log of FEMA-related requests.</p> <p>Milpitas: Ongoing. City maintains logs of FEMA-related requests.</p> <p>Santa Clara: On-going per requests to the city</p>
	<p><u>Topic 6:</u> Protect natural floodplain functions Message 6A -Keep creeks clean and flowing Message 6B - Keep debris and trash out of our streams Message 6C - Don't pollute, dump, or drain anything in creeks</p>	<p>Cleaner streams and fewer dumping violations</p> <p>Fewer debris blockages during high-flow events</p> <p>Drainage inspectors report fewer calls and a</p>	(VW OP #65) "Do Not Dump"/illegal dumping message is sent each year to all Santa Clara County residents in Valley Water's CWM and FPM	Valley Water Communications	<p>Each late October or November (CWM)</p> <p>Each November/December (FPM)</p>	All Santa Clara County CRS Communities	<p>Valley Water's FY23 FPM included the 'Do Not Dump' messaging. Additionally, Valley Water's website flood ready landing page contains 'Do not pollute, dump, or drain anything in creeks' under the 'Before a Flood' section. https://www.valleywater.org/flooding-safety/flood-ready/flood-safety-advice</p> <p>Valley Water hosted Coastal Cleanup Day (CCD) on September 17, 2022 (Results: 1,056 people participated; 52,905 distance cleaned miles; 25,912.83, includes</p>

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		decrease in the amount of trash removed					<p>recyclables, weight of trash collected; 2,217.25weight of recyclables collected), and</p> <p>National River Cleanup Day (NRCD) on May 20, 2023 (Preliminary Results: 676 people participated; 50.54 distance cleaned miles; 28,981.02 includes recyclables, weight of trash collected; 1,500.11 weight of recyclables collected). Several of our CRS communities participated. https://cleanacreek.org/past-results-2/</p> <p>Several Santa Clara communities participate in these clean-up events..</p> <p>Cupertino’s “Floodplain Management” webpage has a link to Valley Water’s Floodplain Mailer. The City also includes the “Do Not Dump” messaging in The Cupertino Scene’s annual flood preparedness article.</p> <p>Morgan Hill includes this message in their annual Flood Report. The report is posted on the City’s “Floodplain Management” landing page.</p> <p>Palo Alto has Valley Water’s CWM and FPM linked on the City’s Flood Information and Winter Storm Preparedness website.</p>
			(VW OP #66) “Do Not Dump” signs placed by waterways/channels	Valley Water O&M	Year Round	N/A	Valley Water’s Operations & Maintenance continues its practice of placing ‘Do Not Dump’ signs on waterways/ channels.
			(VW OP #67) Lists Pollution Hotline number in all Project Notices	Valley Water Communications	Year Round	N/A	Valley Water’s project notices lists the pollution hotline number. https://www.valleywater.org/project-updates/your-neighborhood
			(SCC OP #68) Storm Drain Stenciling/Medallion Program	Santa Clara County	Year Round	All Santa Clara County CRS Communities	<p>Palo Alto installs Storm Drain Stenciling/Medallion on all public right of way catch basin and inlets.</p> <p>City of Santa Clara: Stenciling/Medallion installed on public catch basins/inlets.</p> <p>Santa Clara County: No update available - non-CRS participating community.</p>
			(SUN OP #69) The city’s “Horizon” newsletter, includes Do Not Dump messaging	City of Sunnyvale	Annually, fall	N/A	Sunnyvale: The City still produces the Horizon newsletter and includes a “Do Not Dump” message. It was published in fall 2022.

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			<p>(ALL OP #70) Developments that are modifying or constructing new catch basins/storm drains/inlets are required, per the below-noted permits, to stencil the “No Dumping! Flows to Bay.” In addition, some of these cities require all bid documents for capital projects which are modifying or constructing new catch basins, and require the contractors to install the same stencil. The program is also highlighted on cities’ websites.</p> <ul style="list-style-type: none"> ▪ <i>South County municipalities are subject to the statewide “Phase II” NPDES Permit</i> ▪ <i>North County municipalities are subject to the SF Bay Municipal Regional Stormwater NPDES Permit</i> 	All Add Headings (Format > Paragraph styles) and they will appear in your table of contents.	Year Round	N/A	<p>Valley Water mark’s each inlet with a “No Dumping! Flows to Bay” message on Valley Water properties.</p> <p>Cupertino requires all storm drain inlets to include a medallion with “NO DUMPING - FLOWS TO CREEK/BAY” for development projects.</p> <p>Gilroy requires all new storm inlets and catch basins to include a stencil or medallion with no dumping, flows to creek/waterway language for development projects.</p> <p>Morgan Hill requires all storm drain inlets and catch basins within the project area of development applications to be stenciled with prohibitive language (such as: “NO DUMPING – DRAINS TO CREEK”) and/or graphical icons to discourage illegal dumping.</p> <p>Mountain View requires all storm drain inlets to include a medallion with “NO DUMPING - FLOWS TO CREEK/BAY” for development projects.</p> <p>Palo Alto requires all storm drain inlets to include a medallion with “NO DUMPING-FLOWS TO CREEK/BAY” for development projects.</p> <p>City of Santa Clara provides and installs “No Dumping Flows to Bay” plaques near each catch basin for any new storm drain inlets constructed as part of a project per the City specifications</p>
			(CUP OP #71) The city’s annual flood notice in the local newsletter, ‘The Cupertino Scene,’ contains dumping is illegal messaging and how to report	City of Cupertino	Annually, October -November	N/A	Cupertino includes the “Do Not Dump” messaging in The Cupertino Scene’s annual flood preparedness article.
			(CUP OP #72) Participates in clean-up events: the annual National River Clean-up Day (NRCD) and Coastal Clean-Up Day (CCD). They coordinate with Valley Water on both these clean-up efforts. The city also participates in Valley Water’s Adopt-a-Creek Program	City of Cupertino	Each May (NRCD) and September (CCD)	Volunteers Valley Water Stream Stewardship	<p>Cupertino participated in Coastal Clean-Up Day on 9/17/22 and National River Clean-Up Day on 5/20/23.</p> <p>The City no longer participates in Valley Water’s Adopt-a-Creek Program.</p>
			(LAH OP #73) The town participates in annual clean-up events: National River Clean-up Day (each May) and Coastal Clean-up Day (each September) and coordinates volunteers. They coordinate with Valley Water on both these clean-up efforts. The town also participates in Valley Water’s Adopt-a-Creek Program	Town of Los Altos Hills	Each May (NRCD) and September (CCD)	Volunteers Valley Water Stream Stewardship	Town of Los Altos Hills: No update available - non-CRS participating community.

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			(MIL OP #74) "Flood Public Advisory" brochure contains dumping is illegal messaging and how to report	City of Milpitas	Each December or January	N/A	Milpitas: The City's flood advisory utility bill insert has information about illegal dumping and how to report it.																								
			(MIL OP #75) Participates in annual clean-up events: National River Clean-up Day (NRCD) and Coastal Clean-Up Day (CCD). They coordinate with Valley Water on both these clean-up efforts. The city also participates in Valley Water's Adopt-a-Creek Program	City of Milpitas	Each May (NRCD) and September (CCD)	Volunteers Valley Water Stream Stewardship	Milpitas: CCD held as an in-person event on September 17, 2022. NRCD is planned for May 20, 2023 with one cleanup location.																								
			(MH OP #76) "Flood Report" contains message on keeping debris and trash out of streams – Do Not Dump messaging	City of Morgan Hill	Annually, close to or during the start of the rainy season	N/A	Morgan Hill's "2023 Flood Report" brochure will contain the message "It's illegal to dump debris and trash into our creeks."																								
			(PA OP #77) "Are You Ready for Winter Storms?" utilities insert contains the Do Not Dump and report illegal dumping messages	City of Palo Alto	Each fall	N/A	Palo Alto includes Do Not Dump and Report Illegal Messages on City's utility insert that was sent out in October 2022.																								
			(PA OP #78) Utility bill insert includes a 'Utility Announcement on Flood Safety Tips,' including Protect natural floodplains - keep rain gutters and drainage channels free of debris	City of Palo Alto	Annually, March-April	N/A	Palo Alto includes Protect Natural Floodplains-keep rain gutters and creeks free of debris messages on flood safety tips sent as Utility Announcement and the flier sent as an attachment on utility bills every year.																								
			(PA OP #79) Participates in annual clean-up events: National River Clean-up Day (NRCD) and Coastal Clean-Up Day (CCD). They coordinate with Valley Water on both these clean-up efforts. Additionally, the city participates in Valley Water's Adopt-a-Creek Program	City of Palo Alto	Each May (NRCD) and September (CCD)	Volunteers Valley Water Stream Stewardship	Palo Alto participates every year during National River Clean-up Day on Matadero and Adobe Creek. Palo Alto also participates in the multi-jurisdictional effort on creek clean-up of San Francisquito Creek.																								
			(PA OP #80) Clean-ups of trash booms located in Matadero Creek and Adobe Creek are done annually on an as-needed basis. The city also assesses its hot spots and cleans up the local drainage system on an ongoing basis and part of its operations and maintenance	City of Palo Alto	Annually, as needed	N/A	Palo Alto City staff continue clean-ups of trash booms on Matadero Creek and Adobe Creek, assess hot spots and clean ups on an ongoing basis on the entire City's storm drain network system.																								
			(SUN OP #81) "Horizon" newsletter includes a "Know How to Be FloodSafe" article that promotes the Do Not Dump message	City of Sunnyvale	Each October, Fall Edition	N/A	Sunnyvale: The City still includes a "flood Safe" message in the fall Horizon. It was published in fall 2022.																								
Residents and Businesses in the Special Flood Hazard Area (SFHA) - Low Lying Areas, Along Rivers and Creeks - Coastal Communities at Risk for Sea Level Rise/Tsunamis	Topic 1: Know your flood hazard Message 1A - Know your flood risk Message 1B - Contact your floodplain manager to find out if your property is in a floodplain Message 1C - Check if your home or business is in a Special Flood Hazard Area Topic 2: Insure your property for your flood hazard Message 2A - Get flood insurance ahead of time Message 2B - Insure your property Message 2C - There is a 30-day waiting period for the policy to take place Topic 3: Protect people from the flood hazard Message 3A - Put your 3-day emergency kit together Message 3B - Follow evacuation orders	Residents/businesses in the SFHA are aware they're in the SFHA and prepare before floods Increase in number of flood insurance policies in the SFHAs and RLAs in the county in general Prospective buyers understand flood risks Increase number of elevation certificates on file, and structures repaired with permits;	(VW OP #82) Multi-language floodplain mailer (FPM) to all residents and businesses within the SFHA in Santa Clara County (Topics 1-9)	Valley Water	Each November/December	All	Valley Water's multi-language (English, Spanish, Chinese, and Vietnamese) Floodplain Mailer (FPM) 2022-2023 'Our Climate Has Changed - Be Aware, Be Prepared, Take Action' was mailed to all SC County parcels in the FEMA SFHA; 51,120 FPMs were mailed in late November 2022. Hard copies of the FPM's (quantities noted below, as requested by the communities), along with "Our Climate Has Changed" (dated 11/2022) postcards were also mailed to each city/County in early January 2023.. <table border="1" data-bbox="2564 1552 3092 1743"> <thead> <tr> <th>Community</th> <th>Floodplain Mailer</th> <th>Postcard</th> </tr> </thead> <tbody> <tr> <td>City of Los Altos</td> <td>50</td> <td>100</td> </tr> <tr> <td>Town of Los Altos Hills</td> <td>25</td> <td>150</td> </tr> <tr> <td>City of Milpitas</td> <td>50</td> <td>25</td> </tr> <tr> <td>City of Mountain View</td> <td>25</td> <td>25</td> </tr> <tr> <td>City of Cupertino</td> <td>100</td> <td>100</td> </tr> <tr> <td>VW CRS Program</td> <td>150</td> <td>300</td> </tr> <tr> <td>All other cities/county (10 ct.)</td> <td>25</td> <td>25</td> </tr> </tbody> </table>	Community	Floodplain Mailer	Postcard	City of Los Altos	50	100	Town of Los Altos Hills	25	150	City of Milpitas	50	25	City of Mountain View	25	25	City of Cupertino	100	100	VW CRS Program	150	300	All other cities/county (10 ct.)	25	25
Community	Floodplain Mailer	Postcard																													
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- Repetitive Loss (RL) Areas	Message 3C – Learn the best route to high ground <u>Topic 4:</u> Protect your property from the flood hazard Message 4A - Protect your property from the flood hazard Message 4B - Prepare your home Message 4C - Sandbags can offer protection against a foot or less of floodwater Message 4E - Get sandbags before a flood <u>Topic 5:</u> Build responsibility Message 5A - Build responsibly in floodplains Message 5B - Comply with development requirements Message 5C - Check with your local floodplain manager before you build <u>Topic 6:</u> Protect natural floodplain functions Message 6A -Keep creeks clean and flowing Message 6B - Keep debris and trash out of our streams Message 6C - Don't pollute, dump, or drain anything in creeks <u>Topic 7:</u> Develop a Family Emergency Plan Message 7A: Develop an emergency plan <u>Topic 8:</u> Download disaster Apps Message 8A - Download disaster emergency apps <u>Topic 9:</u> Understand shallow flooding risks – don't drive through standing water Message 9A - Understand shallow flooding risks - don't drive through standing water FEMA's message: "Turn Around Don't Drown®."	decrease the number of repetitive loss increase homes Increase in the number of flood insurance policies with contents coverage	(CUP OP #83) Flood notice in the local newsletter, The Cupertino Scene, which reaches residents and businesses in the SFHA (Topics 1-9)	City of Cupertino	Each October or November issue	N/A	Additionally, electronic copies (<i>flipbook style</i>) of the FMP's were emailed to all City Managers, Public Works and Planning Directors, Floodplain Managers, CRS Coordinator's and CRS staff on December 30, 2022, for their use throughout the flood season and beyond (<i>i.e., websites, lobby area, for distribution at events</i>). Valley Water's FPM is posted on our flood protection resources landing page (FloodReady); we distributed the mailer at our various events throughout the year, and we kept copies in our main office lobby area. All Santa Clara communities support and promote Valley Water's outreach projects. The City of Los Also posted Valley Water's FPM on our flood protection website and we kept copies in the city hall lobby. The City of Cupertino posted Valley Water's FPM on our flood protection website and we kept copies in the City Hall lobby. Cupertino published the annual flood preparation article in the October 2022 issue of "The Cupertino Scene".
			(LA OP #84) Letter, along with a "Are You Prepared for a Flood in Your Neighborhood?" brochure to property owners in the SFHA (Topics 1-8)	City of Los Altos	Annually, each fall	N/A	Los Altos mailed letters to all SFHA property owners in November 2022.
			(LAH OP #85) The town's "Our Town" quarterly newsletter includes information on flood preparedness. The newsletter is mailed out town-wide and is also available online on the town's website (<i>Topics TBD during cycle visit</i>)	Town of Los Altos Hills	Each fall	N/A	Town of Los Altos Hills: No update available - non-CRS participating community.
			(MIL OP #86) "Flood Public Advisory" brochure to residents and businesses within SFHA (Topics 1-6)	City of Milpitas	Each December or January	N/A	Milpitas: A utility bill insert was sent to every address in Milpitas on 11/16/22. This was sent in four languages (English, Vietnamese, Spanish and Chinese).
			(MH OP #87) Sends a citywide "Flood Report" brochure, including to those in the SFHA (Topics 1-9)	City of Morgan Hill	Annually, close to or during the start of the rainy season	N/A	Morgan Hill's "2023 Flood Report" brochure is anticipated to go out late June 2023 or some time in July 2024.
			(MV OP #88) Sends "The View" citywide newsletter, Winter version, includes information on flood risk, flood safety, and the importance of buying flood insurance (Topics 1-9)	City of Mountain View	Fall newsletter edition	N/A	Mountain View's publications have changed. This year the information was distributed in the 'City Hall Connection' newsletter.

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			(MV OP #89) Mails a utility bill insert to all resident and businesses that contains information on flood risk, flood safety, and the importance of buying flood insurance (Topics 9)	City of Mountain View	Between July - September	N/A	Mountain View sent out Valley Water's Get Flood Ready flier as a utility billing insert to every City utility customer in December 2022.
			(PA OP #90) Sends the "Are You Ready for Winter Storms?" flier (<i>aka utilities mailer</i>) to all residents and businesses in the city, including to those in the SFHA, along with their utility bills (Topics 1-9)	City of Palo Alto	Each fall	N/A	Palo Alto sent "Are you Ready for Winter Storms?" flier as utility inserts was sent out in October 2022.
			(PA OP #91) Sends out utility announcement, "Anytime it can rain, it can flood. Don't get caught off-guard" (Topics 1, 2,3, 4, 5, 6, 7, & 9 – <i>will pursue adding other topic</i>)	City of Palo Alto	Each March/April	N/A	Palo Alto sent flood safety tips as a utility announcement in December 2022.
			(SC OP #92) Mails out a citywide, including all addresses in the SFHA, newsletter for residents and businesses called "Inside Santa Clara" (Topics 1-9)	City of Santa Clara	Each fall	N/A	Santa Clara: Newsletter was sent on November 1, 2022, and available on the City's website.
			(SUN OP #93) Sends two (2) mailers and one (1) "Horizon" newsletter article "Know How to Be Flood Safe" that promotes flood safety and flood preparedness messaging targeted to all residents and businesses within the SFHA (Topics 2 and 4)	City of Sunnyvale	Each fall around October	N/A	Sunnyvale: The City still sends out mailers to targeted residents and a flood safe newsletter article. The mailers were sent November 2022.
			(SUN OP #94) Sends mailer to all those in the SFHA (Topics 1-4, and 7)	City of Sunnyvale	Each October	N/A	Sunnyvale: The City still sends out these mailers. The mailers were sent October 2022.
	<u>Topic 2:</u> Insure your property for your flood hazard Message 2A - Get flood insurance ahead of time Message 2B – Insure your property Message 2C – There is a 30-day waiting period for the policy to take place	Increase in number of flood insurance policies in the SFHAs, RLAs, and in the county in general	(SCC OP #95) Sends letters to the properties in the unincorporated section in the areas of the county's mapped repetitive loss areas	Santa Clara County	Annually, each fall	N/A	Santa Clara County: No update available - non-CRS participating community.
			(CUP OP #96) Continues to send a letter to former repetitive loss properties	City of Cupertino	Annually, mid-year	N/A	Cupertino continues to send out an annual letter to former repetitive loss properties.
		Prospective buyers understand flood risks	(MH OP #97) Sends a notice to repetitive loss (RL) areas as required by FEMA	City of Morgan Hill	Annually, each summer	N/A	Morgan Hill will send letters to properties in the City's mapped repetitive loss areas in June 2023.
		Increase in the number of flood insurance policies with contents coverage	(PA OP #98) Sends letters to the properties in the city's mapped repetitive loss areas, highlighting flood safety tips	City of Palo Alto	Annually, typically August - September	N/A	Palo Alto sent letters to properties in the City's mapped repetitive loss areas, highlighting flood safety tips in August 2022.
			(SJ OP #99) Sends letters to the properties in the city's mapped repetitive loss areas	City of San Jose	Annually, each typically between September - December	N/A	San Jose sent letters to general repetitive loss property areas in April 2023.

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Messengers to Other Target Audiences (Organizations & Businesses Serving the Community)	<p><u>Topic 1:</u> Know your flood hazard Message 1A - Know your flood risk Message 1B - Contact your floodplain manager to find out if your property is in a floodplain Message 1C - Check if your home or business is in a Special Flood Hazard Area</p> <p><u>Topic 2:</u> Insure your property for your flood hazard Message 2A - Get flood insurance ahead of time Message 2B - Insure your property Message 2C - There is a 30-day waiting period for the policy to take place</p> <p><u>Topic 3:</u> Protect people from the flood hazard Message 3A - Put your 3-day emergency kit together Message 3B - Follow evacuation orders Message 3C - Learn the best route to high ground</p> <p><u>Topic 4:</u> Protect your property from the flood hazard Message 4A - Protect your property from the flood hazard Message 4B - Prepare your home Message 4C - Sandbags can offer protection against a foot or less of floodwater Message 4E - Get sandbags before a flood</p> <p><u>Topic 5:</u> Build responsibility Message 5A - Build responsibly in floodplains Message 5B - Comply with development requirements Message 5C - Check with your local floodplain manager before you build</p> <p><u>Topic 6:</u> Protect natural floodplain functions Message 6A - Keep creeks clean and flowing Message 6B - Keep debris and trash out of our streams Message 6C - Don't pollute, dump, or drain anything in creeks</p> <p><u>Topic 7:</u> Develop a Family Emergency Plan Message 7A: Develop an emergency plan</p> <p><u>Topic 8:</u> Download disaster Apps Message 8A - Download disaster emergency apps</p> <p><u>Topic 9:</u> Understand shallow flooding risks – don't drive through standing water Message 9A - Understand shallow flooding risks - don't drive through standing water FEMA's message: "Turn Around Don't Drown®."</p>	<p>Educate our community on flood protection and preparedness measures by working and coordinating with groups who serve as messengers, to people who are at risk of flooding, as they provide their respective business service</p>	<p>(VW OP #100) Administers a "Let's Talk Water" Speakers Bureau Program that customizes presentations to update groups on specific issues, provide updates on Valley Water projects, including flood protection projects and to educate residents on existing flood risks as well as provide resources and tips to be flood ready. https://www.valleywater.org/learning-center/lets-talk-water-speakers-bureau</p> <p>(VW OP #101) Participates in booth duty support at various events and fairs throughout the county, including Valley Water Capital project meetings or other events, as requested by various organizations</p>	<p>Valley Water Communications Unit</p> <p>Valley Water Office of Government Relations</p>	<p>On a project-specific basis or as requested</p> <p>Annually. During the flood season (starting in September – May)</p>	<p>Could vary from year-to-year Kiwanis Rotary Clubs Homeowners and Neighborhood Associations Forum Groups Association of Realtors</p> <p>All Santa Clara County CRS Communities</p>	<p>Valley Water's 'Let's Talk Water' Speakers Bureau Program is active and available to the community. General presentations discuss Valley Water's flood protection, including flood preparedness and awareness, and our creeks and ecosystems. Customized presentations for groups on specific issues are also available.</p> <ol style="list-style-type: none"> October 13, 2022 – City of San Jose Board of Retirees meeting October 20, 2022 – Palo Alto Kiwanis meeting October 22, 2022 – Greentown Los Altos Library event November 3, 2022 – Harbor Industrial Association luncheon December 6, 2022 – RE/MAX Realtor informational meeting January 4, 2023 – Mount Pleasant Neighborhood Assoc meeting January 18, 2023 – Cupertino Library presentation hosted by Cupertino Library Foundation February 9, 2023 – Sons in Retirement: Branch 54 monthly meeting February 13, 2023 – Rotary Club of Evergreen Valley meeting February 14, 2023 – Santa Clara County: Sustainability Working Group presentation March 1, 2023 – Seven Trees Neighborhood Association meeting March 6, 2023 – Leadership Morgan Hill presentation March 9, 2023 – Presentation during Mountain View Senior Center afternoon workshop March 23, 2023 – Mission San Jose Rotary Zoom meeting April 6, 2023 – Water 101 Academy presentation April 11, 2023 – Presentation during Terraces Los Gatos monthly speaker series May 4, 2023 – West San Jose Kiwanis meeting May 19, 2023 – Rotary Club of San Jose Silicon Valley <p>Valley Water staff made a concerted effort to actively participate in community events, including community festivals and emergency preparedness affairs, particularly in communities and neighborhoods in or close to flood zones. In FY23 (from September 2022 – May 2023), both Valley Water and City staff hosted 18 booths and distributed flood preparedness information on flood safety and emergency</p>

Appendix A
 CRS Creditable Outreach and Flood Response Projects by CRS Community
 Santa Clara County Multi-Jurisdictional PPI 2021
FY 2023 (Year 2) Project Accomplishments by CRS Communities

Audience	¹ Message	Outcome	Project(s) Proposed to Support the Messages (XX denotes Community acronym, and Outreach Project #)	Assignment	² Schedule	³ Stakeholder	FY 2023 (Year 2 of the 2021 PPI) Project Accomplishments INPUT HERE ONLY
							<p>preparedness materials, including Valley Water’s annual floodplain mailer.</p> <ol style="list-style-type: none"> 1. 2022 Santos Family 16th Annual Car Show-9/3/22 Alviso, CA 2. Emergency Preparedness Resource Fair-9/10/22 San Martin, CA 3. Mountain View Art & Wine Festival-9/11/22 4. Assembly Member Ash Kalra’s Veggie Fest-9/17/22 San Jose, CA 5. Rotary Club Fall Festival-9/24/22 Cupertino, CA 6. Friends of Stevens Creek Trail Trailblazer Race-9/25/22 Mountain View, CA 7. Fall Festival at Martial Cottle Park-10/1/22 San Jose, CA 8. Santa Clara Parade of Champions-10/1/22 9. Pumpkins in the Park-10/8/22 San Jose, CA 10. Bay Area Diwali Festival of Lights-10/8/22 Cupertino, CA 11. Supervisor Lee’s Day on the Bay-10/8/22 Alviso, CA 12. Santa Visits Alviso-12/10/22 13. AAUW Wildflower Run-3/26/23 Morgan Hill, CA 14. VMC Foundation Women’s Leadership & Policy Summit-4/29/23 Saratoga, CA 15. Tech Interactive Tech Challenge-4/30/23 San Jose, CA 16. Berryessa Art Festival-5/13/23 17. San Jose Giants-5/13/23 18. Campbell Boogie Music Festival, 5/20/23-5/21/23 <p>Morgan Hill hosted ‘National Night Out’ on August 2, 2022. Flood preparedness information (<i>Valley Water floodplain mailer, red ‘Get Flood Ready’ which includes an emergency supply list tote bags, etc.</i>) were distributed.</p>
			(VW OP #102) Partner with local Second Harvest Food Bank with distributing FEMA and Valley Water flood preparedness materials, including promotional item(s) as available	Valley Water CRS Program	In October (during CFPW)	Second Harvest Food Bank of Silicon Valley	<p>Valley Water partnered with the Silicon Valley Bike Coalition at the Ride Out the Drought event held on October 15, 2022; the Salvation Army on October 22, 2022; Santa Visits Alviso Foundation on December 7, 2023; Sacred Heart Community Services on February 8, 2023, and Ms. Gail Osmer, homeless advocate, on March 15, 2023 by providing and/or distributing FEMA, US Army Corps of Engineers, and Valley Water multilingual flood preparedness educational materials and emergency preparedness starter kits which supports Valley Water’s ‘Get Flood Ready’ campaign.</p> <p>Additionally, presentations on flood preparedness were made at the City of Cupertino Public Safety and Community Emergency Response Team (CERT) held on October 26, 2022, and at the City of San Jose Neighborhood CERT event</p>

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			<p>(ALL OP #103) Other New Initiatives <i>(as noted in the PPI document)</i></p> <ol style="list-style-type: none"> Continue and expand the standardized flood message prepared for each community to include flood messages in utility bills each year, including PG&E. Expand on partnerships with local chambers of commerce to disseminate and share flood preparedness information. Expand on outreach to the Asian and Latino communities who live in flood prone areas. Expand on outreach to “hot spot” flood prone areas by hosting on-site or virtual events. Expand on reaching local homeowners associations (HOA)s and apartment associations <i>(i.e. Executive Council of Homeowners [ECHO])</i> Expand on reaching residents in marginal and low-income communities through partnering with organizations that reach these communities. <i>(i.e. Second Harvest Food Bank and others)</i> Communities could pursue FEMA Matching Funds Grants for severe Repetitive Loss Areas. Review and expand other public information activities, such as Flood Protection Assistance (Activity 360) and Flood Insurance Promotion (Activity 370). Develop a region-wide Flood Response Preparations (FRP) messaging plan. 	All	TBD	TBD	<p>held on November 15, 2022. Flood resources were also shared at these events.</p> <p>The 2021 PPI Committee identified three efforts needed from each CRS community per the 2021 PPI in order to prepare and finalize subsequent annual evaluation reports. One of those efforts is that the PPI Committee must review and consider the ‘Other New Initiatives’ identified in the 2021 PPI <i>(page 66)</i> for advancing flood risk reduction efforts.</p> <p>The Santa Clara County CRS Group/PPI Committee, included the ‘Other New Initiatives’ topic for discussion at both the March 21, 2023 and May 16, 2023 meetings. <i>See Section V. SC County CRS Users Group/PPIM Committee Meetings - Monitoring and Evaluating the 2021 PPI</i> in the FY23 Annual Evaluation Report for details regarding the review/discussion of the nine other new initiatives.</p> <p>In FY 23, the following ‘Other New Initiatives’ were accomplished. The below-noted numbers correspond with the initiatives listed as (ALL OP #103) on left side of this column:</p> <ol style="list-style-type: none"> Valley Water offered assistance with developing utility bill inserts to all communities. The insert tied into Valley Water’s FY23 Flood Awareness Campaign theme, “Our Climate Has Changed.” The utility bill insert/mailed/flier were co-branded with 3 communities. Targeted mailers (FPM and trifolds) addressed to all those in the FEMA SFHA were mailed out <i>(see page 7 of the Annual Evaluation Report)</i> and were multi-language which included Spanish, Vietnamese, and Chinese. Valley Water’s ‘Let’s Talk Water: Speakers Bureau Program offers presentations on the history of Valley Water and how we operate and includes information on flood preparedness. Presentations can be customized for groups, as requested. Several HOA’s were given presentations that included flood preparedness information <i>(see page 15 of the Annual Evaluation Report)</i>. <p>Discussion at the March 21, 2023 CRS Users Group/PPI Committee meeting, Valley Water pointed out that the ArcGIS tool has several layers, including Santa Clara County Low Income Census Tracts (Poverty Zones) and Valley Water Flood Hot Spots. If any community is</p>

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							<p>interested in accessing this information, reach out to Valley Water. We asked the group if there was any overlap of Valley Water’s hot spots versus their jurisdiction’s hot spots?</p> <p>6. Valley Water staff actively participated in community events, including community festivals and emergency preparedness affairs, particularly in communities and neighborhoods in or near flood zones. In FY23 (from September 2022 – May 2023), both Valley Water and the communities staff hosted 18 booths and distributed flood preparedness information on flood safety and emergency preparedness materials, including Valley Water’s annual FPM (see page 15 of the Annual Evaluation Report).</p> <p>Other Community Engagement Efforts</p> <p>Valley Water partnered with the Silicon Valley Bike Coalition at the Ride Out the Drought event held on October 15, 2022; the Salvation Army on October 22, 2022; Santa Visits Alviso Foundation on December 7, 2023; Sacred Heart Community Services on February 8, 2023, and Ms. Gail Osmer, homeless advocate, on March 15, 2023 by providing and/or distributing FEMA, US Army Corps of Engineers, and Valley Water multilingual flood preparedness educational materials, flood insurance promotion, AlertSCC, American Red Cross All-Hazard APP, and emergency preparedness starter kits which supports Valley Water’s ‘Get Flood Ready’ campaign.</p> <p>Additionally, presentations on flood preparedness were made at the City of Cupertino Public Safety and Community Emergency Response Team (CERT) held on October 26, 2022, and at the City of San Jose Neighborhood CERT event held on November 15, 2022. Flood resources were also shared at these events.</p> <p>7. Discussion at the March 21, 2023 CRS Users Group/PPI Committee meeting regarding Valley Water and Santa Clara County looking into Valley Water possibly developing a separate flood-centric FMP rather than including it as part of the update of the County’s 2017 MJHMP. The proposed flood-centric FMP could have a direct tie-in to this initiative; however, it may not include the RLAA element as part of the FMP.</p>

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							<p>Valley Water has shared some grant opportunities Climate Change Resiliency, CAL Office of Emergency Services (OES) with our Grant’s Team. It was also mentioned that under Valley Water’s Safe Clean Water, we have some community grants available to cities/county through our Grants Program.</p> <p>8. Discussion at the March 21, 2023 CRS Users Group/PPI Committee meeting it was discussed that this initiative ties in with the ongoing CRS regionalization efforts. We will see what recommendations come out of the draft Feasibility Study.</p> <p>9. At the March 21, 2023 CRS Users Group/PPI Committee meeting, Valley Water demonstrated an electronic copy of the City of Santa Clara’s FRP. As the PPI Committee has discussed in past meetings, we are still considering using the City of Santa Clara’s FMP as a model for developing a countywide FRP that can be credited uniformly. ISO indicated this approach would likely be credited regionally.</p>
			(CUP OP #104) The city provides a Winter Preparedness notification informing contractors that during the winter season, they need to winterize their project(s) site as certain soil disturbance activities are not allowed during the rainy season	City of Cupertino	On a project-specific basis	Various contractors	Cupertino continues to prepare and mail the rainy season letters every year to applicable projects. These letters were mailed in late August 2022.
			(MIL OP#105) On a project-specific basis, the city provides contractors a Winter Preparedness notification that informs them that during the winter season, they need to winterize their project(s) site. Certain soil disturbance activities are not allowed during the rainy season	City of Milpitas	On a project-specific basis	Various contractors	Milpitas: On-going. The City of Milpitas will be sending out winterization notices to larger development projects this winter.
	<u>Topic 2:</u> Insure your property for your flood hazard Message 2A - Get flood insurance ahead of time Message 2B – Insure your property Message 2C – There is a 30-day waiting period for the policy to take place	Increase in number of flood insurance policies in the SFHAs and in the county in general Prospective buyers understand flood risks <i>These projects are credited under Activity 340 (DFH and REB) – Additional credit is provided if the PPI states that real estate agents should (or have agreed to) advise house hunters about the flood hazard and that real estate</i>	(MH OP #106) The city mails out a newsletter, “Ask Before You Buy: Know Your Flood Risk!” to local real estate agents which are provided to homebuyers to help determine the flood risk of the property being purchased (<i>listed in Appendix B</i>) (PA OP #107) Sends out letters to real estate agencies informing them of their responsibility to identify flood hazard areas and to take advantage of the Flood Zone Lookup on the city’s website	City of Morgan Hill City of Palo Alto	During or prior to the rainy season Annually, beginning of flood season (September/October)	Real Estate Agencies/Agent Real Estate Agencies/Agent	Morgan Hill will be sending the brochure to real estate agents in June 2023. Palo Alto sent letters to real estate agencies informing of their responsibility to identify flood hazard areas in August 2022.
			(SJ OP #108) Sends out letters to real estate and insurance agencies and lenders, informing them of their responsibility to identify flood hazard areas and to take advantage of the Flood Zone Lookup on the city’s website on the “Flood Hazard Zones webpage and advises to contact the city for map reading services and elevation certificates on file	City of San Jose	At the beginning of the flood season (September – December)	Real Estate Agencies/Agent	San Jose emailed letters to real estate, insurance agencies and lenders in March 2023.

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		<i>agents give house hunters a REB brochure</i>	(SUN OP #109) Sends mailer/postcard targeted to real estate agents informing them of the client's responsibility for identification and purchase of flood insurance and the availability of the automatic 15% discount	City of Sunnyvale	Each October	Real Estate Agencies/Agents	Sunnyvale: The City sent the mailers to real estate agents October 2022.

Agenda

Santa Clara County CRS Users Group & Program for Public Information (PPI) Committee Meeting

March 21, 2023 | 9:30 – 11:30am

Zoom Meeting

<https://valleywater.zoom.us/j/81783191992?pwd=Q1VkRWxlRnc4WCtGS3NlbnGR3SkxLUT09>

Meeting ID: 817 8319 1992

Passcode: 273986

+1 669 900 9128 US (San Jose)

Purpose: PPI Stakeholder Committee Annual Evaluation Meeting per Activity 330, Outreach Project, Element 332.c. Program for Public Information, Step 7 requirement (*page 2*)

Outcome: Complete development of the 2021 Multi-Jurisdictional Program for Public Information (PPI) Annual Report for FY23 (*Year 2: July 2022 to June 2023*)

Section	Meeting Topic	Presenter	Time
1.	Introductions	Amy Fonseca	10 min
2.	Review of the meeting goals and agenda	Amy Fonseca	2 min
3.	Annual review of CRS Communities Roster	Amy Fonseca	2 min
4.	Brief status update on the CRS Regionalization in Santa Clara County Feasibility Study <ul style="list-style-type: none"> • Floodplain Management Plan (FMP) vs Update to the County's 2017 Multi-Jurisdictional Hazardous Mitigation Plan (MJHMP) 	Amy Fonseca	5 min
5.	Review 2021 PPI 'Other New Initiatives'	Amy Fonseca	20 min
6.	2021 Multi-Jurisdictional Program for Public Information (PPI) Annual Evaluation Report Complete development of the Annual Evaluation Report for FY23 (<i>Year 2: July 2022 to June 2023</i>) <ul style="list-style-type: none"> • Use Activity 330 Outreach Project sheets <i>located here</i> https://fta.valleywater.org/fl/1a2Jh3wyo0 to update Appendix A from 2021 SC County Multi-Jurisdictional PPI • Update FY23 Project Accomplishments column for your community https://docs.google.com/document/d/14MiExVqFA0_Oq4RONxx_T7RHReV-5p8/edit?usp=sharing&oid=104583139517453360848&rtmpof=true&sd=true • Communities' updates due by next CRS Users Group Meeting or sooner 	Amy Fonseca	45 min
7.	Activity 350 – Flood Protection Information The community must: <ul style="list-style-type: none"> • Monthly, check the website's links at least monthly, and fix those that are no longer accurate • Annual review the community must review the content to ensure that it is still current and pertinent 	Amy Fonseca	2 min
8.	Next meeting – Joint CRS Users Group/Program for Public Information (PPI) Committee meeting <ul style="list-style-type: none"> • Complete the development of the 2021 PPI Annual Report Year 2 (FY 2023) 		2 min
9.	Adjourn		

For questions, please contact Amy Fonseca at (408) 630-3005 or afonseca@valleywater.org

Excerpt from 2017 CRS Coordinator’s Manual:

“Step 7: Implement, monitor, and evaluate the program. *The Program for Public Information committee meets at least annually to monitor the implementation of the outreach projects.* The committee assesses whether the desired outcomes were achieved and what, if anything, should be changed. *This work is described in an evaluation report that is prepared each year, sent to the governing body, and included in the annual recertification.*

The community must update its Program for Public Information at least every five years. This can be a new document or an addendum to the existing document that updates the needs assessment and all sections that should be changed based on evaluations of the projects.

The Program for Public Information update will be reviewed for CRS credit according to the *Coordinator’s Manual* currently in effect, not the version used when the community originally requested this credit. The update can qualify as the annual evaluation report for the year it was prepared. The updated Program for Public Information must be adopted following the same process as adoption of the original document.”

**Santa Clara County CRS Users Group / PPI Committee Meeting
Attendance Sheet**

March 21, 2023 | 9:30 - 11:30am | Zoom

Name	Agency
Robb Lampa	California Department of Water Resources
Jenn Chu	City of Cupertino
Susana Ramirez	City of Gilroy
Erin McDannold	City of Los Altos
Steve Golden	City of Los Altos
Thanh Nguyen	City of Los Altos
Brian Petrovic	City of Milpitas
Elizabeth Koo	City of Milpitas
Charlie Ha	City of Morgan Hill
Maria Angeles	City of Morgan Hill
Renee Gunn	City of Mountain View
Rajeev Hada	City of Palo Alto
Arlene Lew	City of San Jose
Brandon Coco	City of Santa Clara
Christian Tran	City of Santa Clara
David Dorcich	City of Saratoga
Lea Velasco	City of Sunnyvale
Suzanne Park	City of Sunnyvale
Tamara Davis	City of Sunnyvale
Darrell Wong	County of Santa Clara
Michael Alvarez	County of Santa Clara
Los Gatos PPW (Public Works)	Town of Los Gatos
Nicolle Burnham	Town of Los Gatos
Amy Fonseca	Valley Water
Don Rocha	Valley Water
Merna Leal	Valley Water
Paola Reyes (Paola Giles)	Valley Water

*Quorum Met. All CRS Communities in attendance.
Missing Cities: City of Campbell, City of Monte Sereno, and Town of Los Altos Hills*

Agenda

Agenda Item # 5.

Santa Clara County CRS Users Group & Program for Public Information (PPI) Committee Meeting

May 16, 2023 | 9:00am – 11:00 a.m.

Join Zoom Meeting

<https://valleywater.zoom.us/j/84766026839?pwd=ekFMSEpXTTQzNiZuYnh4ZU00NmM5UT09>

Meeting ID: 847 6602 6839 | Passcode: 185970 | +1 669 900 9128 US (San Jose)

Purpose: PPI Stakeholder Committee Annual Evaluation Meeting to monitor the Implementation of the 2021 Santa Clara County Multi-Jurisdictional Program for Public Information per Activity 330, Outreach Project, Element 332.c. Program for Public Information (PPI), Step 7 requirement

Outcome: 2021 PPI Annual Evaluation Report, FY23 (Year 2 of 5)

Section	Meeting Topic	Presenter	Time
1.	Introductions	Amy Fonseca	10 min
2.	Review of the meeting goals and agenda	Amy Fonseca	5 min
3.	FY22-23 Flood Awareness Campaign Results <i>approach: targeted outreach, including to renters, items to all addresses in the FEMA SFHA</i> FY23-24 Flood Awareness Campaign	Paola Giles & Probolsky Research	20 min
4.	Status of Feasibility Study for Regionalizing CRS in Santa Clara County Status of flood-centric Floodplain Management Plan (FMP) in lieu of Santa Clara County Multi-Jurisdictional Local Hazard Mitigation Plan	Amy Fonseca	10 min
5.	CRS 2023 Cycle Group (Mountain View, Palo Alto, Santa Clara, Sunnyvale) Updates	Amy Fonseca	5 min 10 min
6.	California Flood Preparedness Week (October 2023) <ul style="list-style-type: none"> • Statewide Agency Coordination Calls leading up to CFPW (<i>kicks off mid-May to early June 2023</i>) • Annual Valley Water Board Resolution • Flood event kits for all cities/county • Lobby display example (<i>use you Flood Event Kits: vertical banner, table cover, materials</i>) 	Amy Fonseca	5 min
7.	Complete development of the 2021 Multi-Jurisdictional Program for Public Information (PPI) Annual Report, FY 23 (Year 2: July 2022 to June 2023) DEADLINE 5/31/23 (Wednesday) <ul style="list-style-type: none"> • Use Activity 330 Outreach Project sheets <i>located here</i> https://fta.valleywater.org/fl/oLY0MMAJw3 to update Appendix A from 2021 SC County Multi-Jurisdictional PPI • Update FY23 Project Accomplishments column for your community https://docs.google.com/document/d/14MiExVqFA0_Oq4R0nxx_T7RHReV-5p8/edit?usp=sharing&oid=104583139517453360848&rtpof=true&sd=true REPORT DUE 8/1/23: Due during 5-year cycle visit or as part of annual re-cert.	Amy Fonseca	20 min
8.	Other items <ul style="list-style-type: none"> • ISO Training - TBD 	Amy Fonseca	5 min
9.	Adjourn		

**Santa Clara County CRS Users Group / PPI Committee Meeting
Attendance Sheet**

May 16, 2023 | 9:00 - 11:00am | Zoom

Name	Agency
Robb Lampa	California Department of Water Resources
Jenn Chu	City of Cupertino
Susana Ramirez	City of Gilroy
Steve Golden	City of Los Altos
Brian Petrovic	City of Milpitas
Maria Angeles	City of Morgan Hill
Renee Gunn	City of Mountain View
Lauren Cody	City of Mountain View
Rajeev Hada	City of Palo Alto
Vicki Thai	City of Palo Alto
Vivian Tom	City of San Jose
Brandon Coco	City of Santa Clara
Christian Tran	City of Santa Clara
Suzanne Park	City of Sunnyvale
Jennifer Ng	City of Sunnyvale
Adam Probolsky	Probolsky Research
Katie Thompson	Probolsky Research
Amy Fonseca	Valley Water
Sherilyn Tran	Valley Water
Clarissa Sangalang	Valley Water
Paola Reyes (Paola Giles)	Valley Water

Quorum Met. All CRS Communities in attendance.

Missing Cities: City of Campbell, City of Monte Sereno, City of Los Gatos, City of Saratoga, Santa Clara County, and Town of Los Altos Hills



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject **Resolution: On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 22/23 Acceptance**

Prepared by: Grant Gabler, Sewer Maintenance Supervisor

Reviewed by: Aida Fairman, Public Works Director

Approved by: Gabriel Engeland, City Manager

Attachment:
A. Resolution

Initiated by:
City Council/ Staff

Previous Council Consideration:
July 12, 2022

Fiscal Impact:

The final cost of this project is \$99,080.00 for the On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 22/23 from account 8210-5280; any remaining expenditure budget will be returned to the Sewer Fund for future allocation. The following table summarizes the final cost of this project.

Project Item	Original Project Budget	Final Cost
Construction (Spot Repair and CCTV Inspections)	\$100,000.00	\$98,112.00
Printing/Environmental Doc/Misc.	\$1,500.00	\$968.00
Total Cost	\$101,500.00	\$99,080.00

Environmental Review:

The acceptance of the work is categorically exempt from review under California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(b) (Existing Facilities), in that the project consists of the operation, repair, and maintenance of existing facilities. Also, the project involves negligible or no expansion of existing or former use, and none of the circumstances stated in CEQA Guidelines Section 15300.2 applies.

City Manager
GE

Reviewed By:
City Attorney
JH

Finance Director
JD



Subject: Resolution: On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 22/23 Acceptance

Summary:

- Adopt a Resolution accepting completion of the On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 22/23
- Authorize the Public Works Director to record a Notice of Completion as required by law

Staff Recommendation:

Adopt a Resolution accepting completion of the On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 22/23 and authorized the Public Works Director to record a Notice of Completion as required by law



Subject: Resolution: On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 22/23 Acceptance

Purpose

Accept completion of the On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 22/23.

Background

On July 12, 2022, the City Manager executed a contract with C2R Engineering, Inc. for On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for not-to-exceed \$100,000.

Discussion/Analysis

C2R Engineering, Inc. completed the repairs and CCTV inspection of On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services per the project plans and specifications. This project consisted of the replacement of five sewer laterals using the pipe bursting method, the replacement of one mainline repair using the open trench method, televising 309 feet of 6-inch sewer mainlines, and televising 401 feet of 8-inch sewer mainlines.

Recommendation

Move to adopt Resolution No. 2023-XX accepting completion of the On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 22/23 and authorize the Public Works Director to record a Notice of Completion as required by law

RESOLUTION NO. 2023-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS ACCEPTING COMPLETION AND DIRECTING THE PUBLIC WORKS DIRECTOR TO FILE A NOTICE OF COMPLETION OF THE ON-CALL SANITARY SEWER SPOT REPAIRS AND CCTV INSPECTION SERVICES FY 2022-2023

WHEREAS, the Los Altos Public Works Director has filed with the City Clerk of Los Altos an Engineer's Certificate for the completion of all work provided within and pursuant to the contract between said City and C2R Engineering, Inc., dated August 23, 2022; and

WHEREAS, it appears to the satisfaction of this City Council that work under said contract has been fully installed and completed as provided in said contract and the plans and specifications therein referred to.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos hereby authorizes the following:

- 1. That acceptance of completion of said work is hereby made and ordered; and
2. That the City Manager or his designee is directed to execute and file for recording with the County Recorder of the County of Santa Clara, Notice of Acceptance of Completion thereof, as required by law; and
3. That the acceptance of the work is exempt from review under the California Environmental Quality Act ("CEQA") under CEQA Guidelines Section 15301 (b) for reasons stated in the staff report, and none of the circumstances described in CEQA Guidelines Section 15300.2 applies, and
4. All remaining budget expenditures will be returned to the Sewer Fund.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the 22nd day of August, 2023 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Sally Meadows, MAYOR

Attest:
Melissa Thurman, MMC
CITY CLERK



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject Authorize License Agreement for Parking at Los Altos Grill

Prepared by: Nick Zornes, Development Services Director

Approved by: Gabriel Engeland, City Manager

Attachment(s):

- 1. Draft License Agreement – Los Altos Grill – 2023
- 2. Previous Los Altos Grill License Agreement – 2004

Initiated by:

Request of Los Altos Grill, Hillstone Restaurant Group Inc.

Previous Council Consideration:

- February 9, 1995 – Original Approval of Conditional Use Permit (CUP) and Memorandum of Understanding (MOU)
- September 4, 2003 – Approval of Original License Agreement

Fiscal Impact:

In consideration of the granting of this License, Licensee would pay to City, \$486.00 per parking stall for the thirty-five (35) Licensed Parking Stalls, or \$17,010.00 per year/\$1,417.50 per month, commencing on the Effective Date, on a pro-rated basis, if applicable. This amount was calculated by multiplying the \$3/ sq ft fee by a standard 9’ x 18’ parking stall which is how the Council valued parking spaces for parklet permits. Said License Fee shall be deposited into a City of Los Altos General Fund.

Environmental Review:

Not applicable.

Policy Question(s) for Council Consideration:

- Does the City Council wish to authorize the execution of the Draft License Agreement with Los Altos Grill for the expanded hours of operation and use of the City’s Parking Plaza?

City Manager

GE

Reviewed By:

City Attorney

JH

Finance Director

JE



Subject: Authorize License Agreement for Parking at Los Altos Grill

Summary:

The License Agreement is necessary for Los Altos Grill to be able to open during lunch service each day, in that it provides the required parking for the site. The draft License Agreement mirrors the original agreement which was executed in 2004 and utilizes the recently approved price per square foot of \$3.00 for parking. If the agreement is executed as proposed the City would receive \$17,010.00 annually for the use of the parking plaza to meet the required parking of the site. This amount was calculated by multiplying the \$3/ sq ft fee by a standard 9’ x 18’ parking stall.

Background:

In 1995, the City Council approved a use permit and variance to allow Los Altos Grill (formerly called Bandera) to open at 233 Third Street. When the restaurant initially opened the Bandera franchise was typically operated as dinner-only restaurants. As such, the original allowed hours of operations were after 4:00pm, 7 days a week.

The original approvals granted were a use permit for the sale and consumption of alcohol onsite, and a variance for a deviation from the required parking stall dimensions and configuration. At the time, the City Council approved the use permit and variance requests based on an MOU to allow the restaurant to use the parking plaza spaces during the evening hours.

In 2003, the City denied a variance request made by the owners of Los Altos Grill. The variance request was to allow the restaurant to operate at lunch without providing additional parking. The variance request was initially denied by the Planning Commission and appealed to the City Council. At its hearing the City Council directed staff to work with the applicant on alternative solutions to meet the parking requirements.

In 2004, the City of Los Altos executed a License Agreement with Los Altos Grill for the use of thirty-five (35) parking stalls in the parking plaza immediately adjacent to the existing establishment. The executed agreement allowed for the use of the parking plaza to meet its required parking demand and thus provide continuous service from lunch to dinner time 7 days a week. The initial term expired in 2007, and no request to extend was received which required Los Altos Grill to revert to dinner service hours only.

In January 2023, the Development Services Department received complaints to Code Enforcement regarding the expanded hours of operation at Los Altos Grill. It was discovered at that time that Los Altos Grill had re-established hours of operation for lunch service without the appropriate approvals from the City. The expanded hours of operation and use of parking plazas is in violation of the conditions of approval from the 1995 Conditional Use Permit, Variance, and Memorandum of Understanding.

The Development Services Department has worked closely with the local restaurant manager, and the Hillstone Corporate Attorney Glenn Viers on determining an appropriate method to allow for



Subject: Authorize License Agreement for Parking at Los Altos Grill

the expanded hours of operation and use of the parking plaza. After consultation with the City Attorney, it was determined that a new License Agreement would again be necessary and appropriate in order to allow the expanded hours of operation and use of parking plazas.

Analysis:

Based on the City Council action on April 7, 2023, the price per square foot for the use of parking stalls downtown was established as \$3.00/square foot. The standard parking stall dimension is nine feet by eighteen feet (9’x18’). Utilizing the standard parking stall dimensions, the square footage of a standard parking stall is 162 square feet.

Standard Parking Stall	Cost Per Square Foot	Total Per Stall
162/sq. ft.	\$3.00	\$486.00

The cost per parking stall is \$486.00. Los Altos Grill needs thirty-five (35) parking stall total as part of the proposed License Agreement.

Cost Per Stall	Number of Stalls Required	Total Annual Cost
\$486.00	35	\$17,010.00

Discussion:

The proposed License Agreement is necessary based on the required parking Pursuant to Chapter 14.74 of the Los Altos Municipal Code. Since 1995, since the original project was approved the site has been deficient in meeting the required parking onsite. The parking deficiency has previously been resolved based on the executed 1995-Memorandum of Understanding for evening parking use and the 2004-License Agreement for daytime parking use. Since January 2023, Los Altos Grill has been out of compliance with the approved 1995-Conditional Use Permit, Variance, and Memorandum of Understanding, and the existing Los Altos Municipal Code regulations. In order to come into compliance with the required parking for the site, the business owner must enter into the proposed License Agreement similar to the 2004 executed agreement.

Staff Recommendation:

Authorize the City Manager to execute the proposed License Agreement with Los Altos Grill for the use of City’s Parking Plaza to meet its parking demand as required in the Los Altos Municipal Code.

**LICENSE AGREEMENT
LOS ALTOS GRILL**

This Parking License Agreement (“License”) is entered into as of this ___ day of August, 2023 (“Effective Date”), by and between the CITY OF LOS ALTOS, a municipal corporation, One North San Antonio Road, Los Altos California, (“City”) and HILLSTONE RESTAURANT GROUP, INC., a Delaware corporation, dba the LOS ALTOS GRILL, hereinafter referred to as “Licensee,” occupies the property located at 233 Third Street, Los Altos California (“Owner”). City and Licensee may be referred to individually as a “Party” or collectively as the “Parties.” This License Agreement rescinds and replaces the Parking License Agreement dated May 2004.

Recitals

A. City is the owner of that certain real property, commonly referred to as parking plaza number 3, located in the City of Los Altos, County of Santa Clara, State of California, (the “Property”). The Property as depicted in the map attached hereto as Exhibit “A” and incorporated by this reference.

B. The Property contains a parking lot or parking area, consisting of approximately 211 surface parking stalls, which are situated on the Property (the “Parking Area”). Such Parking Area services the City and is available for parking by the general public.

C. Licensee leases that certain real property, together with an approximately 6,722 square foot restaurant building situated thereon, which is leased to Hillstone Restaurant Group, Inc., doing business as the Los Altos Grill (“Los Altos Grill”) located at 233 Third Street, in the City of Los Altos, County of Santa Clara, State of California, APN 167-38-5 (the “Los Altos Grill Property”). The Los Altos Grill Property is more particularly described in Exhibit “B” attached hereto and incorporated by this reference.

D. Licensee currently operates the Los Altos Grill pursuant to the terms and conditions of Condition Use Permit 95-UP-1 (“CUP 95-UP-1”). Licensee has a pre-existing written parking agreement referred to here as the Memorandum of Understanding (“MOU”) dated October 1996. Said MOU governed the off-site parking requirements for CUP 95-UP-1, which authorized Licensee to operate the Los Altos Grill during evening hours every day from 5:00 p.m. to 11:00 p.m. (Los Altos Grill not opening before 4:00 p.m.).

E. Licensee now desires to operate the Los Altos Grill pursuant to the terms and conditions of Conditional Use Permit 03-UP-10 (“CUP 03-UP-10”) with expanded hours of operation. This License is necessary for Licensee to meet its off-site parking requirements for CUP 03-UP-10, specifically for the expanded hours of 11:00 a.m. to 4 :00 p.m. use by the Los Altos Grill.

F. To satisfy the off-site parking conditions in CUP 95-UP-1 and CUP 03-UP-10, Licensee desires the right to use thirty-five (35) parking stalls located within the Parking Area referred to above (the “Licensed Parking Stalls”). The Parties intend that such Licensed Parking Stalls be available for use by Licensee and its guests and invitees who occupy or use the Los Altos Grill referred to above during the License Term referred to below.

G. City is willing to grant to Licensee a terminable, non-exclusive license to use such Licensed Parking Stalls on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements described below, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. License Supplements Existing MOU. This License in addition to the MOU and shall govern the off-site parking requirements for CUP 95-UP-1 and CUP 03-UP-10 as set forth below:

This License shall supplement the existing MOU governing the off-site parking requirements and authorize the operation of the Los Altos Grill during evening hours from 4:00 p.m. until 11:00 p.m. weekdays and all day on weekends, pursuant to CUP 95-UP-1.

This Licensee shall govern the off-site parking requirements and authorize the operation of the Los Altos Grill during the hours between 11:00 a.m. to 2:00 p.m. weekdays and all day on weekends, pursuant to CUP 03-UP-10.

2. License. City hereby grants to Licensee the terminable, non-exclusive right to use the Licensed Parking Stalls for the purpose of allowing Licensee and its guests and invitees who occupy or use the Los Altos Grill to park motor vehicles in said Licensed Parking Stalls. City grants to Licensee the right of ingress and egress over the Property to the extent necessary to gain access to and from such Licensed Parking Stalls and the Parking Area and the public street(s) adjacent to the Parking Area, which right of ingress and egress shall be in effect at all times during the term of this License. Nothing in this License shall be construed to grant or confer to Licensee any property interest or vested right in the Property.

3. Modifications to Parking Area. City shall have the right to make modifications to the Parking Area without notice to, and without obtaining the consent of, Licensee so long as such modifications do not materially interfere with Licensee's non-exclusive right to park in the Licensed Parking Stalls. City may also close the Parking Area, or portions thereof, for the purpose of maintaining, repairing, or replacing the same or to prevent prescriptive easements or rights from being created.

4. Term. City grants this License for a term of the lesser of (i) six (6) months from the Effective Date, or (ii) until such date as the Los Altos City Council shall establish a new standard value/rate for parking stalls in the Parking Area (as defined above), provided however, that if the condition of subsection (ii) is not satisfied within six(6) months, this License shall continue on a month-to-month basis it being the intent of the parties that at such time as a new standard parking value is adopted by the City Council, this License shall be amended to incorporate such new value/rate. Upon the expiration or termination of this License, or the revocation of CUP 03-UP-10, the terms of the MOU shall govern the off-site parking requirements for CUP 95-UP-1, which authorizes Licensee to operate the Los Altos Grill during evening hours every day from 4:00 p.m. to 11:00 p.m. (Los Altos Grill not opening before 4:00 p.m.).

5. Beneficiaries of License. This License is hereby granted in favor of Licensee for the benefit, use and enjoyment of Licensee and its guests and invitees who occupy or use the Los Altos

Grill referred to above. At no time during the term of this License, shall Licensee's employees be eligible for City of Los Altos parking permits. Licensee's employees shall use the existing seventeen (17) parking stalls that currently serve the Los Altos Grill Property.

6. License Fee. In consideration of the granting of this License, Licensee shall pay to City, \$486.00 per parking stall for the thirty-five (35) Licensed Parking Stalls, or \$17,010.00 per year/\$1,417.50 per month ("the "License Fee"), commencing on the Effective Date, on a pro-rated basis, if applicable. This amount was calculated by multiplying the \$3/ sq ft fee by a standard 9' x 18' parking stall. Said License Fee shall be deposited into a City of Los Altos parking fund.

7. Insurance. Licensee shall name City as an additional insured on Licensee's commercial general liability insurance policy covering the Los Altos Grill Property. Such policy shall provide protection against claims for personal injury, death or property damage occurring in, on or about the Parking Area or the Los Altos Grill Property due to the negligent act(s) of Licensee or any of its agents, employees, assignees, subtenants, guests, or invitees. Upon reasonable request made by City to Licensee, Licensee shall furnish City with a copy of its liability insurance policy (or a certificate of such liability insurance policy) evidencing the insurance coverage required to be maintained by Licensee as described above.

8. Indemnification. Licensee agrees to indemnify and hold City, its officers and employees **harmless** from and against any liability, damages, costs, losses, claims and expenses, including reasonable attorneys' fees, arising out of the negligent acts, errors, or omissions of Licensee or Licensee's assistants, employees, or agents, in the performance of this License.

9. Attorney's Fees. In the event any Party hereto shall bring an action, suit, or legal proceeding to enforce, protect or interpret the terms of this License, the prevailing party shall be entitled to recover, as a part of such action, suit or legal proceeding, reasonable attorney's fees and court costs, including, attorney's fees and costs for appeal, as may be fixed by the trier of fact.

10. Rights of Parties. The provisions of this License shall be non-exclusive, and the access rights granted in this License are personal and limited solely to Licensee for the stated purpose set forth in this License. Licensee agrees not to commit waste or to construct, allow or maintain any use, construction or operate any equipment which constitutes a nuisance on the Property, or which may in any way interfere with the use, enjoyment, or possession of the Property by City. The Property shall not be used by any person or entity, including the Licensee or its employees, for any purpose other than stated in this License. Neither this License, nor the rights granted to Licensee within it, shall be assignable or otherwise transferable without the prior written consent of City. Unless specifically stated to the contrary in any written consent to an assignment, no assignment or other transfer will release or discharge the Licensee from any duty, responsibility, or liability under this License. City reserves the right to use Parking Area in any manner, provided that such use does not materially interfere with the rights granted to the Licensee in this License.

11. Termination. This License may be terminated with or without cause by Licensee upon providing thirty (30) days' written notice of said termination to City, or its representative. Licensee will pay a pro-rata share of annual payments in the event that the License is terminated during a year. The City may terminate this License upon providing thirty (30) day's notice to Licensee and if Licensee is in violation of CUP 95-UP-1 and/or CUP 03-UP-10, or that Licensee is in violation of any state or federal law, or any local ordinances.

12. Notices. If any notice given pursuant to the License is not personally delivered to Licensee, said notice shall be deemed to be delivered five (5) days after deposit of said notice in a sealed envelope, postage fully prepaid, in a mailing facility regularly maintained by the United States Post Office Department, addressed as follows:

To Licensee:

Hillstone Restaurant Group, Inc.
Attention: General Counsel
27102425 Camelback Road, Suite 200
Phoenix, AZ 85016

Email: HRG.LicenseAndPermits@hillstone.com

With a copy to: Attention: Manager
Los Altos Grill
233 Third Street
Los Altos, California 94022

To City (City of Los Altos) at:

City of Los Altos - Attention: Gabriel Engeland, City Manager
One North San Antonio Road
Los Altos, CA 94022

13. Authority To Grant License. City warrants that it is the owner of the Property and that it has the full rights and authority to grant the rights to the Licensee which are contained in this License.

14. Counterparts. This License may be executed in counterparts, each of which shall be deemed an original and which together shall constitute one instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this License as of the date and year written above.

CITY: The City of Los Altos

By: _____
Mr. Gabriel Engeland, City Manager

Approved as to form:

By: _____
Jolie Houston, City Attorney

Attest:

By: _____
Melissa Turman City Clerk

LICENSEE: Hillstone Restaurant Group, Inc., a Delaware corporation d/b/a/ Los Altos Grill

By: _____
W. Glenn Viers
Vice President & General Counsel

**LICENSE AGREEMENT
LOS ALTOS GRILL**

This Parking License Agreement (“License”) is entered into as of this 31st day of May, 2004 (“Effective Date”), by and between the CITY OF LOS ALTOS, a municipal corporation, One North San Antonio Road, Los Altos California, (“City”) and HOUSTON’S RESTAURANTS, INC., a Delaware corporation, dba the LOS ALTOS GRILL, hereinafter referred to as “Licensee,” occupies the property located at 233 Third Street, Los Altos California (“Owner”). City and Licensee may be referred to individually as a “Party” or collectively as the “Parties.”

Recitals

A. City is the owner of that certain real property, commonly referred to as parking plaza number 3, located in the City of Los Altos, County of Santa Clara, State of California, (the “Property”). The Property as depicted in the map attached hereto as Exhibit “A” and incorporated by this reference.

B. The Property contains a parking lot or parking area, consisting of approximately 211 surface parking stalls, which are situated on the Property (the “Parking Area”). Such Parking Area services the City and is available for parking by the general public.

C. Licensee leases that certain real property, together with an approximately 6,722 square foot restaurant building situated thereon, which is leased to Houston’s Restaurants, Incorporated, doing business as the Los Altos Grill (“Los Altos Grill”) located at 233 Third Street, in the City of Los Altos, County of Santa Clara, State of California, APN 167-38-5 (the “Los Altos Grill Property”). The Los Altos Grill Property is more particularly described in Exhibit “B” attached hereto and incorporated by this reference.

D. Licensee currently operates the Los Altos Grill pursuant to the terms and conditions of Condition Use Permit 95-UP-1 (“CUP 95-UP-1”). Licensee has a pre-existing written parking agreement referred to here as the Memorandum of Understanding (“MOU”) dated October 1996. Said MOU governs the off-site parking requirements for CUP 95-UP-1, which authorizes Licensee to operate the Los Altos Grill during evening hours every day from 5:00 p.m. to 11:00 p.m. (Los Altos Grill not opening before 4:00 p.m.). The MOU is attached hereto as Exhibit “C” and incorporated by this reference.

E. Licensee desires to operate the Los Altos Grill pursuant to the terms and conditions of Conditional Use Permit 03-UP-10 (“CUP 03-UP-10”). This License is necessary for Licensee to meet its off-site parking requirements for CUP 03-UP-10, specifically for the 11:00 a.m. to 4:00 p.m. use by the Los Altos Grill.

F. To satisfy the off-site parking conditions in CUP 95-UP-1 and CUP 03-UP-10, Licensee desires the right to use thirty-five (35) parking stalls located within the Parking Area referred to above (the “Licensed Parking Stalls”). The Parties intend that such Licensed Parking Stalls be available for use by Licensee and its guests and invitees who occupy or use the Los Altos Grill referred to above during the License Term referred to below.

G. City is willing to grant to Licensee a terminable, non-exclusive license to use such Licensed Parking Stalls on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements described below, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. License Supplements Existing MOU. This License is in addition to the MOU and shall govern the off-site parking requirements for CUP 95-UP-1 and CUP 03-UP-10 as set forth below. This License shall supplement the existing MOU governing the off-site parking requirements and authorizing the operation of the restaurant after 4:00 p.m. weekdays and all day on weekends, pursuant to CUP 95-UP-1.

2. License. City hereby grants to Licensee the terminable, non-exclusive right to use the Licensed Parking Stalls prior to 4:00 p.m. during the weekdays for the purpose of allowing Licensee and its guests and invitees who occupy or use the Los Altos Grill to park motor vehicles in said Licensed Parking Stalls. City grants to Licensee the right of ingress and egress over the Property to the extent necessary to gain access to and from such Licensed Parking Stalls and the Parking Area and the public street(s) adjacent to the Parking Area, which right of ingress and egress shall be in effect at all times during the term of this License. Nothing in this License shall be construed to grant or confer to Licensee any property interest or vested right in the Property.

3. Modifications to Parking Area. City shall have the right to make modifications to the Parking Area without notice to, and without obtaining the consent of, Licensee so long as such modifications do not materially interfere with Licensee's non-exclusive right to park in the Licensed Parking Stalls. City may also close the Parking Area, or portions thereof, for the purpose of maintaining, repairing or replacing the same or to prevent prescriptive easements or rights from being created.

4. Term. City grants this License for a term of three (3) years from the Effective Date, or June 30, 2007, whichever is earlier. Upon the expiration or termination of this License, or the revocation of CUP 03-UP-10, the terms of the MOU shall govern the off-site parking requirements for CUP 95-UP-1, which authorizes Licensee to operate the Los Altos Grill during evening hours every day from 4:00 p.m. to 11:00 p.m. (Los Altos Grill not opening before 4:00 p.m.).

5. Beneficiaries of License. This License is hereby granted in favor of Licensee for the benefit, use and enjoyment of Licensee and its guests and invitees who occupy or use the Los Altos Grill referred to above. At no time during the term of this License, shall Licensee's employees be eligible for City of Los Altos parking permits. Licensee's employees shall use the existing seventeen (17) parking stalls that currently serve the Los Altos Grill Property.

6. License Fee. In consideration of the granting of this License, Licensee shall pay to City, \$750.00 per parking stall for the thirty-five (35) Licensed Parking Stalls, or \$26,250.00 per year ("the "License Fee"). Said License Fee shall be deposited into a City of Los Altos parking fund, and Licensee shall be credited for said payments at the time a City of Los Altos parking in-lieu fee is established. A pro-rated amount of \$7,325.71 received by City for off-site parking pursuant to the MOU for February 2004 to January 2005 shall be credited to the 2004 License Fee.

7. Insurance. Licensee shall name City as an additional insured on Licensee's commercial general liability insurance policy covering the Los Altos Grill Property. Such policy shall provide protection against claims for personal injury, death or property damage occurring in, on or about the Parking Area or the Los Altos Grill Property due to the negligent act(s) of Licensee or any of its agents, employees, assignees, subtenants, guests or invitees. Upon reasonable request made by City to Licensee, Licensee shall furnish City with a copy of its liability insurance policy (or a certificate of such liability insurance policy) evidencing the insurance coverage required to be maintained by Licensee as described above.

8. Indemnification. Licensee agrees to indemnify and hold City harmless, its officers and employees from and against any liability, damages, costs, losses, claims and expenses, including reasonable attorneys' fees, arising out of the negligent acts, errors, or omissions of Licensee or Licensee's assistants, employees or agents, in the performance of this License.

9. Attorney's Fees. In the event any Party hereto shall bring an action, suit or legal proceeding to enforce, protect or interpret the terms of this License, the prevailing party shall be entitled to recover, as a part of such action, suit or legal proceeding, reasonable attorney's fees and court costs, including, attorney's fees and costs for appeal, as may be fixed by the trier of fact.

10. Rights of Parties The provisions of this License shall be non-exclusive and the access rights granted in this License are personal and limited solely to Licensee for the stated purpose set forth in this License. Licensee agrees not to commit waste or to construct, allow or maintain any use, construction or operate any equipment which constitutes a nuisance on the Property or which may in any way interfere with the use, enjoyment or possession of the Property by City. The Property shall not be used by any person or entity, including the Licensee or its employees, for any purpose other than stated in this License. Neither this License, nor the rights granted to Licensee within it, shall be assignable or otherwise transferable without the prior written consent of City. Unless specifically stated to the contrary in any written consent to an assignment, no assignment or other transfer will release or discharge the Licensee from any duty, responsibility or liability under this License. City reserves the right to use Parking Area in any manner, provided that such use does not materially interfere with the rights granted to the Licensee in this License.

11. Termination. This License may be terminated with or without cause by Licensee upon providing thirty (30) days' written notice of said termination to City, or its representative. Licensee will pay a pro-rata share of annual payments in the event that the License is terminated during a year. The City may terminate this License upon providing thirty (30) day's notice to Licensee if Licensee is in violation of CUP 95-UP-1 and/or CUP 03-UP-10, or that Licensee is in violation of any state or federal law, or any local City of Los Altos ordinances.

12. Notices. If any notice given pursuant to the License is not personally delivered to Licensee, said notice shall be deemed to be delivered five (5) days after deposit of said notice in a sealed envelope, postage fully prepaid, in a mailing facility regularly maintained by the United States Post Office Department, addressed as follows:

To Licensee:
Houston's Restaurants, Inc.
Attention: General Counsel

2425 Camelback Road, Suite 200
Phoenix, AZ 85016
Facsimile at 602-553-2170

With a copy to: Attention: Manager
Los Altos Grill
233 Third Street
Los Altos, California 94022

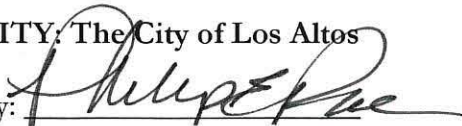
To City at::

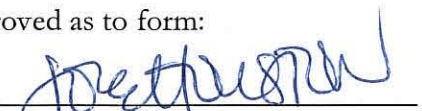
City of Los Altos - Attention: Phil Rose, City Manager
One North San Antonio Road
Los Altos, CA 94022
Facsimile at (650) 947-2731

13. Authority To Grant License. City warrants that it is the owner of the Property and that it has the full rights and authority to grant the rights to the Licensee which are contained in this License.

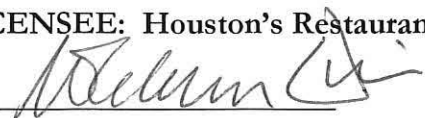
14. Counterparts. This License may be executed in counterparts, each of which shall be deemed an original and which together shall constitute one instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this License as of the date and year written above.

CITY: The City of Los Altos
By: 
Mr. Phil Rose, City Manager

Approved as to form:
By: 
Jolie Houston, City Attorney

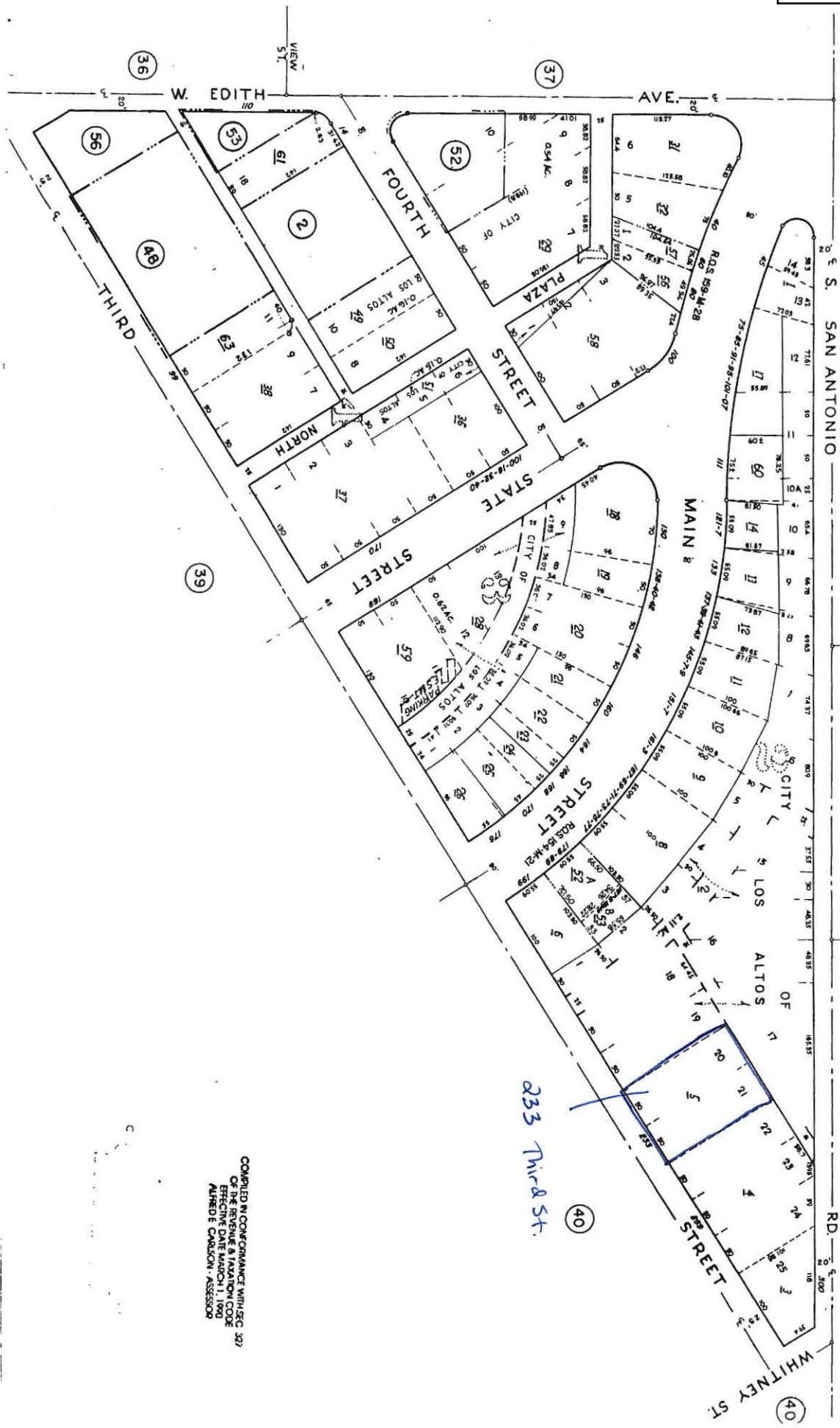
Attest:
By: 
Susan Kitchens, City Clerk

LICENSEE: Houston's Restaurants, Inc.
By: 

**W. GLENN VIERS
VICE PRESIDENT/GENERAL COUNSEL
ASST. SECRETARY**



**City of Los Altos
Downtown Parking Plazas**



COMPILED IN CONFORMANCE WITH SEC. 307
 OF THE REVENUE & TAXATION CODE
 EFFECTIVE DATE MARCH 1, 1990
 ARNOLD E. CARLSON - ASSESSOR

OFFICE OF COUNTY ASSESSOR SANTA CLARA COUNTY, CALIFORNIA
 MAP # 1 TOWN OF LOS ALTOS

BK 170

HAWTHORNE AVE



BOOK 167
 PAGE 38

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MEMORANDUM OF UNDERSTANDING

This "Memorandum of Understanding" (hereinafter referred to as M.O.U.) is in reference to a shared parking arrangement between Houston's Restaurants, Inc. (hereinafter referred to as "BANDERA"), the owner of the Bandera restaurant located on the property at 233 Third Street, APN 167-38-5, the City of Los Altos (hereinafter referred to as "CITY"), and Russel Stanley (hereinafter referred to as "OWNER"), owner of the real property involved.

It is mutually agreed as follows:

1. CITY agrees to allow BANDERA to use a maximum total of 39 parking stalls, from 5:00 p.m. to 11:00 p.m. each day, in the South Parking Plaza ("Plaza") immediately adjacent to the 233 Third Street premises to satisfy the "off site" parking requirements of Use Permit 95-UP-1. Said stalls shall not be specific in location within the Plaza and said stalls shall not be marked or signed specifically for the exclusive use of the restaurant, it being understood that the entire Plaza is available for use by the general public.

2. OWNER and BANDERA agree to allow CITY to use, for general public use, a maximum total of 11 parking stalls, from 11:00 a.m. to 2:00 p.m. each day, on the private property premises at 233 Third St. Signs, subject to satisfaction of the City's Traffic Engineer, shall be provided by OWNER and BANDERA that clearly state that the subject stalls are available for general public use from 11:00 a.m. to 2:00 p.m.

3. BANDERA agrees to compensate CITY \$342 per year per stall for use of the South Parking Plaza from 5:00 p.m to 11:00 p.m. for a total annual amount of \$13,338 for the 39 subject stalls. CITY agrees to apply a credit to the annual amount due at the rate of \$698 per year per stall for the permitted public use of the private parking stalls on the 233 Third Street premises from 11:00 a.m. to 2:00 p.m. for a total annual credit of \$7,678 for the subject 11 stalls. The total net compensation fee payable to CITY is \$5,660 which represents the difference between the total amount due of \$13,338 and the applied credit of \$7,678.

4. BANDERA agrees that the restaurant will not open to the public before 4:00 p.m. on week days.

5. The annual total net compensation of \$5,660 shall apply to the first year of the restaurant's operation, beginning on the first day of the restaurant's operation, and shall be payable in advance of the restaurant's opening to the public.

The annual total net compensation fee shall be adjusted annually based on the Consumer Price Index (Bay Area All Urban Consumers) and shall be payable in advance of the anniversary date of the beginning of the restaurant's operation. The CPI adjustment will be made using published data for the most recent 12 month period that is available at the time the CPI adjustment is calculated.

In the event the Bandera Restaurant permanently ceases operation, the CITY shall refund a proportionate share of the net compensation paid by BANDERA, less a \$500 fee for City administrative expenses, for the unused period of time for that year.

6. This agreement will terminate upon either of the following, whichever occurs first:

- a. Violation of any of the provisions of this M.O.U. by OWNER or BANDERA
- b. Cessation of the operation of the Bandera Restaurant on the 233 Third Street premises. In the event a subsequent restaurant or another use is proposed for the subject property, the City will review the appropriateness of a shared parking agreement similar to this agreement at that time, based on the parking impacts related to such new use and the needs of the City.

7. The attached Exhibit A (RATIONALE FOR DETERMINING RENTAL VALUE OF PUBLIC PARKING STALLS IN LOS ALTOS PARKING PLAZAS) and Exhibit B (OPTIONS FOR GIVING CREDIT FOR PUBLIC USE OF PRIVATE (ON-SITE) PARKING STALLS OF BANDERA RESTAURANT) are included as a part of this M.O.U. as background information on the initial calculation of the fees and credits.

REVIEWED AND APPROVED AS TO CONTENT:

By: Bruce Bane
BRUCE BANE, PUBLIC WORKS DIRECTOR

10-7-96
Date

REVIEWED AS TO FORM:

By: Robert K. Booth
ROBERT K. BOOTH, CITY ATTORNEY

10-16-96
Date

W. Glenn Viers
CITY OF LOS ALTOS, CITY MANAGER

10/16/96
Date

W. Glenn Viers
VICE PRESIDENT/GENERAL COUNSEL
ASST. SECRETARY
HOUSTON'S RESTAURANTS, INC. dba BANDERA RESTAURANT

10.17.96
Date

Russel Stanley
PROPERTY OWNER. RUSSEL STANLEY

10-4-96
Date

Exhibit A

Alternative A: Value of parking stall varies depending on time of use and % of total parking use

**RATIONALE FOR DETERMINING RENTAL VALUE
OF PUBLIC PARKING STALLS IN LOS ALTOS PARKING PLAZAS**

ASSUMPTIONS/CALCULATIONS:

1. Value of typical public parking stall = \$30,000 (includes current land value of stall and proportionate aisle space, all construction costs, and all incidental costs).
2. Fair rate of return on investment, for annual rental(long term) =7.5%.
3. Annual rental rate per stall = \$2,250.
4. Proportion value based on time of use and % of total parking use:

<u>Time Period</u>	<u>Estimated Average % Occupancy</u>	<u>% of Total Parking Use</u>
2 - 5:00 a.m.	0	0
5 - 8:00 a.m.	15	5
8 - 11:00 a.m.	65	22
11 - 2:00 p.m.	90	31
2 - 5:00 p.m	75	26
5 - 8:00 p.m.	25	9
8 - 11:00 p.m.	15	5
11 - 2:00 a.m.	5	2

5. Value of use from 5:00 - 11:00 p.m is proportionate to % of total use
= 9% + 5% = 14%
6. Annual rental rate per stall, from 5:00 p.m. to 11:00 p.m.
= .14 x \$2,250 = \$315
7. Daily rental rate per stall, from 5:00 p.m. to 11:00 p.m.
= \$315/365 = \$0.86 (not incl. City misc. operating costs)
8. Include 10% for City administration/monitoring/liability and round to \$0.95 per stall per day, for use between 5:00 p.m. and 11:00 p.m.
9. For a total of 39 stalls, from 5:00 p.m. - 11:00 p.m..

Daily rate	= \$37.05
Monthly rate	= \$1,111.50
Annual rate	= \$13,338

EXHIBIT B

OPTIONS FOR GIVING CREDIT FOR PUBLIC USE OF PRIVATE (ON-SITE) PARKING STALLS OF BANDERA RESTAURANT

ASSUMPTIONS:

1. The value of a private (on-site) parking stall is the same as a public parking stall (annual rental rate per stall = \$2,250).
2. The hours of public use of the private stalls will be from 11:00 a.m. to 2:00 p.m.
3. Eleven (11) of the 17 private stalls will be available for limited public use.
4. The designated 11 private stalls will be properly signed for the permitted hours of public use (i.e. **Public Parking Permitted from 11:00 a.m. to 2:00 p.m.**).

Using Alternative A for determining stall value.

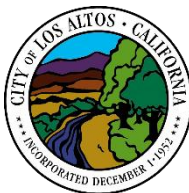
Value of use from 11:00 a.m. to 2:00 p.m. = 31% of total use.
(see table in Alternative A analysis)

Annual rental rate per stall, from 11:00 a.m. to 2:00 p.m., = $.31 \times \$2,250 = \698

For 11 private stalls, total credit = $11 \times \$698 = \$7,678$

SUMMARY OF ALTERNATIVES FOR DETERMINING STALL VALUE AND OPTIONS FOR GIVING CREDIT FOR PUBLIC USE OF PRIVATE STALLS

Method of determining stall value	Annual value of 39 public stalls from 5:00 p.m to 11:00 p.m.	Annual value of 11 private stalls used for public use from 11:00 a.m. to 2:00 p.m	Annual net difference
Alternative A (value based on time of use & % of total parking use)	\$13,338	\$7,678	\$5,660



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject Resolution 2023-XX to Approve the Fiscal Year 2022/23 Salary Schedule to Comply with California Public Employees’ Retirement System (CalPERS) Statutory and Regulatory Requirements for Compensation Earnable and Publicly Available Salary Schedules

Prepared by: Irene Barragan, Human Resources Director

Reviewed by: Gabriel Engeland, City Manager

Approved by: Gabriel Engeland, City Manager

Attachment(s):

- 1. City of Los Altos Resolution No. 2023-XX
- 2. Revised FY 23-24 Pay Rate Schedule

Initiated by:

City Staff

Previous Council Consideration:

June 13, 2023

Fiscal Impact:

None

Environmental Review:

Not Applicable

Policy Question(s) for Council Consideration:

- Does the Council wish to adopt Resolution 2023-XX that includes the Revised Fiscal Year 2023/24 publicly available Pay Rate Schedule?

Summary:

- While the City of Los Altos has a publicly available pay rate schedule on its external website and incorporates all City Council approved Memorandum of Understanding (MOU) and non-represented pay rate increases to date, a comprehensive pay rate schedule needs to be approved by Council to confirm pay rates.

Reviewed By:

City Manager

GE

City Attorney

JH

Finance Director

JD



Subject: Title

-
- Thus, to comply with both California Government Code (GC) 20636(d) and California Code of Regulations (CCR) 570.5, staff requests approval and confirmation of the updated comprehensive pay rate schedule.

Staff Recommendation:

Adopt City of Los Altos Resolution No. 2023-XX approving the Revised FY23-24 Pay Rate Schedule.



Subject: Title

Purpose

Approve the updated Fiscal Year 2023/24 pay rate schedule that incorporates all City Council approved Memorandum of Understanding (MOU) and non-represented pay rate increases to date.

Background

The California Public Employees’ Retirement System (CalPERS) reinforces the requirement under California Government Code (GC) section 20636(d) that “Notwithstanding any other provision of law, payrate and special compensation schedules, ordinances, or similar documents shall be public records available for public scrutiny”. Additionally, the California Code of Regulations (CCR) 570.5 specifies the required elements necessary to meet the definitions of a publicly available pay schedule. An overview of these requirements is as follows:

1. Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
2. Identifies the position title for every employee position;
3. Shows the payrate range for each identified classification,
4. Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
5. Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
6. Indicates an effective date and date of any revisions;
7. Is retained by the employer and available for public inspection for not less than five years; and
8. Does not reference another document in lieu of disclosing the payrate.

Discussion/Analysis

While the City of Los Altos has a publicly available salary schedule on its external website and incorporates all City Council approved Memorandum of Understanding (MOU) salary increases to date, a comprehensive salary schedule needs to be approved by Council when updates are made to the salary schedule. The updates to this salary schedule cover Finance Director, City Engineer and part-time classification ranges.

Recommendation

The staff recommends Council adopt City of Los Altos Resolution No. 2023-XX approving the Revised FY23-24 Pay Rate Schedule.

RESOLUTION NO. 2023-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS
APPROVING THE UPDATED FISCAL YEAR 2023/24 PAY SCHEDULE TO COMPLY
WITH CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS)
STATUTORY AND REGULATORY REQUIREMENTS FOR COMPENSATION
EARNABLE AND PUBLICLY AVAILABLE PAY SCHEDULES**

WHEREAS, all employers must comply with the compensation earnable and publicly available pay schedules provisions contained within California Government Code (GC) section 20636(d) and California Code of Regulations (CCR) 570.5; and

WHEREAS, it is necessary for the City Council to review and duly approve and adopt in accordance with requirements of applicable public meetings laws a publicly available pay schedule; and

WHEREAS, attached to this resolution and incorporated by reference is the City's comprehensive pay schedule which will be made publicly available on the City's external website and provided upon request; and

WHEREAS, the City reviews and may revise employee compensation and pay schedule ranges; and

WHEREAS, the City benefits from a highly qualified, municipal workforce; and

WHEREAS, to assist in retaining such a workforce, it is critical that the City's compensation levels are competitive in the marketplace; and

WHEREAS, the City should adjust pay to reflect changes in the region's cost of living; and

WHEREAS, represented classifications are covered by current contracts which specify the amount of the pay adjustments in the fiscal year; and

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos hereby:

1. Adopts the Updated Fiscal Year 2023/24 Pay Schedule in Exhibit A reflecting classification pay adjustments and;

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the ___ day of ____, 2023 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Sally Meadows, MAYOR

Attest:

Melissa Thurman, CITY CLERK

City Manager: N/A

POA: 5% increase effective 06/25/23

LAMEA: 5% increase effective 06/25/23

Unrepresented Department Heads: 4.2% Market Range Adjustment to Individual Classifications effective 06/25/23 Teamsters: 3.5% increase and Market Adjustments to Individual Classifications effective 06/25/23

Unrepresented Management: 4.2% Market Range Adjustment to Individual Classifications effective 06/25/23

Unrepresented Confidential: 4.2% COLA increase effective 06/25/23

*New Classification for FY 23/24

^ Market Adjustment

+ Market Range Adjustment

City of Los Altos - Full Time Salary Schedule FY 23/24

Resolution 2023-XX

Unrep. Department Head Classifications	FLSA Status	Biweekly					Monthly					Annual				
		Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
City Manager	Exempt					\$9,907.50					\$21,466.25					\$257,595.00
Assistant City Manager+	Exempt	\$8,013.15		Open Range		\$9,739.98	\$17,361.83		Open Range		\$21,103.30	\$208,341.90		Open Range		\$253,239.58
Police Chief+	Exempt	\$8,013.15		Open Range		\$9,739.98	\$17,361.83		Open Range		\$21,103.30	\$208,341.90		Open Range		\$253,239.58
Public Works Director+	Exempt	\$7,576.29		Open Range		\$9,208.98	\$16,415.30		Open Range		\$19,952.79	\$196,983.58		Open Range		\$239,433.49
Utilities and Environmental Director+	Exempt	\$7,576.29		Open Range		\$9,208.98	\$16,415.30		Open Range		\$19,952.79	\$196,983.58		Open Range		\$239,433.49
Development Services Director+	Exempt	\$7,576.29		Open Range		\$9,208.98	\$16,415.30		Open Range		\$19,952.79	\$196,983.58		Open Range		\$239,433.49
Finance Director+	Exempt	\$7,522.46		Open Range		\$9,143.55	\$16,298.66		Open Range		\$19,811.03	\$195,583.96		Open Range		\$237,732.30
Parks, Recreation, & Community Services Director	Exempt	\$7,287.00		Open Range		\$8,857.34	\$15,788.50		Open Range		\$19,190.91	\$189,461.94		Open Range		\$230,290.94
Human Resources Director+	Exempt	\$6,797.67		Open Range		\$8,262.56	\$14,728.27		Open Range		\$17,902.22	\$176,739.29		Open Range		\$214,826.61

Unrep. Management Classifications	FLSA Status	Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
Police Captain	Exempt	\$6,931.71		Open Range		\$8,425.53	\$15,018.70		Open Range		\$18,255.32	\$180,224.40		Open Range		\$219,063.88
Deputy City Manager+	Exempt	\$6,809.80		Open Range		\$8,277.35	\$14,754.56		Open Range		\$17,934.26	\$177,054.77		Open Range		\$215,211.18
Deputy Director*	Exempt	\$6,703.75		Open Range		\$8,148.45	\$14,524.79		Open Range		\$17,654.98	\$174,297.50		Open Range		\$211,859.70
Capital Improvement Projects Manager	Exempt	\$6,597.70		Open Range		\$8,019.54	\$14,295.01		Open Range		\$17,375.68	\$171,540.17		Open Range		\$208,508.15
City Engineer+	Exempt	\$6,578.07		Open Range		\$7,995.69	\$14,252.50		Open Range		\$17,324.00	\$171,029.94		Open Range		\$207,887.96
Financial Services Manager	Exempt	\$6,279.78		Open Range		\$7,633.12	\$13,606.20		Open Range		\$16,538.42	\$163,274.41		Open Range		\$198,461.06
Information Technology Manager	Exempt	\$6,279.78		Open Range		\$7,633.12	\$13,606.20		Open Range		\$16,538.42	\$163,274.41		Open Range		\$198,461.06
Human Resources Manager	Exempt	\$6,279.78		Open Range		\$7,633.12	\$13,606.20		Open Range		\$16,538.42	\$163,274.41		Open Range		\$198,461.06
Building Official	Exempt	\$5,831.40		Open Range		\$7,088.11	\$12,634.71		Open Range		\$15,357.57	\$151,616.52		Open Range		\$184,290.83
Development Services Manager	Exempt	\$5,831.40		Open Range		\$7,088.11	\$12,634.71		Open Range		\$15,357.57	\$151,616.52		Open Range		\$184,290.83
Planning Services Manager	Exempt	\$5,831.40		Open Range		\$7,088.11	\$12,634.71		Open Range		\$15,357.57	\$151,616.52		Open Range		\$184,290.83
Transportation Services Manager	Exempt	\$5,831.40		Open Range		\$7,088.11	\$12,634.71		Open Range		\$15,357.57	\$151,616.52		Open Range		\$184,290.83
Economic Development Manager	Exempt	\$5,689.18		Open Range		\$6,915.23	\$12,326.55		Open Range		\$14,982.99	\$147,918.56		Open Range		\$179,795.93
Assistant to the City Manager+	Exempt	\$5,502.53		Open Range		\$6,688.36	\$11,922.15		Open Range		\$14,491.45	\$143,065.78		Open Range		\$173,897.35
Project Manager	Exempt	\$5,415.04		Open Range		\$6,582.01	\$11,732.58		Open Range		\$14,261.03	\$140,791.01		Open Range		\$171,132.35
City Clerk	Exempt	\$5,375.02		Open Range		\$6,533.37	\$11,645.87		Open Range		\$14,155.63	\$139,750.44		Open Range		\$169,867.54
Public Information Officer	Exempt	\$5,031.73		Open Range		\$6,116.10	\$10,902.08		Open Range		\$13,251.54	\$130,824.93		Open Range		\$159,018.52
Maintenance Superintendent*	Exempt	\$4,915.16		Open Range		\$5,974.40	\$10,649.51		Open Range		\$12,944.54	\$127,794.07		Open Range		\$155,334.50
Recreation Manager+	Exempt	\$4,832.80		Open Range		\$5,874.30	\$10,471.06		Open Range		\$12,727.64	\$125,652.77		Open Range		\$152,731.73

Unrep. Confidential Classifications	FLSA Status	Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
Senior Accountant	Exempt	\$4,461.87	\$4,684.97	\$4,919.21	\$5,165.17	\$5,423.43	\$9,667.39	\$10,150.76	\$10,658.30	\$11,191.21	\$11,750.77	\$116,008.67	\$121,809.11	\$127,899.56	\$134,294.54	\$141,009.27
Senior Human Resources Analyst	Exempt	\$4,461.87	\$4,684.97	\$4,919.21	\$5,165.17	\$5,423.43	\$9,667.39	\$10,150.76	\$10,658.30	\$11,191.21	\$11,750.77	\$116,008.67	\$121,809.11	\$127,899.56	\$134,294.54	\$141,009.27
Management Analyst II	Exempt	\$4,353.05	\$4,570.70	\$4,799.23	\$5,039.19	\$5,291.15	\$9,431.60	\$9,903.18	\$10,398.34	\$10,918.26	\$11,464.17	\$113,179.19	\$118,838.15	\$124,780.06	\$131,019.07	\$137,570.02
Human Resources Analyst	Exempt	\$4,143.29	\$4,350.46	\$4,567.98	\$4,796.38	\$5,036.20	\$8,977.13	\$9,425.99	\$9,897.29	\$10,392.15	\$10,911.76	\$107,725.59	\$113,111.87	\$118,767.46	\$124,705.83	\$130,941.12
Management Analyst I	Exempt	\$3,943.64	\$4,140.83	\$4,347.87	\$4,565.26	\$4,793.52	\$8,544.56	\$8,971.79	\$9,420.38	\$9,891.40	\$10,385.97	\$102,534.76	\$107,661.50	\$113,044.58	\$118,696.81	\$124,631.65
Assistant City Clerk	Exempt	\$3,943.64	\$4,140.83	\$4,347.87	\$4,565.26	\$4,793.52	\$8,544.56	\$8,971.79	\$9,420.38	\$9,891.40	\$10,385.97	\$102,534.76	\$107,661.50	\$113,044.58	\$118,696.81	\$124,631.65
Human Resources Technician	Non-Exempt	\$3,400.59	\$3,570.62	\$3,749.15	\$3,936.61	\$4,133.44	\$7,367.95	\$7,736.35	\$8,123.17	\$8,529.32	\$8,955.79	\$88,415.41	\$92,836.18	\$97,477.99	\$102,351.88	\$107,469.48
Confidential Executive Assistant*	Non-Exempt	\$3,308.26	\$3,473.68	\$3,647.36	\$3,829.73	\$4,021.22	\$7,167.91	\$7,526.30	\$7,902.62	\$8,297.75	\$8,712.64	\$86,014.88	\$90,315.63	\$94,831.41	\$99,572.98	\$104,551.63
Deputy City Clerk+	Exempt	\$3,308.26	\$3,473.68	\$3,647.36	\$3,829.73	\$4,021.22	\$7,167.91	\$7,526.30	\$7,902.62	\$8,297.75	\$8,712.64	\$86,014.88	\$90,315.63	\$94,831.41	\$99,572.98	\$104,551.63

LAMEA: 5% increase effective 06/25/23

City of Los Altos - Full Time Salary Schedule FY 23/24
Resolution 2023-XX

LAMEA Classifications	FLSA Status	Biweekly					Monthly					Annual				
		Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
Senior Engineer	Exempt	\$5,393.21	\$5,662.87	\$5,946.02	\$6,243.32	\$6,555.48	\$11,685.29	\$12,269.56	\$12,883.04	\$13,527.19	\$14,203.55	\$140,223.52	\$147,234.70	\$154,596.43	\$162,326.25	\$170,442.56
Senior Planner	Exempt	\$5,268.53	\$5,531.96	\$5,808.56	\$6,098.99	\$6,403.94	\$11,415.16	\$11,985.92	\$12,585.21	\$13,214.47	\$13,875.20	\$136,981.89	\$143,830.99	\$151,022.54	\$158,573.66	\$166,502.35
Senior Network Systems Administrator*	Exempt	\$5,053.20	\$5,305.86	\$5,571.15	\$5,849.71	\$6,142.19	\$10,948.59	\$11,496.02	\$12,070.83	\$12,674.37	\$13,308.09	\$131,383.14	\$137,952.30	\$144,849.91	\$152,092.41	\$159,697.03
Information Technology Analyst II*	Exempt	\$4,812.57	\$5,053.20	\$5,305.86	\$5,571.15	\$5,849.71	\$10,427.23	\$10,948.59	\$11,496.02	\$12,070.83	\$12,674.37	\$125,126.80	\$131,383.14	\$137,952.30	\$144,849.91	\$152,092.41
Network Systems Administrator	Non-Exempt	\$4,812.57	\$5,053.20	\$5,305.86	\$5,571.15	\$5,849.71	\$10,427.23	\$10,948.59	\$11,496.02	\$12,070.83	\$12,674.37	\$125,126.80	\$131,383.14	\$137,952.30	\$144,849.91	\$152,092.41
Associate Civil Engineer	Non-Exempt	\$4,706.89	\$4,942.23	\$5,189.35	\$5,448.81	\$5,721.25	\$10,198.26	\$10,708.17	\$11,243.58	\$11,805.76	\$12,396.05	\$122,379.13	\$128,498.09	\$134,923.00	\$141,669.15	\$148,752.60
Information Technology Analyst I	Exempt	\$4,583.40	\$4,812.57	\$5,053.20	\$5,305.86	\$5,571.15	\$9,930.70	\$10,427.23	\$10,948.59	\$11,496.02	\$12,070.83	\$119,168.38	\$125,126.80	\$131,383.14	\$137,952.30	\$144,849.91
Associate Planner	Non-Exempt	\$4,445.66	\$4,667.94	\$4,901.34	\$5,146.41	\$5,403.73	\$9,632.26	\$10,113.88	\$10,619.57	\$11,150.55	\$11,708.08	\$115,587.15	\$121,366.51	\$127,434.84	\$133,806.58	\$140,496.91
Senior Building Inspector	Exempt	\$4,385.10	\$4,604.36	\$4,834.57	\$5,076.30	\$5,330.12	\$9,501.05	\$9,976.11	\$10,474.91	\$10,998.66	\$11,548.59	\$114,012.65	\$119,713.28	\$125,698.95	\$131,983.89	\$138,583.09
Assistant Civil Engineer	Non-Exempt	\$4,160.68	\$4,368.72	\$4,587.15	\$4,816.51	\$5,057.33	\$9,014.81	\$9,465.55	\$9,938.83	\$10,435.77	\$10,957.56	\$108,177.72	\$113,586.61	\$119,265.94	\$125,229.23	\$131,490.70
Accountant	Non-Exempt	\$4,120.48	\$4,326.51	\$4,542.83	\$4,769.97	\$5,008.47	\$8,927.71	\$9,374.10	\$9,842.80	\$10,334.95	\$10,851.69	\$107,132.57	\$112,489.20	\$118,113.66	\$124,019.34	\$130,220.31
Administrative Officer*	Exempt	\$4,120.48	\$4,326.51	\$4,542.83	\$4,769.97	\$5,008.47	\$8,927.71	\$9,374.10	\$9,842.80	\$10,334.95	\$10,851.69	\$107,132.57	\$112,489.20	\$118,113.66	\$124,019.34	\$130,220.31
Senior Recreation Supervisor	Non-Exempt	\$4,115.56	\$4,321.34	\$4,537.40	\$4,764.28	\$5,002.49	\$8,917.05	\$9,362.90	\$9,831.04	\$10,322.60	\$10,838.73	\$107,004.56	\$112,354.79	\$117,972.53	\$123,871.16	\$130,064.71
Maintenance Supervisor	Non-Exempt	\$4,036.00	\$4,237.80	\$4,449.69	\$4,672.18	\$4,905.79	\$8,744.67	\$9,181.91	\$9,641.00	\$10,123.05	\$10,629.21	\$104,936.09	\$110,182.90	\$115,692.04	\$121,476.65	\$127,550.48
Emergency Response Coordinator*	Non-Exempt	\$4,034.82	\$4,236.56	\$4,448.38	\$4,670.80	\$4,904.34	\$8,742.10	\$9,179.21	\$9,638.17	\$10,120.08	\$10,626.08	\$104,905.22	\$110,150.48	\$115,658.01	\$121,440.91	\$127,512.95
Economic Development Coordinator	Non-Exempt	\$4,034.82	\$4,236.56	\$4,448.38	\$4,670.80	\$4,904.34	\$8,742.10	\$9,179.21	\$9,638.17	\$10,120.08	\$10,626.08	\$104,905.22	\$110,150.48	\$115,658.01	\$121,440.91	\$127,512.95
Sustainability Coordinator	Non-Exempt	\$4,034.82	\$4,236.56	\$4,448.38	\$4,670.80	\$4,904.34	\$8,742.10	\$9,179.21	\$9,638.17	\$10,120.08	\$10,626.08	\$104,905.22	\$110,150.48	\$115,658.01	\$121,440.91	\$127,512.95
Public Information Coordinator	Non-Exempt	\$4,034.82	\$4,236.56	\$4,448.38	\$4,670.80	\$4,904.34	\$8,742.10	\$9,179.21	\$9,638.17	\$10,120.08	\$10,626.08	\$104,905.22	\$110,150.48	\$115,658.01	\$121,440.91	\$127,512.95
Assistant Planner	Non-Exempt	\$4,024.13	\$4,225.34	\$4,436.60	\$4,658.43	\$4,891.35	\$8,718.95	\$9,154.89	\$9,612.64	\$10,093.27	\$10,597.94	\$104,627.37	\$109,858.74	\$115,351.67	\$121,119.26	\$127,175.22
Building Inspector	Non-Exempt	\$3,967.13	\$4,165.49	\$4,373.77	\$4,592.45	\$4,822.08	\$8,595.46	\$9,025.23	\$9,476.49	\$9,950.32	\$10,447.83	\$103,145.48	\$108,302.76	\$113,717.89	\$119,403.79	\$125,373.98
Recreation Supervisor	Non-Exempt	\$3,914.89	\$4,110.63	\$4,316.16	\$4,531.97	\$4,758.57	\$8,482.26	\$8,906.37	\$9,351.69	\$9,819.27	\$10,310.24	\$101,787.09	\$106,876.44	\$112,220.26	\$117,831.27	\$123,722.84
GIS Technician	Non-Exempt	\$3,781.90	\$3,970.99	\$4,169.54	\$4,378.02	\$4,596.92	\$8,194.11	\$8,603.82	\$9,034.01	\$9,485.71	\$9,959.99	\$98,329.35	\$103,245.82	\$108,408.11	\$113,828.51	\$119,519.94
Junior Engineer	Non-Exempt	\$3,781.90	\$3,970.99	\$4,169.54	\$4,378.02	\$4,596.92	\$8,194.11	\$8,603.82	\$9,034.01	\$9,485.71	\$9,959.99	\$98,329.35	\$103,245.82	\$108,408.11	\$113,828.51	\$119,519.94
Police Records Supervisor	Non-Exempt	\$3,781.90	\$3,970.99	\$4,169.54	\$4,378.02	\$4,596.92	\$8,194.11	\$8,603.82	\$9,034.01	\$9,485.71	\$9,959.99	\$98,329.35	\$103,245.82	\$108,408.11	\$113,828.51	\$119,519.94
Construction Inspector	Non-Exempt	\$3,601.41	\$3,781.48	\$3,970.56	\$4,169.08	\$4,377.54	\$7,803.06	\$8,193.21	\$8,602.87	\$9,033.02	\$9,484.67	\$93,636.71	\$98,318.54	\$103,234.47	\$108,396.20	\$113,816.01
Engineering Technician	Non-Exempt	\$3,601.41	\$3,781.48	\$3,970.56	\$4,169.08	\$4,377.54	\$7,803.06	\$8,193.21	\$8,602.87	\$9,033.02	\$9,484.67	\$93,636.71	\$98,318.54	\$103,234.47	\$108,396.20	\$113,816.01
Information Technology Technician	Non-Exempt	\$3,480.30	\$3,654.31	\$3,837.03	\$4,028.88	\$4,230.32	\$7,540.64	\$7,917.67	\$8,313.56	\$8,729.24	\$9,165.70	\$90,487.70	\$95,012.09	\$99,762.69	\$104,750.82	\$109,988.37
Code Enforcement Officer	Non-Exempt	\$3,393.42	\$3,563.09	\$3,741.25	\$3,928.31	\$4,124.73	\$7,352.41	\$7,720.03	\$8,106.04	\$8,511.34	\$8,936.90	\$88,228.96	\$92,640.41	\$97,272.43	\$102,136.05	\$107,242.85
Accounting Technician II	Non-Exempt	\$3,274.87	\$3,438.62	\$3,610.55	\$3,791.08	\$3,980.63	\$7,095.56	\$7,450.34	\$7,822.86	\$8,214.00	\$8,624.70	\$85,146.73	\$89,404.07	\$93,874.27	\$98,567.99	\$103,496.39
Development Services Technician	Non-Exempt	\$3,187.01	\$3,346.36	\$3,513.67	\$3,689.36	\$3,873.83	\$6,905.18	\$7,250.44	\$7,612.96	\$7,993.61	\$8,393.29	\$82,862.16	\$87,005.27	\$91,355.53	\$95,923.31	\$100,719.47
Executive Assistant	Non-Exempt	\$3,090.83	\$3,245.37	\$3,407.64	\$3,578.02	\$3,756.92	\$6,696.79	\$7,031.63	\$7,383.21	\$7,752.37	\$8,139.99	\$80,361.48	\$84,379.55	\$88,598.53	\$93,028.45	\$97,679.88
Recreation Coordinator	Non-Exempt	\$2,973.27	\$3,121.94	\$3,278.03	\$3,441.93	\$3,614.03	\$6,442.09	\$6,764.19	\$7,102.40	\$7,457.52	\$7,830.40	\$77,305.08	\$81,170.34	\$85,228.86	\$89,490.30	\$93,964.81
Facilities Coordinator	Non-Exempt	\$2,973.27	\$3,121.94	\$3,278.03	\$3,441.93	\$3,614.03	\$6,442.09	\$6,764.19	\$7,102.40	\$7,457.52	\$7,830.40	\$77,305.08	\$81,170.34	\$85,228.86	\$89,490.30	\$93,964.81
Lead Records Specialist	Non-Exempt	\$2,885.40	\$3,029.67	\$3,181.16	\$3,340.22	\$3,507.23	\$6,251.71	\$6,564.29	\$6,892.51	\$7,237.13	\$7,598.99	\$75,020.51	\$78,771.53	\$82,710.11	\$86,845.62	\$91,187.90
Accounting Technician I	Non-Exempt	\$2,843.84	\$2,986.04	\$3,135.34	\$3,292.11	\$3,456.71	\$6,161.66	\$6,469.75	\$6,793.23	\$7,132.90	\$7,489.54	\$73,939.97	\$77,636.96	\$81,518.81	\$85,594.75	\$89,874.49
Records Specialist	Non-Exempt	\$2,620.61	\$2,751.64	\$2,889.22	\$3,033.69	\$3,185.37	\$5,677.99	\$5,961.89	\$6,259.99	\$6,572.99	\$6,901.64	\$68,135.91	\$71,542.71	\$75,119.84	\$78,875.83	\$82,819.63
Accounting Office Assistant	Non-Exempt	\$2,500.68	\$2,625.72	\$2,757.00	\$2,894.85	\$3,039.60	\$5,418.15	\$5,689.06	\$5,973.51	\$6,272.18	\$6,585.79	\$65,017.77	\$68,268.66	\$71,682.10	\$75,266.20	\$79,029.51
Office Assistant II	Non-Exempt	\$2,491.18	\$2,615.74	\$2,746.53	\$2,883.86	\$3,028.05	\$5,397.57	\$5,667.44	\$5,950.82	\$6,248.36	\$6,560.78	\$64,770.79	\$68,009.33	\$71,409.80	\$74,980.29	\$78,729.30
Office Assistant I	Non-Exempt	\$2,237.08	\$2,348.93	\$2,466.38	\$2,589.70	\$2,719.18	\$4,847.00	\$5,089.35	\$5,343.82	\$5,611.01	\$5,891.56	\$58,164.05	\$61,072.25	\$64,125.86	\$67,332.16	\$70,698.76

POA: 5% increase effective 06/25/23

City of Los Altos - Full Time Salary Schedule FY 23/24
 Resolution 2023-XX

POA Classifications	FLSA Status	Biweekly					Monthly					Annual				
		Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
Police Sergeant	Non-Exempt	\$5,471.13	\$5,744.68	\$6,031.92	\$6,333.51	\$6,650.19	\$11,854.11	\$12,446.81	\$13,069.15	\$13,722.61	\$14,408.74	\$142,249.29	\$149,361.75	\$156,829.84	\$164,671.33	\$172,904.90
Police Agent	Non-Exempt	\$4,867.44	\$5,110.81	\$5,366.35	\$5,634.67	\$5,916.40	\$10,546.12	\$11,073.43	\$11,627.10	\$12,208.45	\$12,818.88	\$126,553.45	\$132,881.13	\$139,525.18	\$146,501.44	\$153,826.51
Communications Supervisor*	Non-Exempt	\$4,758.17	\$4,996.08	\$5,245.88	\$5,508.18	\$5,783.59	\$10,309.37	\$10,824.84	\$11,366.08	\$11,934.39	\$12,531.11	\$123,712.48	\$129,898.10	\$136,393.01	\$143,212.66	\$150,373.29
Police Officer	Non-Exempt	\$4,636.17	\$4,867.97	\$5,111.37	\$5,366.94	\$5,635.29	\$10,045.03	\$10,547.28	\$11,074.64	\$11,628.37	\$12,209.79	\$120,540.32	\$126,567.33	\$132,895.70	\$139,540.48	\$146,517.51
Lead Communications Officer	Non-Exempt	\$4,531.59	\$4,758.17	\$4,996.08	\$5,245.88	\$5,508.18	\$9,818.45	\$10,309.37	\$10,824.84	\$11,366.08	\$11,934.39	\$117,821.41	\$123,712.48	\$129,898.10	\$136,393.01	\$143,212.66
Police Officer Trainee	Non-Exempt	\$4,414.38	\$4,635.10	\$4,866.85	\$5,110.20	\$5,365.71	\$9,564.49	\$10,042.71	\$10,544.85	\$11,072.09	\$11,625.70	\$114,773.87	\$120,512.56	\$126,538.19	\$132,865.10	\$139,508.35
Communications Officer	Non-Exempt	\$4,117.71	\$4,323.60	\$4,539.78	\$4,766.77	\$5,005.10	\$8,921.71	\$9,367.79	\$9,836.18	\$10,327.99	\$10,844.39	\$107,060.49	\$112,413.51	\$118,034.19	\$123,935.90	\$130,132.69
Crime Analyst*	Non-Exempt	\$3,943.64	\$4,140.82	\$4,347.86	\$4,565.26	\$4,793.52	\$8,544.55	\$8,971.78	\$9,420.37	\$9,891.39	\$10,385.96	\$102,534.64	\$107,661.37	\$113,044.44	\$118,696.66	\$124,631.50
Community Service Officer	Non-Exempt	\$3,242.41	\$3,404.53	\$3,574.76	\$3,753.50	\$3,941.17	\$7,025.23	\$7,376.49	\$7,745.31	\$8,132.58	\$8,539.21	\$84,302.71	\$88,517.84	\$92,943.73	\$97,590.92	\$102,470.47

Teamsters: 3.5% increase and Market Adjustments to Individual Classifications effective 06/25/23

City of Los Altos - Full Time Salary Schedule FY 23/24
Resolution 2023-XX

Teamsters Classifications	FLSA Status	Biweekly					Monthly					Annual				
		Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
Senior Wastewater Maintenance Worker	Non-Exempt	\$3,713.13	Open Range			\$4,513.33	\$8,045.11	Open Range			\$9,778.88	\$96,541.33	Open Range			\$117,346.59
Equipment Mechanic II*	Non-Exempt	\$3,536.31	\$3,713.13	\$3,898.78	\$4,093.72	\$4,298.41	\$7,662.01	\$8,045.11	\$8,447.37	\$8,869.74	\$9,313.22	\$91,944.13	\$96,541.33	\$101,368.40	\$106,436.82	\$111,758.66
Senior Maintenance Technician	Non-Exempt	\$3,536.31	\$3,713.13	\$3,898.78	\$4,093.72	\$4,298.41	\$7,662.01	\$8,045.11	\$8,447.37	\$8,869.74	\$9,313.22	\$91,944.13	\$96,541.33	\$101,368.40	\$106,436.82	\$111,758.66
Wastewater Maintenance Worker II	Non-Exempt	\$3,375.58	Open Range			\$4,103.04	\$7,313.76	Open Range			\$8,889.92	\$87,765.08	Open Range			\$106,679.00
Equipment Mechanic	Non-Exempt	\$3,214.83	\$3,375.57	\$3,544.35	\$3,721.57	\$3,907.65	\$6,965.46	\$7,313.74	\$7,679.42	\$8,063.40	\$8,466.57	\$83,585.57	\$87,764.85	\$92,153.09	\$96,760.75	\$101,598.78
Maintenance Leadworker	Non-Exempt	\$3,214.83	\$3,375.57	\$3,544.35	\$3,721.57	\$3,907.65	\$6,965.46	\$7,313.74	\$7,679.42	\$8,063.40	\$8,466.57	\$83,585.57	\$87,764.85	\$92,153.09	\$96,760.75	\$101,598.78
Maintenance Technician	Non-Exempt	\$3,214.83	\$3,375.57	\$3,544.35	\$3,721.57	\$3,907.65	\$6,965.46	\$7,313.74	\$7,679.42	\$8,063.40	\$8,466.57	\$83,585.57	\$87,764.85	\$92,153.09	\$96,760.75	\$101,598.78
Wastewater Maintenance Worker I	Non-Exempt	\$3,062.59	Open Range			\$3,722.59	\$6,635.61	Open Range			\$8,065.62	\$79,627.27	Open Range			\$96,787.44
Maintenance Worker II	Non-Exempt	\$2,916.75	\$3,062.59	\$3,215.72	\$3,376.50	\$3,545.33	\$6,319.62	\$6,635.61	\$6,967.39	\$7,315.75	\$7,681.54	\$75,835.49	\$79,627.27	\$83,608.63	\$87,789.06	\$92,178.51
Maintenance Worker I^	Non-Exempt	\$2,591.85	\$2,721.44	\$2,857.51	\$3,000.39	\$3,150.41	\$5,615.67	\$5,896.45	\$6,191.27	\$6,500.84	\$6,825.88	\$67,388.00	\$70,757.40	\$74,295.27	\$78,010.03	\$81,910.53

Minimum Wage Increase: \$17.20 effective 01/01/23

Part-Time Classifications: Market Range Adjustment to Individual Classifications, effective 09/03/23

+ Market Range Adjustment

City of Los Altos - Part-Time Hourly Rate Schedule FY 23/24

Resolution 2023-XX

Part-Time Classifications Title	FLSA Status	Employment Status	Rate Type	Min	Max
Network Engineer	Non-Exempt	Part-Time	Hourly	\$50.00	\$75.00
Public Safety Specialist - Dispatch+	Non-Exempt	Part-Time	Hourly	\$61.77	\$75.08
Project Manager+	Non-Exempt	Part-Time	Hourly	\$42.50	\$75.00
Property & Evidence CSO	Non-Exempt	Part-Time	Hourly	\$43.12	\$52.41
Emergency Preparedness Coordinator+	Non-Exempt	Part-Time	Hourly	\$50.44	\$61.30
Police Officer (Reserve) - Level I+	Non-Exempt	Part-Time	Hourly	\$64.00	\$64.00
Department Support Specialist	Non-Exempt	Part-Time	Hourly	\$35.70	\$45.90
IT Technician+	Non-Exempt	Part-Time	Hourly	\$37.97	\$52.88
Parking Enforcement Officer+	Non-Exempt	Part-Time	Hourly	\$41.45	\$49.73
Public Safety Specialist - Records+	Non-Exempt	Part-Time	Hourly	\$30.61	\$42.84
Project Coordinator+	Non-Exempt	Part-Time	Hourly	\$31.14	\$43.21
Preschool Teacher III+	Non-Exempt	Part-Time	Hourly	\$26.25	\$32.05
Recreation Specialist	Non-Exempt	Part-Time	Hourly	\$25.00	\$30.00
Clerical Assistant II+	Non-Exempt	Part-Time	Hourly	\$27.53	\$34.46
Maintenance Worker I+	Non-Exempt	Part-Time	Hourly	\$24.42	\$29.97
Preschool Teacher II+	Non-Exempt	Temporary	Hourly	\$22.25	\$26.00
Clerical Assistant I+	Non-Exempt	Part-Time	Hourly	\$19.00	\$27.00
Recreation Leader III	Non-Exempt	Seasonal	Hourly	\$18.75	\$21.75
Facility Attendant+	Non-Exempt	Part-Time	Hourly	\$17.20	\$21.74
Intern+	Non-Exempt	Temporary	Hourly	\$17.20	\$24.66
Preschool Teacher I+	Non-Exempt	Temporary	Hourly	\$18.75	\$21.85
Recreation Leader II+	Non-Exempt	Seasonal	Hourly	\$17.20	\$20.30
Recreation Leader I+	Non-Exempt	Seasonal	Hourly	\$17.20	\$18.85
Council Member	Non-Exempt	Part-Time	Stipend	Stipend \$300.00 / Month	
Police Officer (Reserve) - Level II	Non-Exempt	Per-Diem	Stipend	Stipend \$200.00 / Month	



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject: Los Altos History Museum Contract

Prepared by: Anthony Carnesecca, Assistant to the City Manager

Reviewed by: Jon Maginot, Assistant City Manager

Approved by: Gabriel Engeland, City Manager

Attachment(s):

- 1. Los Altos History Museum Agreement 6-10-2005

Initiated by:

City Council

Previous Council Consideration:

May 23, 2023

Fiscal Impact:

The current fiscal year budget (1110-5400) includes \$120,000 in funding for the Los Altos History Museum. Of these funds, \$65,000 have been approved and \$55,000 are pending Council approval.

Environmental Review:

Not applicable

Policy Question(s) for Council Consideration:

- Does the City Council wish to direct the City Manager to sign a new funding contract with the Los Altos History Museum in the initial amount of \$120,000 annually for five years?

Summary:

- The City signed an agreement in 2005 with the Los Altos History Museum.
- The Los Altos History Museum proposed an adjustment to the agreement.
- The City Council directed City staff to meet with Los Altos History Museum representatives regarding their proposal.
- City staff and the Los Altos History Museum propose a new agreement where ownership costs are the responsibility of the City and operational costs are the responsibility of the History Museum.

Reviewed By:

City Manager

GE

City Attorney

JH

Finance Director

JD



Subject: Los Altos History Museum Contract

Purpose

Direct the City Manager to sign a new contract with the Los Altos History Museum in the initial amount of \$120,000 annually for five years.

Background

In 1989, the Los Altos City Council approved conceptual plans presented for the construction of a museum on City property for the purpose of preserving and displaying local historical artifacts and to provide an historical and educational facility for the community.

After design approval, a fund-raising campaign was started that ultimately led to the construction and opening of the museum in March 2001 on the Civic Center property. As part of the initial agreement, the museum building was gifted to the City and the City retains control of all areas of the museum building and land while the Association of the Los Altos Historical Museum manages and facilitates the programs and operations of the Los Altos History Museum.

Per the agreement from 2005, the City shall “maintain and repair the museum. This shall include the structure, roof, doors, security systems, lighting, irrigation, plumbing, pest control, painting, elevator and heating and ventilating systems; the City shall provide utilities including gas, electricity, water, telephone, data service, sewer and garbage collection.” In addition to maintaining and repairing the museum, the City shall “provide to the Museum a fixed annual contribution of sixty-five thousand dollars (\$65,000) for general support.”

The History Museum has taken on responsibilities outside of the contract, including landscaping, certain mechanical and maintenance tasks, and a cleaning contract.

Additionally, the Los Altos History Museum is responsible for managing the museum, the collection, and all associated exhibits. The Museum shall “purchase and maintain at its own expense a two million dollar (\$2,000,000) liability insurance policy, naming City and its officers, agents, and employees as additional insureds.”

These additional responsibilities and costs are necessary for the maintenance and care of the History Museum, but are not considered in the original contract. They are costs associated with the ownership of the Museum and are not covered under the \$65,000 contract.

The Los Altos History Museum requested additional funding through the City of Los Altos Non-Profit and Civic Organization Contribution application process in the amount of \$55,000 totaling \$120,000. City Council directed staff to work with the Los Altos History Museum to better articulate their request and return to the City Council for a review of their request while incorporating that \$120,000 in the budget moving forward.



Subject: Los Altos History Museum Contract

Discussion/Analysis

City staff met with Elisabeth Ward and Larry Lang from the Los Altos History Museum to discuss their request for additional funding.

After meeting with them, City staff proposes that the City take full responsibility for all costs associated with owning and maintaining the structure of the building without having to directly manage those items. The Museum is the City’s building and City staff would be responsible for all associated cost with operations and maintenance if not for the Museum.

The Los Altos History Museum currently manages the gardening services and maintenance repairs with the use of staff and volunteers and contracts for cleaning services. These costs would be required of City staff if not for the Museum, so City staff proposes that these be incorporated into the contract moving forward because they are provided at a lower rate than the City could provide with staff time.

Moving forward, City staff and the Los Altos History Museum representatives propose the following structure that covers the expenses of operations while still providing the fixed contribution for programming purposes:

Expenditure	Amount
Operations	
Cleaning Services (Contract)	\$10,000
Gardening Services (Hours and Plants)	\$20,000
Insurance	\$15,000
Small Maintenance/Mechanical Expenses (Hours and Items)	\$10,000
Programming	
History Museum Programming	\$65,000
Grand Total	\$120,000

The chart illustrates rough estimates based upon the expenditures and will adjust based upon increases for contracts or goods over time.

The proposal is for a five-year contract with a three-year look-in to verify that the contract still works for both parties and an automatic renewal after five years if City Council does not wish to address the contract at that time.



Subject: Los Altos History Museum Contract

Recommendation

Staff recommends the City Council approve the drafting and execution of a new contract, based on the responsibilities outlined in this report.

**AGREEMENT BETWEEN THE
CITY OF LOS ALTOS, CALIFORNIA,
AND THE ASSOCIATION OF THE LOS ALTOS HISTORICAL MUSEUM FOR THE
OPERATION OF THE LOS ALTOS HISTORY HOUSE AND MUSEUM**

THIS AGREEMENT ("Agreement") is made and entered into as of the 10th day of JUNE, 2005, by and between the CITY OF LOS ALTOS, a municipal corporation ("CITY"), and the Association of the Los Altos Historical Museum ("ASSOCIATION").

RECITALS

WHEREAS, in 1989, the Los Altos City Council approved conceptual plans presented by the ASSOCIATION for the construction of a museum on CITY property, the construction of which would be financed by private donations and the operations of which would be the responsibility of the ASSOCIATION. Construction and operations of the museum by the ASSOCIATION are for the purpose of preserving and displaying local historical artifacts and to provide an historical/educational facility for the community; and

WHEREAS, in 1996, after design approval by both the CITY and ASSOCIATION, a fund raising campaign was started that ultimately led to the construction and opening of the museum in March, 2001; and

WHEREAS, the museum building is located on CITY land within the Civic Center on San Antonio Road in Los Altos, California, and the building will be gifted to the CITY by ASSOCIATION by a separate instrument upon execution of the Agreement, and

WHEREAS, CITY retains control of all areas of the museum building and land, and except as set forth in the Agreement, reserves the right to determine the use of all of the museum building, History House, and surrounding grounds, landscaping and patio areas, and referred to as the MUSEUM; and

WHEREAS, the ASSOCIATION exists for the sole purpose of managing, facilitating and funding the programs and operations of MUSEUM for which purpose all funds raised by ASSOCIATION are designed to be used unless otherwise stated in the Agreement; and

WHEREAS, the purpose of this Agreement is to authorize ASSOCIATION to operate and maintain CITY'S building as a MUSEUM as a service to the general public and schools, to set forth responsibilities between CITY and ASSOCIATION and usage under which MUSEUM is to be operated and maintained.

NOW, THEREFORE, in consideration of the covenants, conditions and promises hereinafter contained, to be kept and performed by then parties hereto, **IT IS AGREED AS FOLLOWS:**

CITY'S RESPONSIBILITIES

1. CITY shall allow ASSOCIATION to use CITY'S building as a MUSEUM for ASSOCIATION'S exhibits exclusively for the preservation, education and development of the history of Los Altos, Los Altos Hills and the surrounding areas, unless otherwise stated in this Agreement. If ASSOCIATION ceases to operate MUSEUM under the terms of this Agreement, CITY reserves the right to use the structure or grounds for other civic purposes.
2. CITY authorizes ASSOCIATION to use CITY'S collection of historical artifacts, consisting of historical documents, pictures, furniture, equipment and exhibits ("COLLECTION"), as long as ASSOCIATION operates MUSEUM under the terms of this Agreement, it being understood that items in CITY'S possession shall be made available in CITY'S reasonable discretion.
3. CITY authorizes ASSOCIATION to hold public and private events, which are of benefit to the MUSEUM and to hold fund-raisers and events for the purpose of supporting the development and operation of the MUSEUM.
4. CITY authorizes ASSOCIATION to use MUSEUM for the purpose of: 1) restoration and maintenance of CITY'S COLLECTION, 2) development of MUSEUM'S exhibits and facilities, and 3) presenting MUSEUM collection, MUSEUM'S exhibits, educational programs, services, and facilities for the general public and school groups.
5. CITY, except as otherwise provided in this Agreement, in connection with ASSOCIATION'S responsibilities, shall provide, and maintain and repair MUSEUM. This shall include the structure, roof, floors, security systems, lighting, irrigation, plumbing, pest control, painting, elevator and heating and ventilating systems; CITY shall provide utilities including gas, electricity, water, telephone, data service, sewer and garbage collection. All of the foregoing shall be subject to funding designated for such purposes in CITY'S Service and Financial Plan. CITY shall maintain reserves to be increased by no less than ten thousand dollars (\$10,000) annually in CITY'S Facility Replacement Fund.
6. CITY shall provide to the MUSEUM a fixed annual contribution of sixty-five thousand dollars (\$65,000) for general support of the MUSEUM.

ASSOCIATION RESPONSIBILITIES

1. ASSOCIATION shall be solely responsible for management operations and maintain the MUSEUM (except as provided in CITY'S Responsibilities set out in Paragraph 5 above) through fund raising activities and the use of volunteers.
2. ASSOCIATION shall provide personnel to design, fabricate, install and maintain exhibits, develop MUSEUM programs, staff MUSEUM (tour docents) and its store during open hours and assist in carrying out the general MUSEUM administration. ASSOCIATION shall be responsible for recruitment, training, supervision and scheduling of all volunteers.

- 3. ASSOCIATION shall hire a Chief Executive Officer who shall report to ASSOCIATION'S Board of Director or to a designated member of the Board. The ASSOCIATION will hire other staff and independent contractors who shall report to the Chief Executive Officer.
- 4. ASSOCIATION shall be responsible for scheduling all events at MUSEUM. ASSOCIATION shall be responsible for planning all museum-related events held at MUSEUM, providing for all necessary equipment and staffing, and seeing that all necessary permits and/or licenses required by law are obtained. Scheduling priorities shall be opening MUSEUM for general public and school groups (first priority), revenue generating events (second priority) and CITY events (third priority). ASSOCIATION shall not charge CITY for CITY events as long as CITY provides its own set up, staffing and janitorial clean up after the event. CITY in using MUSEUM for events shall abide by all regulations established by ASSOCIATION for use of MUSEUM.
- 5. ASSOCIATION shall provide CITY with an annual financial report ninety (90) days after the close of ASSOCIATION'S fiscal year. CITY shall have the right to examine the financial records of ASSOCLATION at any time upon ten (10) days' notice.
- 6. ASSOCIATION shall utilize all funds received by ASSOCIATION for development and operations of MUSEUM and its programs. ASSOCIATION shall hold such funds in accounts designated for such purposes.
- 7. ASSOCIATION shall maintain 501(c)(3) status as a charitable non-profit association.
- 8. ASSOCIATION shall not commit, suffer, permit, allow or authorize any of the following acts during the term of this Agreement:
 - a. Transfer, sell or assign its rights or obligations under this Agreement or any interest herein to any person or entity without prior written approval of CITY. ASSOCIATION may utilize persons or organizations at ASSOCIATION'S expense for services that are the responsibility of ASSOCIATION such as janitorial and creation or rental of exhibits.
 - b. Change or alter MUSEUM without prior written approval of CITY.
 - c. Construct or install any permanent fence, barrier, sign, exterior exhibit, or structure without prior written approval of CITY.
 - d. Perform any work such as plumbing, electrical, floor repair, interior and exterior painting without the prior written approval of CITY.
 - e. Accept or remove valuable (defined as any item in excess of \$10,000.00) MUSEUM acquisitions or any part of CITY'S COLLECTION without prior written approval of CITY.
- 9. ASSOCIATION shall cooperate with and keep CITY informed of all ASSOCIATION programs and activities.
- 10. ASSOCIATION shall purchase and maintain at its own expense a two million dollar (\$2,000,000) liability insurance policy, naming CITY and its officers, agents, and employees as additional insureds. CITY shall be provided with a contractual liability endorsement

specifically referencing this Agreement. If required by law, ASSOCIATION shall provide workers' compensation insurance for ASSOCIATION'S volunteers and staff.

- 11. ASSOCIATION shall purchase, maintain and provide all furniture, equipment, including office equipment, computers, exhibit cases, exhibit furniture, office supplies, printed materials, postage and MUSEUM store inventory.
- 12. ASSOCIATION shall be entitled to exclusive use of the MUSEUM logo and other copyrighted protected products or designs obtained by ASSOCIATION for the use of MUSEUM or MUSEUM store.

GENERAL PROVISIONS

- 1. **RESOLUTION OF DISPUTES. Mediation.** Should any dispute arise out of this Agreement, the parties shall meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. The costs of the mediator, if any, shall be paid equally by the parties. If a mediated settlement is reached, neither party shall be deemed the prevailing party for purposes of the settlement, and each party shall bear its own legal costs and fees. Neither party shall be permitted to file a legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution.
- 2. **TERMINATION OF AGREEMENT.**
 - a. Except for breach of any of the terms and conditions as set forth in the Agreement, this Agreement may be terminated at any time by mutual consent by both parties, expressed in writing.
 - b. Additional grounds for termination include:
 - (i) If ASSOCIATION shall become bankrupt or insolvent, or if there shall be any default in the terms of this permit by ASSOCIATION, CITY may, if it is meeting all of the CITY'S RESPONSIBILITIES as set forth in this Agreement, cancel and terminate this Agreement by the following procedure:
 - (ii) CITY shall give ASSOCIATION written notice of the particulars of the default. If ASSOCIATION fails to remedy the default within a period of ninety (90) days, or within such greater time as CITY may approve, then this Agreement shall automatically terminate and all rights of ASSOCIATION shall cease and terminate.
 - c. If this Agreement is terminated, MUSEUM related structures and installed improvements shall remain the property of the CITY. The Collections shall also remain the property of CITY.
- 3. **SPONSORSHIP AGREEMENTS.** ASSOCIATION may enter into sponsorship agreements with individuals or companies to place structures, improvements, and facilities at MUSEUM with prior approval of CITY.
- 4. **ANNUAL MEETING.** CITY and ASSOCIATION shall meet each year and cooperatively develop their respective operations, maintenance, and capital improvements budgets for MUSEUM and related facilities subject to this Agreement.

- 5. **FURTHER ASSURANCES.** Both parties may enter into Letters of Understanding, as conditions warrant, pursuant to the foregoing terms and conditions, to further define the details of joint and shared responsibilities regarding the day-to-day operations of MUSEUM. Any such Letters of Understanding shall not alter, modify, or change any provision(s) of this Agreement. In case of conflict, this Agreement shall prevail.
- 6. **AMENDMENT.** No amendment to this Agreement shall be valid or binding unless made in writing and duly authorized on behalf of both parties.
- 7. **NOTICES.** Any notices to be given under this Agreement by either party to the other shall be in writing and may be effected either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed as follows:

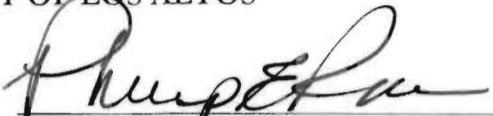
CITY
 City Manager
 City of Los Altos
 One North San Antonio Road
 Los Altos, CA 94022

ASSOCIATION
 President
 The Association of the Los Altos Historical Museum
 51 South San Antonio Road
 Los Altos, CA 94022


- 8. **PARTIAL INVALIDITY.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
- 9. **BINDING.** This Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, assigns and successors-in-interest to the parties hereto.
- 10. **NO IMPLIED WAIVERS.** The failure of either party at any time to require performance by the other party of any provisions hereof shall not affect in any way the full right to require such performance at any time thereafter. Nor shall the waiver by either party of a breach of any provision hereof be taken or held to be a waiver of the provision itself.
- 11. **APPLICABLE LAW AND FORUM.** This Agreement shall be construed and interpreted according to the laws of the State of California in any action to enforce the terms of this Agreement or for the breach thereof, and shall be brought and tried in the County of Santa Clara, California.
- 12. **CONSTRUCTION.** To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in the manner that avoids any violation of statute, ordinance, regulation or law.
- 13. **INTEGRATION.** This Agreement supersedes any and all agreements, either oral or written, between the parties hereto and contains all the covenants and agreements between the parties

with respect to the matters set out in this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement shall be effective only if it is in writing, signed by the party to be charged.

CITY OF LOS ALTOS

By: 
Philip E. Rose, City Manager

ASSOCIATION OF LOS ALTOS HISTORICAL MUSEUM

By: 
Lynne McCreight

Its: President



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject: Specialized Housing Regulations

Prepared by: Nick Zornes, Development Services Director

Reviewed by: Jon Maginot, Assistant City Manager

Jolie Houston, City Attorney

Approved by: Gabe Engeland, City Manager

Attachment(s):

- 1. Draft Ordinance
- 2. Appendix A
- 3. Assembly Bill No. 101
- 4. Assembly Bill No. 101 – HCD Fact Sheet
- 5. Assembly Bill No. 101 – HCD AB 101 Checklist
- 6. Assembly Bill No. 2162
- 7. Assembly Bill No. 2162 – HCD Fact Sheet
- 8. Health & Safety Code – Section 17021.5
- 9. Health & Safety Code – Section 17021.6

Initiated by:

City of Los Altos adopted 6th Cycle Housing Element, Program 4.C, 4.D, 4.E, 4.F

Fiscal Impact:

No fiscal impacts are associated with the adoption of these implementing regulations.

Environmental Review:

This Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970.

Summary:

The draft ordinance incorporates regulations for Low Barrier Navigation Centers, Transitional and Supportive Housing, Employee/Farmworker Housing, and Reasonable Accommodations consistent with State law. The draft ordinance was developed to create a standalone chapter within the Los Altos Municipal Code for the proposed regulations, which will allow for easier access and understanding by internal and external stakeholders.

Reviewed By:

City Manager

GE

City Attorney

JH

Assistant City Manager

JM



Subject: Specialized Housing Regulations

Staff Recommendation:

Introduce & Waive Further Reading of Zoning Ordinance Text Amendments incorporating Chapter 14.63 to the Los Altos Municipal Code to implement Program 4.C allowing Low Barrier Navigation Centers consistent with AB 101, Program 4.D allowing of Transitional and Supportive Housing consistent with State law, Program 4.E allowing Employee/Farmworker Housing consistent with State law, Program 4.F allowing for Reasonable Accommodations for disabled persons’ consistent with Federal Fair Housing Act, and California Fair Employment and Housing Act. The proposed amendments are exempt from environmental review pursuant to Section 15061(b)(3) (Commonsense Exemption) of the California Environmental Quality Act (CEQA) Guidelines since there would be no possibility of a significant effect on the environment.

Background:

On January 24, 2023, the Los Altos City Council adopted the City’s 6th Cycle Housing Element 2023-2031. As required by law, the adopted housing element has several housing programs contained within. The City of Los Altos identified specific programs in its housing element that will allow it to implement the stated policies and achieve the stated goals and objectives. Programs must include specific action steps the City will take to implement its policies and achieve its goals and objectives. Programs must also include a specific timeframe for implementation, identify the agencies or officials responsible for implementation, describe the city’s specific role in implementation, and (whenever possible) identify specific, measurable outcomes.

Programs 4.C, 4.D, 4.E, 4.F of the adopted 6th Cycle Housing Element were initially required to be implemented during the 5th Cycle Housing Element by development and integration of regulations in the Los Altos Municipal Code. The draft ordinance under consideration implementing Programs 4.C, 4.D, 4.E, 4.F is required to be adopted no later than December 31, 2023. Due to the various requirements and deliverables of the 6th Cycle Housing Element the draft ordinance was prepared early to help ensure that ample time is available to execute several other adopted programs.

Analysis:

The City’s adopted 6th Cycle Housing Element 2023-2031, included Program 4.C. The housing program requires the proposed ordinance amendments to *Allow Low Barrier Navigation Centers consistent with AB 101*. The draft ordinance included in this agenda packet effectively completes these deliverables as explicitly called out within the housing program.

Program 4.C: Allow Low Barrier Navigation Centers consistent with AB 101.

The Zoning Code does not address low barrier navigation centers (LBNCs), defined as Housing First, low-barrier, service enriched shelters focused on moving people into permanent housing that provide temporary living facilities while case managers



Subject: Specialized Housing Regulations

connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing (Government Code §65660). State law requires LBNCs to be permitted by-right in areas zoned for mixed-use and nonresidential zones permitting multifamily uses provided they satisfying the provisions established by AB 101 (see Government Code §65662). This would allow LBNCs in the CD/R3, CN, CD, CRS, CT, and CRS-OAD districts. The City will amend its Zoning Code to explicitly allow LBNCs as provided by State law.

Responsible Body: *Development Services Department, Planning Commission, City Council*

Funding Source: *General Fund*

Time Frame: *December 2023*

The City’s adopted 6th Cycle Housing Element 2023-2031, included Program 4.D. The housing program requires the proposed ordinance amendments to *Allow transitional and supportive housing consistent with State law*. The draft ordinance included in this agenda packet effectively completes these deliverables as explicitly called out within the housing program.

Program 4.D: *Allow transitional and supportive housing consistent with State law.*

Allow transitional and supportive housing by right in all zones which allow residential uses, subject only to those restrictions and standards that apply to other residential dwellings of the same type in the same zone, consistent with State law. Additionally, transitional, and supportive housing that qualifies under AB 2162 will be allowed by right in zones where multi-family and mixed uses are allowed, including nonresidential zones that allow multi-family uses, consistent with AB 2162 (Government Code §65651).

Responsible Body: *Development Services Department, Planning Commission, City Council*

Funding Source: *General Fund*

Time Frame: *December 2023*

The City’s adopted 6th Cycle Housing Element 2023-2031, included Program 4.E. The housing program requires the proposed ordinance amendments to *Allow employee/farmworker housing consistent with State law*. The draft ordinance included in this agenda packet effectively completes these deliverables as explicitly called out within the housing program.

Program 4.E: *Allow employee/farmworker housing consistent with State law.*

The City will amend the Zoning Code to allow employee housing consistent with Health and Safety Code §17021.5 and 17021.6.



Subject: Specialized Housing Regulations

Responsible Body: *Development Services Department, Planning Commission, City Council*

Funding Source: *General Fund*

Time Frame: *December 2023*

The City’s adopted 6th Cycle Housing Element 2023-2031, included Program 4.F. The housing program requires the proposed ordinance amendments to *Reasonably accommodate disabled persons’ housing needs*. The draft ordinance included in this agenda packet effectively completes these deliverables as explicitly called out within the housing program.

Program 4.F: Reasonably accommodate disabled persons’ housing needs.

Both the federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. The Zoning Code does not currently contain procedures for reasonable accommodations. The City will adopt reasonable accommodation procedures compliant with State and federal law.

Responsible Body: *Development Services Department, Planning Commission, City Council*

Funding Source: *General Fund*

Time Frame: *Adopt an ordinance by December 2023; report to City Council on number of reasonable accommodations requests submitted and the status of each (i.e., approved, denied (and reason for denial), or under review), Annually.*

Objective: *The City will adopt a reasonable accommodation ordinance and process request as submitted with the target of approving at least three reasonable accommodation requests by January 31, 2031.*

Discussion:

The actions included within the attached draft ordinance are requirements pursuant to the City’s adopted 6th Cycle Housing Element. Once a jurisdiction takes final action by adopting its housing element this requires immediate action in order to remain compliant with State housing law. The City of Los Altos Housing Element contains 26 major action items or milestones that must be completed within the first 12-months post adoption. The draft ordinance will effectively accomplish the majority of 4 of the 26 items or milestones to be achieved in the first 12-months.



Subject: Specialized Housing Regulations

Planning Commission Consideration:

On August 3, 2023, the Los Altos Planning Commission reviewed the draft ordinance which incorporates Chapter 14.63 to the Los Altos Municipal Code to implement Program 4.C allowing Low Barrier Navigation Centers consistent with AB 101, Program 4.D allowing of Transitional and Supportive Housing consistent with State law, Program 4.E allowing Employee/Farmworker Housing consistent with State law, Program 4.F allowing for Reasonable Accommodations for disabled persons’ consistent with Federal Fair Housing Act, and California Fair Employment and Housing Act.

The Planning Commission received a presentation from the Development Services Director, asked clarifying questions, opened the Public Hearing to receive testimony (although no public comments were received), and discussed the item. The item was unanimously recommended to proceed as presented with no modifications to the City Council for Introduction and Adoption.

ORDINANCE NO. 2023-__

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS
CREATING CHAPTER 14.63 OF THE LOS ALTOS MUNICIPAL CODE TO
IMPLEMENT PROGRAM 4.C, PROGRAM 4.D, PROGRAM 4.E AND PROGRAM 4.F
OF THE SIXTH CYCLE HOUSING ELEMENT UPDATE**

WHEREAS, the City Council is empowered pursuant to Article XI, Section 7 of the California Constitution to make and enforce within the City all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, on January 24, 2023, the City Council approved the City’s Sixth Cycle Housing Element Update; and

WHEREAS, Program 4.C of the Housing Element Update calls for the allowing Low Barrier Navigation Centers consistent with AB 101; and

WHEREAS, Program 4.C of the Housing Element Update expressly allows Low Barrier Navigation Centers in CD/R3, CN, CD, CRS, CT, and CRS-OAD Districts within the City of Los Altos; and

WHEREAS, Program 4.D of the Housing Element Update calls for the allowing of Transitional and Supportive Housing consistent with State law; and

WHEREAS, Program 4.D of the Housing Element Update expressly allows Transitional and Supportive Housing in R3-4.5, R3-5, R3-3, R3-1.8, R3-1, CD-R3, and CT Districts within the City of Los Altos; and

WHEREAS, Program 4.E of the Housing Element Update calls for the allowing Employee/Farmworker Housing consistent with State law; and

WHEREAS, Program 4.E of the Housing Element Update allows employee housing for seven (7) or more within zones that also allow for Agricultural Uses are by-right uses; and

WHEREAS, Program 4.E of the Housing Element Update allows employee housing providing accommodations for six (6) or fewer employees shall be deemed a single-family dwelling and allowed in all residential zones within the City of Los Altos; and

WHEREAS, Program 4.F of the Housing Element Update calls for the Los Altos Municipal Code to allow for Reasonable Accommodations for disabled persons’ consistent with Federal Fair Housing Act, and California Fair Employment and Housing Act; and

WHEREAS, having committed itself to implement Housing Element Update in its entirety, the City Council now desires to adopt this Ordinance; and

WHEREAS, this Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended; and

NOW, THEREFORE, the City Council of the City of Los Altos does hereby ordain as follows:

SECTION 1. AMENDMENT OF CHAPTER 14.63 OF THE MUNICIPAL CODE. Chapter 14.63 of the Los Altos Municipal Code are hereby added as set forth in Appendix A to this Ordinance, underline indicating addition.

SECTION 2. CONSTITUTIONALITY; AMBIGUITIES. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions hereof. Any ambiguities in the Los Altos Municipal Code created by this Ordinance shall be resolved by the Director of Development Services, in their reasonable discretion, after consulting the City Attorney.

SECTION 3. PUBLICATION. This Ordinance shall be published as provided in Government Code Section 36933.

SECTION 4. EFFECTIVE DATE. This Ordinance shall be effective upon the commencement of the thirty-first day following the adoption hereof.

The foregoing Ordinance was duly and properly introduced at a regular meeting of the City Council of the City of Los Altos held on __, 2023, and was thereafter, at a regular meeting held on __, 2023, passed and adopted by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Sally Meadows, MAYOR

Attest:

Melissa Thurman, MMC, CITY CLERK

**APPENDIX A
AMENDMENTS TO CHAPTER 14.29**

CHAPTER 14.63 – SPECIALIZED HOUSING REGULATIONS

Article 1. Supportive and Transitional Housing

Section 14.63.010 – Purpose

The purpose of this Section is to establish provisions for the review of supportive and transitional housing. The established provisions of this chapter shall allow for all proposed supportive and transitional housing to be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses.

Section 14.63.020 – Definitions

“Supportive housing” shall mean a housing development project as defined in Government Code section 65582(g), as may be amended or renumbered from time to time, as being housing with no limit on length of stay, that is occupied by the target population, and that is linked to an on-site or off-site service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. Supportive housing is a residential use and is subject to only those restrictions that apply to other residential uses of the same type in the same zone. “Target population” means persons with low incomes who have one or more disabilities as described in section 65582(i) of the Government Code.

“Transitional housing” shall mean a housing development project as defined in Government Code section 65582(j), as may be amended or renumbered from time to time, as being building(s) configured as a rental housing development, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six (6) months from the beginning of the assistance. Transitional housing is a residential use and is subject to only those restrictions that apply to other residential uses of the same type in the same zone.

Section 14.63.030 – Allowed Zoning

The districts established by this section shall allow supportive and transitional housing and are designated as follows:

- Multiple-Family District (R3-4.5)
- Multiple-Family District (R3-5)
- Multiple-Family District (R3-3)
- Multiple-Family District (R3.1.8)
- Multiple-Family District (R3-1)
- Commercial Downtown/Multiple-Family District (CD/R3)
- Commercial Thoroughfare District (CT)

Section 14.63.040 – Development Standards

Development Standards shall be the same for supportive and transitional housing as they are for any residential housing development located within the zoning district. Additional standards specific for supportive and transitional housing developments are as follows:

- A. Units within the development are subject to a recorded affordability restriction for fifty-five (55) years.
- B. One hundred percent (100%) of the units, excluding managers’ units, within the development are dedicated to lower income households and are receiving public funding to ensure affordability of the housing to lower income residents. For purposes of this paragraph, “lower income households” has the same meaning as defined in section 50079.5 of the Health and Safety Code.
- C. At least twenty-five percent (25%) of the units in the development or 12 units, whichever is greater, are restricted to residents in supportive housing who meet the criteria of the target population. If the development consists of fewer than 12 units, then one hundred percent (100%) of the units, excluding managers’ units, in the development shall be restricted to residents in supportive housing.
- D. The developer provides the planning agency with the information required by Section 65652 of the Government Code.
- E. Nonresidential floor area shall be used for onsite supportive services in the following amounts:
 - 1. For a development with twenty (20) or fewer total units, at least 90 square feet shall be provided for onsite supportive services.
 - 2. For a development with more than twenty (20) units, at least three percent (3%) of the total nonresidential floor area shall be provided for onsite supportive services that are limited to tenant use, including, but not limited to, community rooms, case management offices, computer rooms, and community kitchens.
- F. The developer replaces any dwelling units on the site of the supportive housing development in the manner provided in paragraph (3) of subdivision (c) of Section 65915 of the Government Code.
- G. Units within the development, excluding managers’ units, include at least one bathroom and a kitchen or other cooking facilities, including, at minimum, a stovetop, a sink, and a refrigerator.
- H. Parking.
 - 1. Parking stall requirement shall be one-half (0.5) per unit and one (1) for each onsite management/staff.
 - 2. No Parking shall be required within one half mile of a public transit stop.

Section 14.63.050 – Application Review

- 1. The Development Services Department shall notify the project applicant whether the application is complete within thirty (30) days of receipt of an application.
- 2. After the application is deemed complete, the Development Services Department shall complete its review of the application within sixty (60) days for projects of fifty (50) or

fewer units and one hundred and twenty (120) days for projects of fifty-one (51) and greater.

Article 2. Low-Barrier Navigation Center

Section 14.63.060 – Purpose

The purpose of this chapter is to establish development standards for low-barrier navigation centers and to ensure this use is constructed and operated in a manner that is consistent with the requirements and allowances of state law, specifically Article 12 of Chapter 3 of Division 1 of Planning and Zoning Law commencing with Government Code Section 65660.

Section 14.63.070 – Definitions

“Low-barrier navigation center” means a housing-first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. “Low barrier” means best practices to reduce barriers to entry, and may include, but is not limited to, the following:

1. The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth.
2. Pets.
3. The storage of possessions.
4. Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms.

Section 14.63.080 – Applicability & Review

The provisions of this chapter shall apply to all low-barrier navigation center projects.

The permit shall be a ministerial action without discretionary review or a hearing. The city will notify a developer whether the developer’s application is complete within 30 days, pursuant to Government Code section 65943. Action shall be taken within 60 days of a complete application being filed.

Section 14.63.090 – Permit Required

A planning permit is required prior to the establishment of any low-barrier navigation center project meeting the following criteria:

1. It offers services to connect people to permanent housing through a services plan that identifies services staffing.
2. It is linked to a coordinated entry system, so that staff in the interim facility or staff who co-locate in the facility may conduct assessments and provide services to connect people to permanent housing. “Coordinated entry system” means a centralized or coordinated assessment system developed pursuant to Section 576.400(d) or Section 578.7(a)(8), as applicable, of Title 24 of the Code of Federal Regulations, as those sections read on January

1, 2020, and any related requirements, designed to coordinate program participant intake, assessment, and referrals.

- 3. It complies with Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.
- 4. It has a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.

14.63.100 – Allowed Zoning

The districts established by this Section shall allow low-barrier navigation centers and are designated as follows:

- Commercial Downtown/Multiple-Family District (CD/R3)
- Commercial Neighborhood District (CN)
- Commercial Downtown District (CD)
- Commercial Retail Sales District (CRS)
- Commercial Thoroughfare District (CT)
- Commercial Retail Sales/Office District (CRS/OAD)

14.63.110 – Development Standards

All low-barrier navigation center development shall meet the following requirements:

- A. Connected Services. It offers services to connect people to permanent housing through a services plan that identifies services staffing.
- B. Coordinated Entry System. It is linked to a coordinated entry system, so that staff in the interim facility or staff who co-locate in the facility may conduct assessments and provide services to connect people to permanent housing. “Coordinated entry system” means a centralized or coordinated assessment system developed pursuant to Section 576.400(d) or Section 578.7(a)(8), as applicable, of Title 24 of the Code of Federal Regulations, as those sections read on January 1, 2020, and any related requirements, designed to coordinate program participant intake, assessment, and referrals.
- C. Code Compliant. It complies with Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.
- D. Homeless Management Information System. It has a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System, as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.

Article 3. Reasonable Accommodation

Section 14.63.120 – Purpose

The purpose of reasonable accommodations is to provide provisions in accordance with federal and state fair housing laws (42 USC § 3600 et seq. and Government Code §§ 65008 and 12900 et seq., together referred to as “Fair Housing Laws”) for persons with disabilities seeking fair access

to housing in the application of the city's zoning laws. The term “disability” as used in this article shall have the same meaning as the term’s “disability”, “handicapped”, or similar terms, as defined in the Fair Housing Laws, as may be amended from time to time. The purpose of this article is to establish the procedure by which a request for a reasonable accommodation shall be made and processed.

Section 14.63.130 – Applicability

- A. A request for reasonable accommodation may be made by any individual with a disability, his or her representative, or a developer or provider of housing for individuals with disabilities, when the application of a land use, zoning or building regulation, policy, practice, or procedure acts as a barrier to housing opportunities.
- B. A request for reasonable accommodation may include a modification or exception to the rules, standards, development, and use of housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity for the housing of their choice.
- C. A request for reasonable accommodation in regulations, policies, practices, and procedures may be filed at any time that the accommodation may be necessary to ensure equal access to housing. Reasonable accommodation does not affect the obligations of an individual or a developer of housing for an individual with disabilities to comply with other applicable regulations not necessary to achieve the purposes set forth in paragraph (B).
- D. If a request for reasonable accommodation is granted, the request shall be granted to an individual and shall not run with the land unless it is determined that (1) the modification is physically integrated into the residential structure and cannot easily be removed or altered to comply with applicable city or state codes, or (2) the accommodation is to be used by another individual with a disability.

Section 14.63.140 – Request for Reasonable Accommodation

- A. Application for a request for reasonable accommodation shall be made in writing on a form provided by the Development Services Department. The form shall be signed by the property owner or authorized agent. The application shall state the circumstances and conditions relied upon as grounds for the application and shall be accompanied by adequate plans and all other materials as specified by the Development Services Director. The application shall include the zoning, land use and/or building code provision, regulation, policy or practice from which modification or exception for reasonable accommodation is being requested, including an explanation of how application of the existing zoning, land use or building code provision, regulation, policy or practice would preclude the provision of reasonable accommodation, along with documentation that demonstrates the reason that the requested accommodation may be necessary for the individual(s) with the disability to use and enjoy the dwelling.
- B. If any information provided is identified by an applicant as confidential then the city shall endeavor to withhold that information from copying and inspection by members of the public, to the extent reasonably determined by the city to be authorized or required by applicable law, including Government Code sections 7926.000 to 7926.500 and 7927.705, and Section 1 of Article 1 of the California Constitution.

Section 14.63.150 – Review Authority and Procedure

- A. Within 60 days of receipt of a completed application, the Development Services Director, or designee, shall issue a written determination to approve, conditionally approve, or deny a request for reasonable accommodation, and the modification or revocation thereof in compliance with this chapter. The request shall be processed independently of any other required development permits. However, approval of reasonable accommodation may be conditioned upon approval of other related permits.
- B. The filing of an application for request for reasonable accommodation shall not require public notice.
- C. If necessary to reach a determination on the request for reasonable accommodation, the Development Services Director, or designee, may request further information from the applicant consistent with Fair Housing Laws, specifying in detail the information that is required.
- D. The decision on a request for reasonable accommodation shall be final and not appealable.

Section 14.63.160 – Findings

- A. The written decision to grant or deny a request for reasonable accommodation will be consistent with the Fair Housing Laws and shall be based on consideration of the following factors:
 - 1. The housing which is the subject of the request for reasonable accommodation will be occupied by an individual, or individuals, with a disability protected under Fair Housing Laws;
 - 2. The requested accommodation is necessary to make specific housing available and/or accessible to an individual with a disability protected under the Fair Housing Laws;
 - 3. The requested accommodation would not impose an undue financial or administrative burden on the City; and
 - 4. The requested accommodation would not require a fundamental alteration in the nature of the city’s land use and zoning and building regulations, policies, practices, and procedures.
- B. In granting a request for reasonable accommodation, the Development Services Director, or designee may impose any conditions of approval deemed reasonably necessary to ensure that the reasonable accommodation would comply with the findings required above.

Article 4. Qualified Employee Housing

Section 14.63.180 – Purpose

The Employee Housing Act allows for flexibility in housing types for employee housing, including conventional and nonconventional structures, such as: living quarters, boardinghouse, tent, bunkhouse, mobilehome, manufactured home, recreational vehicle, and travel trailers. The laws and regulations governing these structures depend on the housing type; however, all qualified employee housing must comply with: the Employee Housing Act (Health and Safety Code Section 17000 et seq.) and the Employee Housing Regulations (California Code of Regulations Title 25, Division 1, Chapter 1, Subchapter 3—Employee Housing), which outline specific requirements

for the construction of housing, maintenance of grounds, buildings, sleeping space and facilities, sanitation and heating; and the provisions of this section.

Section 14.63.190 – Definitions

“Qualified employee housing” means employee housing defined in Health & Safety Code section 17008, even if the housing accommodations or property are not located in a rural area, as defined by Health & Safety Code section 50101. Any housing development project approved pursuant to Health & Safety Code section 17021.8 is also “qualified employee housing,” and shall be a permitted use notwithstanding anything to the contrary in this code.

Section 14.63.200 – Review Authority and Procedure

- A. Qualified employee housing for seven (7) or more employees shall be considered an agricultural use and shall not require any discretionary approval not required of other agricultural activity in the same zone, provided that:
 - 1. The qualified employee housing should not consist of more than thirty-six (36) beds in a group quarters or twelve (12) units or spaces designed for use by a single family or household.
 - 2. All temporary or permanent structures that contain qualified employee housing shall meet the setback, lot coverage, height, and other development standards applicable to the zone in which it is located.
 - 3. Parking shall be provided in accordance with chapters 14.74 and 14.75 of this code, unless the applicant provides substantial evidence demonstrating that the actual parking need is lower, subject to the approval of the Development Services Director.
 - 4. Qualified employee housing shall comply, as applicable, with the following: (1) Employee Housing Act (California Health and Safety Code Sections 17000—17062); (2) Mobilehome Parks Act (California Health and Safety Code Sections 18200—18700); and Special Occupancy Parks Act (California Health and Safety Code Sections 18860—18874), as may be amended from time to time.
 - 5. Qualified employee housing shall be reviewed and approved subject to the same requirements as other agricultural uses within the same zone.
 - 6. If an existing agriculture use does not have any required permit, a permit for both the agricultural use and qualified employee housing must be obtained.
 - a. The property owner shall obtain and maintain any required permit to operate pursuant to Health & Safety Code section 17030 et seq.
 - 7. The property owner shall: (1) complete and submit to the Development Services Director a verification form no later than thirty (30) days after receiving a permit to operate from HCD; (2) a verification form shall be submitted to the Development Services Director annually to ensure compliance with this Chapter 14.63; and (3) the verification form shall include: information regarding the agricultural use, housing type, number of dwelling units or beds, number of occupants, occupants’ employment information, and proof that a permit to operate has been obtained and maintained.

8. Qualified employee housing – seven or more employees shall be removed or converted to another permitted use at such time as the agricultural activity to which it relates ceases operation for more than twelve (12) consecutive months.
- B. Qualified employee housing providing accommodations for six (6) or fewer employees, pursuant to Health and Safety Code section 17021.5, shall be deemed a single-family dwelling and is allowed in residential zones. Qualified employee housing for six (6) or fewer employees is subject to all municipal codes, regulations, and other standards generally applicable to other residential dwellings of the same type in the same zone.

Assembly Bill No. 101

CHAPTER 159

An act to amend Sections 30035.7, 65400, 65585, and 65913.4 of, to add Sections 65589.9 and 65589.11 to, and to add and repeal Article 12 (commencing with Section 65660) of Chapter 3 of Division 1 of Title 7 of, the Government Code, to amend Sections 50199.8, 50517.5, 50517.6, 50517.7, 50650, 50650.3, 50650.4, 50843.5, and 53545.13 of, to add Chapter 6 (commencing with Section 50216) to Part 1 of Division 31 of, to add Chapter 3.1 (commencing with Section 50515) to Part 2 of Division 31 of, and to add and Part 12.5 (commencing with Section 53559) to Division 31 of, the Health and Safety Code, to add Sections 75218.1 and 75244 to the Public Resources Code, to amend Sections 12206, 17058, 17561, 23610.5, and 24692 of the Revenue and Taxation Code, and to amend Section 8256 of the Welfare and Institutions Code, relating to housing, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor July 31, 2019. Filed with Secretary of State July 31, 2019.]

LEGISLATIVE COUNSEL'S DIGEST

AB 101, Committee on Budget. Housing development and financing.

(1) Existing law establishes the Community-Based Transitional Housing Program, administered by the Department of Finance (DOF), for the purpose of providing grants to cities, counties, and cities and counties to increase the supply of transitional housing available to persons previously incarcerated for felony and misdemeanor convictions and funded with moneys appropriated for that purpose in the annual Budget Act or other measure. Existing law requires DOF's Office of State Audits and Evaluations to conduct a review of the program, commencing July 1, 2018, to determine its effectiveness in providing services to offenders released from state prison or county jail, and authorizes DOF to use up to \$500,000 of the amount appropriated in any budget act or other measure for the program for this review, as specified. Existing law requires DOF to provide a copy of the audit to the Joint Legislative Budget Committee no later than May 1, 2019.

This bill would instead require the Office of State Audits and Evaluations to conduct an audit of the program, as specified, and would remove the requirement that the Office of State Audits and Evaluations commence the audit on July 1, 2018. The bill would extend the date by which DOF is required to provide a copy of the audit to the Joint Legislative Budget Committee to no later than May 1, 2020.

(2) The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. That law requires the Department

of Housing and Community Development (HCD) to determine whether the housing element is in substantial compliance with specified provisions of that law. That law also requires HCD to notify a city, county, or city and county, and authorizes HCD to notify the office of the Attorney General, that the city, county, or city and county is in violation of state law if the local government has taken action in violation of specified provisions of law.

This bill, in any action or special proceeding brought in connection with a violation of state law identified as described above, would require the Attorney General to request that the court issue an order or judgment directing a violating jurisdiction to bring its housing element into substantial compliance with those specified provisions and would require the court to retain jurisdiction to ensure that its order or judgment is carried out. The bill would require a court to conduct a status conference if a jurisdiction has not complied with the order or judgment within a specified time period. The bill, following the status conference and upon a determination that the jurisdiction failed to comply with the order or judgment, would require the court to, among other things, impose fines, as specified. The bill would require these fines to be deposited in the Building Homes and Jobs Trust Fund, which is partially continuously appropriated. By depositing money into a partially continuously appropriated fund, this bill would make an appropriation. If the jurisdiction has not complied with the order or judgment within specified time periods after the imposition of fines, the bill would require the court to conduct additional status conferences and multiply the amount of the fine and order the appointment of an agent of the court to bring the jurisdiction’s housing element into substantial compliance, as provided. The bill, commencing July 1, 2019, would require HCD, prior to bringing any suit for a violation by a jurisdiction of a specified provision of law, to offer the jurisdiction the opportunity for 2 meetings in person or via telephone to discuss the violation and to provide the jurisdiction written findings regarding the violation, as specified.

This bill, for award cycles commenced after July 1, 2021, would require that jurisdictions, defined as a city, county, or city and county in existing law, that have adopted housing elements determined by HCD to be in substantial compliance with specified provisions of the Planning and Zoning Law, as described above, and that have been designated by HCD as prohousing, as specified, be awarded additional points in the scoring of program applications for housing and infrastructure programs pursuant to guidelines adopted by HCD, as provided.

This bill would require DOF to maintain a list of programs for which a jurisdiction is ineligible if it fails to adopt a housing element that is found to be in substantial compliance with specified provisions of the Planning and Zoning Law. The bill would also require HCD to post on its internet website a list of jurisdictions that have failed to adopt a housing element that has been found by HCD to be in substantial compliance with specified provisions of the Planning and Zoning Law. The bill would require HCD to provide that list to the Office of Planning and Research and any other

applicable agency or department, as specified. If a jurisdiction is included on that list, the bill would require HCD to offer the jurisdiction the opportunity for 2 meetings in person or via telephone to discuss the jurisdiction’s failure to adopt a housing element that is found to be in substantial compliance with specified provisions of the Planning and Zoning Law and to provide the jurisdiction written findings regarding that failure.

The bill would include findings that changes proposed by these provisions address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

(3) The Planning and Zoning Law requires that supportive housing be a use by right, as defined, in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses, if the proposed housing development meets specified requirements. The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA does not apply to the ministerial approval of projects.

This bill would require that a Low Barrier Navigation Center development be a use by right, as defined, in areas zoned for mixed uses and nonresidential zones permitting multifamily uses if it meets specified requirements. The bill would define “Low Barrier Navigation Center” as a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. The bill would define the term “use by right” in this context to mean that the local government’s review of the Low Barrier Navigation Center development may not impose certain requirements, such as a conditional use permit or other discretionary review or approval. The bill would provide that CEQA does not apply to an action taken by a public agency to lease, convey, or encumber land owned by a public entity or to facilitate the lease, conveyance, or encumbrance of land owned by a public agency, or to provide financial assistance to, or otherwise approve, a Low Barrier Navigation Center constructed or allowed by this bill. In addition, the bill, by authorizing Low Barrier Navigation Center developments to be a use by right under certain circumstances, would expand the exemption for the ministerial approval of projects under CEQA.

The bill would prescribe requirements for notifying a developer that its application for a Low Barrier Navigation Center development is complete and for the local jurisdiction to complete its review of the application. The bill would declare that Low Barrier Navigation Center developments are essential tools for alleviating the homelessness crisis in this state and are a matter of statewide concern and thus applicable to charter cities.

The bill would repeal these provisions as of January 1, 2027.

By increasing the duties of local planning officials, this bill would impose a state-mandated local program.

(4) The Planning and Zoning Law, until January 1, 2026, authorizes a development proponent to submit an application for a housing development that is subject to a streamlined, ministerial approval process, as provided, and not subject to a conditional use permit, if the development satisfies specified objective planning standards. Existing law provides, among other objective planning standards, that at least $\frac{2}{3}$ of the square footage of the development be designated for residential use.

Existing law, known as the Density Bonus Law, requires a city or county to provide a developer that proposes a housing development within the jurisdictional boundaries of that city or county with a density bonus and other incentives or concessions for the production of lower income housing units or for the donation of land within the jurisdiction for housing, if the developer agrees to construct a specified percentage of units for very low income, low-income, or moderate-income households or qualifying residents and meets other requirements.

This bill would require that the calculation to determine whether $\frac{2}{3}$ of the square footage of the development is designated for residential use include additional density, floor area, and units, and any other concession, incentive, or waiver, granted pursuant to the Density Bonus Law.

Existing law prohibits a development subject to the streamlined, ministerial approval process from being located on a hazardous waste site, as defined, unless the Department of Toxic Substances Control has cleared the site for residential use.

This bill would instead prohibit a development subject to the streamlined, ministerial approval process from being located on a hazardous waste site, as defined, unless the State Department of Public Health, State Water Resources Control Board, or the Department of Toxic Substances Control has cleared the site for residential use.

(5) Existing law establishes the California Tax Credit Allocation Committee (CTCAC) within state government, which is composed of the Governor, the Controller, and the Treasurer.

This bill would revise the composition of CTCAC to include the Director of Housing and Community Development and the Executive Director of the California Housing Finance Agency.

(6) Existing law establishes various programs, including, among others, the Emergency Housing and Assistance Program, to provide assistance to homeless persons. Existing law sets forth the general responsibilities and roles of the Business, Consumer Services, and Housing Agency, HCD, and the California Housing Finance Agency (CalHFA) in carrying out state housing policies and programs.

This bill would establish the Homeless Housing, Assistance, and Prevention Program administered by the Business, Consumer Services, and Housing Agency for the purpose of providing jurisdictions, as defined, with one-time grant funds to support regional coordination and expand or develop local capacity to address homelessness challenges, as specified. Upon appropriation, the bill would require the agency to distribute \$650,000,000 among cities, counties, and continuums of care, as provided. The bill, no

later than February 15, 2020, would require an applicant to submit to the agency its program allocation application. The bill would require the agency to review each plan and make an allocation determination no later than April 1, 2020. The bill would require a recipient of program funds to submit annual progress reports to the agency and a final report, no later than January 1, 2026, regarding the expenditure of funds under the program.

(7) The Planning and Zoning Law requires HCD, in consultation with each council of governments, to determine the existing and projected need for housing in each region and further requires the appropriate council of governments, or HCD for cities and counties without a council of governments, to adopt a final regional housing need plan that allocates a share of the regional housing need to each city, county, or city and county, as provided.

This bill would establish the Local Government Planning Support Grants Program administered by HCD for the purpose of providing regions and jurisdictions with one-time funding. The bill, upon appropriation, would require HCD to allocate \$250,000,000 to councils of governments and jurisdictions, as those terms are defined, as well as certain other regional entities to be used for technical assistance, the preparation and adoption of planning documents, and process improvements to accelerate housing production and to facilitate compliance with the 6th cycle of the regional housing need assessment, as provided. The bill would specify eligible uses of these funds. The bill would require these entities to apply for an allocation of funds within specified time periods. The bill would also require these entities to either submit an annual report to HCD, and make that report publicly available on its internet website, containing specified information regarding the uses of funds allocated under the program or, if the recipient is a city or county, include that information in a specified annual report required under existing law.

This bill, by December 31, 2022, would also require HCD, in collaboration with the Office of Planning and Research and after engaging in stakeholder participation, to develop a recommended improved regional housing need allocation process and methodology that promotes and streamlines housing development and substantially addresses California’s housing shortage, as provided. The bill would require HCD to submit a report on its findings and recommendations to the Legislature upon completion.

(8) Existing law requires HCD to establish and administer the Joe Serna, Jr. Farmworker Housing Grant Program, under which, subject to the availability of funds in the Joe Serna, Jr. Farmworker Housing Grant Fund, a continuously appropriated fund, grants or loans, or both, are made available for the construction or rehabilitation of housing for agricultural employees, as defined, and their families or for the acquisition of manufactured housing to remedy the impacts of the displacement of farmworker families. Existing law requires grants and loans made pursuant to this program to be matched by grantees with at least equal amounts of federal moneys, other cash investments, or in-kind contributions, except as specified. Existing law authorizes HCD to set aside up to 4% of funds available in the Joe Serna,

Jr. Farmworker Housing Grant Fund on July 1 of each fiscal year for the purposes of curing or averting a default on the terms of any loan or other obligation by a recipient of financial assistance under the program or to repair or maintain any dwelling unit assisted under the program, under specified conditions.

This bill would require HCD to require, for multifamily housing loans made pursuant to the program, annual loan payments in the minimum amount necessary to cover the costs of project monitoring, as specified. The bill would remove the matching funds requirement. The bill would decrease the amount in the Joe Serna, Jr. Farmworker Housing Grant Fund that HCD is authorized to set aside to 1.5% of funds available.

(9) Existing law establishes the CalHome Program, administered by HCD, to enable low- and very low income households to become or remain homeowners. Existing law requires HCD, under the program, to use appropriated funds to provide grant or loan funds to local public agencies or nonprofit corporations for specified purposes relating to the promotion of home ownership. Existing law requires local public agencies or nonprofit corporations to meet certain eligibility requirements, including underwriting requirements. Existing laws authorizes HCD to permit an applicant to apply its own underwriting guidelines, if HCD approves those guidelines, as well as any alterations to those guidelines. Existing law, the Veterans and Affordable Housing Bond Act of 2018, deposits \$300,000,000 to the Self-Help Housing Fund, a continuously appropriated fund, for purposes of the CalHome Program, as specified.

This bill would authorize HCD to make grants to local agencies or nonprofit associations for the construction, repair, reconstruction, or rehabilitation of accessory dwelling units and junior accessory dwelling units. The bill would also authorize HCD to use appropriated funds to make grants to local agencies or nonprofit corporations to assist households that meet certain income requirements and are victims of a disaster, provided that the disaster was proclaimed by the Governor, as specified, received a special appropriation of federal emergency supplemental assistance, or declared by the President. The bill would authorize HCD to adopt guidelines to this effect. The bill would also require HCD to approve any alterations of underwriting guidelines by applicants with respect to how the applicants will ensure participation by low-income households in making loans in response to a disaster.

By expanding the uses of a continuously appropriated fund, this bill would make an appropriation.

(10) Existing law establishes the Local Housing Trust Fund Matching Grant Program for the purpose of supporting local housing trust funds dedicated to the creation or preservation of affordable housing. Under the grant program, HCD is authorized to make matching grants available, through the issuance of a Notice of Funding Availability (NOFA), to cities, counties, cities and counties, and existing charitable nonprofit organizations that have created, funded, and operated housing trust funds.

This bill would authorize HCD to make matching grants available under the program, as described above, to Native American tribes. The bill would authorize HCD to adopt guidelines to implement the program. The bill would also authorize HCD to make grants to trust funds for the construction, repair, reconstruction, or rehabilitation of accessory dwelling units and junior accessory dwelling units.

Under existing law, the minimum allocation to a program applicant is \$1,000,000 for existing housing trust funds, or \$500,000 for newly established housing trust funds. The maximum allocation for any applicant is \$2,000,000, unless the applicant has previously received a grant through the program, in which case the maximum allocation is \$1,000,000. Under existing law, all funds provided under the grant program are to be matched on a dollar-for-dollar basis with moneys that are not required by any state or federal law to be spent on housing. Existing law requires that HCD receive adequate documentation of the deposit in the local housing trust fund of the local match and the identity of the source of matching funds before considering an application for an existing housing trust.

This bill would authorize HCD to increase the minimum allocation above \$500,000 to an applicant that is a newly established trust and increase the minimum allocation to all other trusts above \$1,000,000. The bill would provide that the matching fund requirement does not apply to specified funds allocated under the Building Homes and Jobs Act that are used to capitalize a regional housing trust fund. In the case of an application for an existing housing trust, the bill would also authorize the applicant to provide evidence of a legally binding commitment to deposit matching funds.

Existing law requires HCD to set aside funding for new trusts, as defined in the NOFA issued for the program. Existing law also requires that funds be used for the predevelopment costs, acquisition, construction, or rehabilitation of specified types of housing, including emergency shelters, safe havens, and transitional housing, as defined by specified law.

This bill would instead require that HCD set aside funding for new trusts, as defined in the guidelines that are authorized by this bill to be adopted to implement the program. The bill would also instead require that funds be used for the predevelopment costs, acquisition, construction, or rehabilitation of emergency shelters, transitional housing, and permanent supportive housing, as defined in those guidelines.

Existing law requires that no more than 5% of the funds appropriated to HCD for purposes of the program be used for HCD's administrative costs.

This bill would authorize HCD to allow grantees under the program to use up to 5% of the grant award for administrative costs.

Existing law requires that a housing trust fund encumber funds provided under the program no later than 36 months after receipt, but provides for a 12-month extension in certain circumstances. Existing law requires that any funds not encumbered within this period revert to HCD for use in the program or its successor.

This bill would extend the period in which funds are required to be encumbered from 36 months to 60 months.

This bill would make various technical and conforming changes to the program.

Existing law establishes the Housing Rehabilitation Loan Fund, which is continuously appropriated to HCD for specified purposes relating to housing programs.

By expanding the uses for moneys in the Housing Rehabilitation Loan Fund, a continuously-appropriated fund, the bill would make an appropriation.

(11) The Planning and Zoning Law requires that the housing element of a city's or county's general plan, as described above, include, among other things, an assessment of housing needs and an inventory of land suitable for residential development. Existing law sets forth various classifications and definitions for purposes of determining a city's or county's inventory.

Existing law establishes the Infill Incentive Grant Program of 2007, administered by HCD, a competitive grant program to facilitate the development of qualifying infill residential projects.

This bill would establish the Infill Infrastructure Grant Program of 2019, which would require HCD, upon appropriation of funds by the Legislature, to establish and administer a grant program to allocate those funds to capital improvement projects that are an integral part of, or necessary to facilitate the development of, a qualifying infill project or qualifying infill area, as those terms are defined, pursuant to specified requirements. The bill, upon appropriation by the Legislature, would authorize HCD to expend \$500,000,000 for the program, as specified.

(12) Existing law establishes a low-income housing tax credit program pursuant to which CTCAC provides procedures and requirements for the allocation, in modified conformity with federal law, of state insurance, personal income, and corporation tax credit amounts to qualified low-income housing projects that have been allocated, or qualify for, a federal low-income housing tax credit, and farmworker housing. Existing law limits the total annual amount of the state low-income housing credit for which a federal low-income housing credit is required to the sum of \$70,000,000, as increased by any percentage increase in the Consumer Price Index for the preceding calendar year, any unused credit for the preceding calendar years, and the amount of housing credit ceiling returned in the calendar year. For purposes of determining the credit amount, existing law defines the term "applicable percentage" depending on, among other things, whether the qualified low-income building is a new building that is not federally subsidized, a new building that is federally subsidized, or is an existing building that is "at risk of conversion."

This bill would also, under the law governing the taxation of insurers, the Personal Income Tax Law, and the Corporation Tax Law, for calendar years beginning in 2020, provide for an additional \$500,000,000 that may be allocated to specified low-income housing projects and would, for calendar years beginning in 2021, provide that this amount is only available for allocation pursuant to an authorization in the annual Budget Act or related legislation, and specified regulatory action by CTCAC. The bill,

under those laws, would modify the definition of “applicable percentage” relating to qualified low-income buildings to depend on whether the building is a new building that is federally subsidized that receives an allocation from the additional \$500,000,000 or whether the building is, among other things, at least 15 years old, may serve households of very low income or extremely low income, and will complete substantial rehabilitation, as specified.

Existing law, beginning on or after January 1, 2009, and before January 1, 2020, requires, in the case of a project that receives a preliminary reservation of a state low-income housing tax credit, that the credit be allocated to the partners of a partnership owning the project in accordance with the partnership agreement, as provided. Existing law, beginning on or after January 1, 2016, and before January 1, 2020, authorizes a taxpayer that is allowed a low-income housing tax credit to elect to sell all or a portion of that credit to one or more unrelated parties for each taxable year in which the credit is allowed, as described.

This bill would delete the January 1, 2020, date with respect to both of these provisions, thereby requiring the allocation of credits among partners in accordance with the partnership agreement and authorizing the sale of a credit, as described above, indefinitely.

With respect to the sale of a low-income housing tax credit under these provisions, existing law authorizes the taxpayer to elect to sell all or a portion of the credit in its application to CTCAC. Existing law generally requires that this election be irrevocable, but allows the taxpayer, with the approval of the executive director of CTCAC, to rescind the election to sell if the consideration falls below 80% of the amount of the credit. Existing law also requires that an unrelated party that purchases any or all of a credit under these provisions be a taxpayer that is allowed a credit for the taxable year of the purchase, or was allowed a credit for a prior taxable year, and a state or federal low-income housing tax credit and, except as provided, prohibits the unrelated party from reselling the credit to another taxpayer or other party.

This bill would instead authorize a taxpayer to make a one-time revocation of the election to sell all or any portion of a low-income housing tax credit at any time before CTCAC allocates a final credit amount for a project, at which point the election would become irrevocable. The bill would specifically prohibit a taxpayer from electing to sell all or any portion of a low-income housing tax credit if the taxpayer did not make that election in its application submitted to CTCAC. The bill would also delete the requirement that the unrelated party be a taxpayer that is allowed, or have previously been allowed, a state or federal low-income housing tax credit and the prohibition on the resale of a credit by the unrelated party.

(13) The Personal Income Tax Law and the Corporation Tax Law, in modified conformity with federal law, generally disallow passive activity loss and passive activity credits for any taxable year in computing taxable income, but, in the case of a natural person, allow an offset in the case of the low-income housing tax credit of up to \$75,000 for any taxable year for

all rental real estate activities in which the individual actively participated in the taxable year, as provided.

This bill, for each taxable year beginning on or after January 1, 2020, would provide that the dollar limitation for the offset for rental real estate activities does not apply to the low-income housing tax credit program.

(14) Existing law requires, by July 1, 2019, agencies and departments administering state programs in existence prior to July 1, 2017, to collaborate with the Homeless Coordinating and Financing Council to revise or adopt guidelines and regulations that incorporate the core components of Housing First, an evidence-based model that uses housing as a tool, rather than a reward, for recovery.

This bill would delay the duty of an agency or department that administers programs that fund recovery housing, as defined, to incorporate the core components of Housing First to July 1, 2020. The bill would additionally require an agency or department that administers programs that fund recovery housing to consult with the Homeless Coordinating and Financing Council, the Business, Consumer Services, and Housing Agency, and stakeholders between July 1, 2019, and July 1, 2020, to identify ways to improve the provision of housing to individuals who receive housing assistance from the agency or department and report to the Senate Committee on Budget and Fiscal Review and the Assembly Committee on Budget by March 1, 2020, as specified.

(15) Existing law establishes the Self-Help Housing Fund and continuously appropriates moneys for specified purposes related to the California Self-Help Housing Program. Existing law also establishes CalHFA within HCD with the primary purpose of meeting the housing needs of persons and families of low or moderate income. Existing law authorizes CalHFA to make, or undertake commitments to make, loans to finance the acquisition, construction, rehabilitation, refinancing, or development of housing intended to benefit, among others, persons identified as having special needs relating to intellectual and developmental disabilities.

This bill would continuously appropriate, without regard to fiscal years, the sum of \$500,000,000 to HCD and require that these moneys be deposited in the Self-Help Housing Fund based on a specified schedule. Notwithstanding specified law, the bill would require HCD to transfer these moneys to CalHFA to be used to finance low and moderate income housing, as provided.

(16) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(17) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares the following:

(a) The gap between available and needed housing is increasing the cost of living in our state and negatively impacting middle class Californians.

(b) Addressing the housing cost crisis will require action by the state, local governments, and the private sector to increase housing production and preserve available affordable housing.

(c) The 2019–20 Budget Act provides approximately \$8 billion in funding to address California’s housing and homelessness crisis.

(d) A key element of increasing housing production is to ensure that local governments are implementing state law, particularly their planning and zoning obligations. To that end, this act establishes incentives, due process requirements, and penalties. Specifically, this act expands judicial remedies that may be imposed by the court when a city, county, or a city and county is found to be out of substantial compliance with housing element law, is provided by the act more than one year to come into substantial compliance, and continues not following the law.

(e) The additional judicial remedies in this act are intended to be used only as a last resort where a jurisdiction has continued to not fulfill its responsibilities under housing element law and disregards the direction of the court.

SEC. 2. Section 30035.7 of the Government Code is amended to read:

30035.7. (a) Of the amount appropriated in the annual Budget Act or other measure for the program, the department’s Office of State Audits and Evaluations may use up to five hundred thousand dollars (\$500,000) to conduct an audit of the program to determine its effectiveness in providing services to ex-offenders.

(b) The department’s Office of State Audits and Evaluations shall conduct an audit of the program. The department shall provide a copy of the audit to the Joint Legislative Budget Committee no later than May 1, 2020. The copy of the audit shall be submitted in compliance with Section 9795.

(c) Cities, counties, cities and counties, and facility operators that receive program funds shall agree, as a condition of receiving program funds, to cooperate fully with the audit conducted pursuant to this section by the department’s Office of State Audits and Evaluations.

SEC. 3. Section 65400 of the Government Code is amended to read:

65400. (a) After the legislative body has adopted all or part of a general plan, the planning agency shall do both of the following:

(1) Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the general plan or element of the general plan, so that it will serve as an effective guide for orderly growth and development, preservation and conservation of open-space land and natural resources, and the efficient expenditure of public funds relating to the subjects addressed in the general plan.

(2) Provide by April 1 of each year an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes all of the following:

(A) The status of the plan and progress in its implementation.

(B) The progress in meeting its share of regional housing needs determined pursuant to Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to paragraph (3) of subdivision (c) of Section 65583.

The housing element portion of the annual report, as required by this paragraph, shall be prepared through the use of standards, forms, and definitions adopted by the Department of Housing and Community Development. The department may review, adopt, amend, and repeal the standards, forms, or definitions, to implement this article. Any standards, forms, or definitions adopted to implement this article shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. Before and after adoption of the forms, the housing element portion of the annual report shall include a section that describes the actions taken by the local government towards completion of the programs and status of the local government’s compliance with the deadlines in its housing element. That report shall be considered at an annual public meeting before the legislative body where members of the public shall be allowed to provide oral testimony and written comments.

The report may include the number of units that have been substantially rehabilitated, converted from nonaffordable to affordable by acquisition, and preserved consistent with the standards set forth in paragraph (2) of subdivision (c) of Section 65583.1. The report shall document how the units meet the standards set forth in that subdivision.

(C) The number of housing development applications received in the prior year.

(D) The number of units included in all development applications in the prior year.

(E) The number of units approved and disapproved in the prior year.

(F) The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.

(G) A listing of sites rezoned to accommodate that portion of the city’s or county’s share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory required by paragraph (1) of subdivision (c) of Section 65583 and Section 65584.09. The listing of sites shall also include any additional sites that may have been required to be identified by Section 65863.

(H) The number of net new units of housing, including both rental housing and for-sale housing, that have been issued a completed entitlement, a building permit, or a certificate of occupancy, thus far in the housing element cycle, and the income category, by area median income category, that each unit of housing satisfies. That production report shall, for each income category described in this subparagraph, distinguish between the number

of rental housing units and the number of for-sale units that satisfy each income category. The production report shall include, for each entitlement, building permit, or certificate of occupancy, a unique site identifier that must include the assessor's parcel number, but may include street address, or other identifiers.

(I) The number of applications submitted pursuant to subdivision (a) of Section 65913.4, the location and the total number of developments approved pursuant to subdivision (b) of Section 65913.4, the total number of building permits issued pursuant to subdivision (b) of Section 65913.4, the total number of units including both rental housing and for-sale housing by area median income category constructed using the process provided for in subdivision (b) of Section 65913.4.

(J) If the city or county has received funding pursuant to the Local Government Planning Support Grants Program (Chapter 3.1 (commencing with Section 50515) of Part 2 of Division 31 of the Health and Safety Code), the information required pursuant to subdivision (a) of Section 50515.04 of the Health and Safety Code.

(K) The Department of Housing and Community Development shall post a report submitted pursuant to this paragraph on its internet website within a reasonable time of receiving the report.

(b) If a court finds, upon a motion to that effect, that a city, county, or city and county failed to submit, within 60 days of the deadline established in this section, the housing element portion of the report required pursuant to subparagraph (B) of paragraph (2) of subdivision (a) that substantially complies with the requirements of this section, the court shall issue an order or judgment compelling compliance with this section within 60 days. If the city, county, or city and county fails to comply with the court's order within 60 days, the plaintiff or petitioner may move for sanctions, and the court may, upon that motion, grant appropriate sanctions. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment is not carried out within 60 days, the court may issue further orders as provided by law to ensure that the purposes and policies of this section are fulfilled. This subdivision applies to proceedings initiated on or after the first day of October following the adoption of forms and definitions by the Department of Housing and Community Development pursuant to paragraph (2) of subdivision (a), but no sooner than six months following that adoption.

SEC. 4. Section 65585 of the Government Code is amended to read:

65585. (a) In the preparation of its housing element, each city and county shall consider the guidelines adopted by the department pursuant to Section 50459 of the Health and Safety Code. Those guidelines shall be advisory to each city or county in the preparation of its housing element.

(b) (1) At least 90 days prior to adoption of its housing element, or at least 60 days prior to the adoption of an amendment to this element, the planning agency shall submit a draft element or draft amendment to the department.

(2) The planning agency staff shall collect and compile the public comments regarding the housing element received by the city, county, or city and county, and provide these comments to each member of the legislative body before it adopts the housing element.

(3) The department shall review the draft and report its written findings to the planning agency within 90 days of its receipt of the draft in the case of an adoption or within 60 days of its receipt in the case of a draft amendment.

(c) In the preparation of its findings, the department may consult with any public agency, group, or person. The department shall receive and consider any written comments from any public agency, group, or person regarding the draft or adopted element or amendment under review.

(d) In its written findings, the department shall determine whether the draft element or draft amendment substantially complies with this article.

(e) Prior to the adoption of its draft element or draft amendment, the legislative body shall consider the findings made by the department. If the department's findings are not available within the time limits set by this section, the legislative body may act without them.

(f) If the department finds that the draft element or draft amendment does not substantially comply with this article, the legislative body shall take one of the following actions:

(1) Change the draft element or draft amendment to substantially comply with this article.

(2) Adopt the draft element or draft amendment without changes. The legislative body shall include in its resolution of adoption written findings which explain the reasons the legislative body believes that the draft element or draft amendment substantially complies with this article despite the findings of the department.

(g) Promptly following the adoption of its element or amendment, the planning agency shall submit a copy to the department.

(h) The department shall, within 90 days, review adopted housing elements or amendments and report its findings to the planning agency.

(i) (1) (A) The department shall review any action or failure to act by the city, county, or city and county that it determines is inconsistent with an adopted housing element or Section 65583, including any failure to implement any program actions included in the housing element pursuant to Section 65583. The department shall issue written findings to the city, county, or city and county as to whether the action or failure to act substantially complies with this article, and provide a reasonable time no longer than 30 days for the city, county, or city and county to respond to the findings before taking any other action authorized by this section, including the action authorized by subparagraph (B).

(B) If the department finds that the action or failure to act by the city, county, or city and county does not substantially comply with this article, and if it has issued findings pursuant to this section that an amendment to the housing element substantially complies with this article, the department

may revoke its findings until it determines that the city, county, or city and county has come into compliance with this article.

(2) The department may consult with any local government, public agency, group, or person, and shall receive and consider any written comments from any public agency, group, or person, regarding the action or failure to act by the city, county, or city and county described in paragraph (1), in determining whether the housing element substantially complies with this article.

(j) The department shall notify the city, county, or city and county and may notify the Office of the Attorney General that the city, county, or city and county is in violation of state law if the department finds that the housing element or an amendment to this element, or any action or failure to act described in subdivision (i), does not substantially comply with this article or that any local government has taken an action in violation of the following:

(1) Housing Accountability Act (Section 65589.5 of the Government Code).

(2) Section 65863 of the Government Code.

(3) Chapter 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code.

(4) Section 65008 of the Government Code.

(k) Commencing July 1, 2019, prior to the Attorney General bringing any suit for a violation of the provisions identified in subdivision (j) related to housing element compliance and seeking remedies available pursuant to this subdivision, the department shall offer the jurisdiction the opportunity for two meetings in person or via telephone to discuss the violation, and shall provide the jurisdiction written findings regarding the violation. This paragraph does not affect any action filed prior to the effective date of this section. The requirements set forth in this subdivision shall not apply to any suits brought for a violation or violations of paragraphs (1), (3), and (4) of subdivision (j).

(l) In any action or special proceeding brought by the Attorney General relating to housing element compliance pursuant to subdivision (j), the Attorney General shall request, upon a finding of the court that the housing element does not substantially comply with the requirements of this article pursuant to this section, that the court issue an order or judgment directing the jurisdiction to bring its housing element into substantial compliance with the requirements of this article. The court shall retain jurisdiction to ensure that its order or judgment is carried out, and once a court determines that the housing element of the jurisdiction substantially complies with this article, it shall have the same force and effect, for all purposes, as the department’s determination that the housing element substantially complies with this article.

(1) If the jurisdiction has not complied with the order or judgment after twelve months, the court shall conduct a status conference. Following the status conference, upon a determination that the jurisdiction failed to comply with the order or judgment compelling substantial compliance with the requirements of this article, the court shall impose fines on the jurisdiction,

which shall be deposited into the Building Homes and Jobs Trust Fund. Any fine levied pursuant to this paragraph shall be in a minimum amount of ten thousand dollars (\$10,000) per month, but shall not exceed one hundred thousand dollars (\$100,000) per month, except as provided in paragraphs (2) and (3). In the event that the jurisdiction fails to pay fines imposed by the court in full and on time, the court may require the State Controller to intercept any available state and local funds and direct such funds to the Building Homes and Jobs Trust Fund to correct the jurisdiction's failure to pay. The intercept of the funds by the Controller for this purpose shall not violate any provision of the California Constitution.

(2) If the jurisdiction has not complied with the order or judgment after three months following the imposition of fees described in paragraph (1), the court shall conduct a status conference. Following the status conference, if the court finds that the fees imposed pursuant to paragraph (1) are insufficient to bring the jurisdiction into compliance with the order or judgment, the court may multiply the fine determined pursuant to paragraph (1) by a factor of three. In the event that the jurisdiction fails to pay fines imposed by the court in full and on time, the court may require the State Controller to intercept any available state and local funds and direct such funds to the Building Homes and Jobs Trust Fund to correct the jurisdiction's failure to pay. The intercept of the funds by the Controller for this purpose shall not violate any provision of the California Constitution.

(3) If the jurisdiction has not complied with the order or judgment six months following the imposition of fees described in paragraph (1), the court shall conduct a status conference. Upon a determination that the jurisdiction failed to comply with the order or judgment, the court may impose the following:

(A) If the court finds that the fees imposed pursuant to paragraph (1) and paragraph (2) are insufficient to bring the jurisdiction into compliance with the order or judgement, the court may multiply the fine determined pursuant to paragraph (1) by a factor of six. In the event that the jurisdiction fails to pay fines imposed by the court in full and on time, the court may require the State Controller to intercept any available state and local funds and direct such funds to the Building Homes and Jobs Trust Fund to correct the jurisdiction's failure to pay. The intercept of the funds by the Controller for this purpose shall not violate any provision of the California Constitution.

(B) The court may order remedies available pursuant to Section 564 of the Code of Civil Procedure, under which the agent of the court may be appointed with all the powers necessary to bring the jurisdiction's housing element into substantial compliance pursuant to this article in order to remedy identified deficiencies. The court shall determine whether the housing element of the jurisdiction substantially complies with this article and, once the court makes that determination, it shall have the same force and effect, for all purposes, as the department's determination that the housing element substantially complies with this article. An agent appointed pursuant to this paragraph shall have expertise in planning in California.

(4) This subdivision shall not limit a court’s discretion to apply any and all remedies in an action or special proceeding filed by a party other than the state for a violation of any law identified in subdivision (j).

(m) In determining the application of the remedies available under subdivision (l), the court shall consider whether there are any mitigating circumstances delaying the jurisdiction from coming into compliance with state housing law. The court may consider whether a city, county, or city and county is making a good faith effort to come into substantial compliance or is facing substantial undue hardships.

(n) The Office of the Attorney General may seek all remedies available under law including those set forth in this section.

SEC. 5. Section 65589.9 is added to the Government Code, to read:

65589.9. (a) It is the intent of the Legislature to create incentives for jurisdictions that are compliant with housing element requirements and have enacted prohousing local policies. It is the intent of the Legislature that these incentives be in the form of additional points or other preference in the scoring of competitive housing and infrastructure programs. It is the intent of the Legislature that, in adopting regulations related to prohousing local policy criteria, the department shall create criteria that consider the needs of rural, suburban, and urban jurisdictions and how those criteria may differ in those areas.

(b) For award cycles commenced after July 1, 2021, jurisdictions that have adopted a housing element that has been found by the department to be in substantial compliance with the requirements of this article pursuant to Section 65585, and that have been designated prohousing pursuant to subdivision (c) based upon their adoption of prohousing local policies, shall be awarded additional points or preference in the scoring of program applications for the following programs:

(1) The Affordable Housing and Sustainable Communities Program established by Part 1 (commencing with Section 75200) of Division 44 of the Public Resources Code.

(2) The Transformative Climate Communities Program established by Part 4 (commencing with Section 75240) of Division 44 of the Public Resources Code.

(3) The Infill Incentive Grant Program of 2007 established by Section 53545.13 of the Health and Safety Code.

(4) Additional bonus points may be awarded to other state programs when already allowable under state law.

(c) The department shall designate jurisdictions as prohousing pursuant to the emergency regulations adopted pursuant to subdivision (d) and report these designations to the Office of Planning and Research, and any other applicable agency or department, annually and upon request.

(d) By July 1, 2021, the department, in collaboration with stakeholders, shall adopt emergency regulations to implement this section.

(e) On or before January 1, 2021, and annually thereafter, the Department of Finance shall publish on its internet website the list of programs included under subdivision (b).

(f) For purposes of this section, the following definitions shall apply:

(1) “Compliant housing element” means an adopted housing element that has been found to be in substantial compliance with the requirements of this article by the department pursuant to Section 65585.

(2) “Prohousing local policies” means policies that facilitate the planning, approval, or construction of housing. These policies may include, but are not limited to, the following:

(A) Local financial incentives for housing, including, but not limited to, establishing a local housing trust fund.

(B) Reduced parking requirements for sites that are zoned for residential development.

(C) Adoption of zoning allowing for use by right for residential and mixed-use development.

(D) Zoning more sites for residential development or zoning sites at higher densities than is required to accommodate the minimum existing regional housing need allocation for the current housing element cycle.

(E) Adoption of accessory dwelling unit ordinances or other mechanisms that reduce barriers for property owners to create accessory dwelling units beyond the requirements outlined in Section 65852.2, as determined by the department.

(F) Reduction of permit processing time.

(G) Creation of objective development standards.

(H) Reduction of development impact fees.

(I) Establishment of a Workforce Housing Opportunity Zone, as defined in Section 65620, or a housing sustainability district, as defined in Section 66200.

SEC. 6. Section 65589.11 is added to the Government Code, to read:

65589.11. (a) The department shall post on its internet website each month a list of jurisdictions that have failed to adopt a housing element that has been found by the department to be in substantial compliance with the requirements of this article pursuant to Section 65585. The department shall, on an annual basis, by July 1, or upon request, provide the most recent version of the list to the Office of Planning and Research and any other applicable agency or department.

(b) If a jurisdiction is included on this list described in subdivision (a), the department shall notify the jurisdiction of its inclusion upon the first occurrence of this inclusion. A copy of all notifications sent to a jurisdiction shall also be submitted to the legislative body of the jurisdiction.

(c) If a jurisdiction is included on the list described in subdivision (a), the department shall offer the jurisdiction the opportunity for two meetings in person or via telephone to discuss the jurisdiction’s failure to adopt a housing element that is found to be in substantial compliance with the requirements of this article pursuant to Section 65585, and shall provide the jurisdiction written findings regarding that failure. Meetings previously offered pursuant to subdivision (k) of Section 65585 shall satisfy the requirements of this subdivision.

(d) Within 30 days of a jurisdiction both appearing on the list published pursuant to subdivision (a), and also having adopted a housing element pursuant to paragraph (2) of subdivision (f) of Section 65585, a jurisdiction may request, in writing, that the department review de novo the jurisdiction’s last housing element adopted pursuant to paragraph (2) of subdivision (f) of Section 65585. Within 30 days of receipt of the request, the department shall issue written findings as to whether the housing element has been found by the department to be in substantial compliance with the requirements of this article pursuant to Section 65585. If the department’s written findings state that the jurisdiction’s housing element is not in substantial compliance with the requirements of this article pursuant to Section 65585, then the city, county, or city and county may, within 30 days of receiving those written findings, bring an action to superior court pursuant to Section 1094.5 of the Civil Code of Procedure to challenge the department’s determination. Any action pursuant to this subdivision shall not impact the allocation of funds for any programs identified in subdivision (e).

(e) On or before January 1, 2023, and annually thereafter, the Department of Finance shall publish on its internet website a list of programs, if any, where eligibility for funding is contingent upon a jurisdiction having adopted a housing element that has been found by the department to be in substantial compliance with the requirements of this article pursuant to Section 65585. The list shall not include any program where eligibility for funding is contingent upon a housing element that has been found by the department to be in substantial compliance with the requirements of this article pursuant to Section 65585 on or before the effective date of this section.

(f) Subdivisions (c) and (d) of this section shall become operative upon the inclusion of at least one program on the list published pursuant to subdivision (e).

(g) This section shall not affect any action filed on or before the effective date of this section.

SEC. 7. Article 12 (commencing with Section 65660) is added to Chapter 3 of Division 1 of Title 7 of the Government Code, to read:

Article 12. Low Barrier Navigation Centers

65660. For purposes of this article:

(a) “Low Barrier Navigation Center” means a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. “Low Barrier” means best practices to reduce barriers to entry, and may include, but is not limited to, the following:

- (1) The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth.
- (2) Pets.

(3) The storage of possessions.

(4) Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms.

(b) “Use by right” has the meaning defined in subdivision (i) of Section 65583.2. Division 13 (commencing with Section 21000) of the Public Resources Code shall not apply to actions taken by a public agency to lease, convey, or encumber land owned by a public agency, or to facilitate the lease, conveyance, or encumbrance of land owned by a public agency, or to provide financial assistance to, or otherwise approve, a Low Barrier Navigation Center constructed or allowed by this section.

65662. A Low Barrier Navigation Center development is a use by right in areas zoned for mixed use and nonresidential zones permitting multifamily uses, if it meets the requirements of this article. A local jurisdiction shall permit a Low Barrier Navigation Center development provided that it meets the following requirements:

(a) It offers services to connect people to permanent housing through a services plan that identifies services staffing.

(b) It is linked to a coordinated entry system, so that staff in the interim facility or staff who colocate in the facility may conduct assessments and provide services to connect people to permanent housing. “Coordinated entry system” means a centralized or coordinated assessment system developed pursuant to Section 576.400(d) or Section 578.7(a)(8), as applicable, of Title 24 of the Code of Federal Regulations, as those sections read on January 1, 2020, and any related requirements, designed to coordinate program participant intake, assessment, and referrals.

(c) It complies with Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.

(d) It has a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.

65664. Within 30 days of receipt of an application for a Low Barrier Navigation Center development, the local jurisdiction shall notify a developer whether the developer’s application is complete pursuant to Section 65943. Within 60 days of receipt of a completed application for a Low Barrier Navigation Center development, the local jurisdiction shall act upon its review of the application.

65666. The Legislature finds and declares that Low Barrier Navigation Center developments are essential tools for alleviating the homelessness crisis in this state and are a matter of statewide concern and not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this article shall apply to all cities, including charter cities.

65668. This article shall remain in effect only until January 1, 2027, and as of that date is repealed.

SEC. 8. Section 65913.4 of the Government Code is amended to read:

65913.4. (a) A development proponent may submit an application for a development that is subject to the streamlined, ministerial approval process provided by subdivision (b) and is not subject to a conditional use permit if the development satisfies all of the following objective planning standards:

(1) The development is a multifamily housing development that contains two or more residential units.

(2) The development is located on a site that satisfies all of the following:

(A) A site that is a legal parcel or parcels located in a city if, and only if, the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel or parcels wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(B) A site in which at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For the purposes of this section, parcels that are only separated by a street or highway shall be considered to be adjoined.

(C) A site that is zoned for residential use or residential mixed-use development, or has a general plan designation that allows residential use or a mix of residential and nonresidential uses, with at least two-thirds of the square footage of the development designated for residential use. Additional density, floor area, and units, and any other concession, incentive, or waiver of development standards granted pursuant to the Density Bonus Law in Section 65915 shall be included in the square footage calculation.

(3) (A) The development proponent has committed to record, prior to the issuance of the first building permit, a land use restriction or covenant providing that any lower income housing units required pursuant to subparagraph (B) of paragraph (4) shall remain available at affordable housing costs or rent to persons and families of lower income for no less than the following periods of time:

(i) Fifty-five years for units that are rented.

(ii) Forty-five years for units that are owned.

(B) The city or county shall require the recording of covenants or restrictions implementing this paragraph for each parcel or unit of real property included in the development.

(4) The development satisfies both of the following:

(A) Is located in a locality that the department has determined is subject to this subparagraph on the basis that the number of units that have been issued building permits is less than the locality's share of the regional housing needs, by income category, for that reporting period. A locality shall remain eligible under this subparagraph until the department's determination for the next reporting period.

(B) The development is subject to a requirement mandating a minimum percentage of below market rate housing based on one of the following:

(i) The locality did not submit its latest production report to the department by the time period required by Section 65400, or that production report reflects that there were fewer units of above moderate-income housing

issued building permits than were required for the regional housing needs assessment cycle for that reporting period. In addition, if the project contains more than 10 units of housing, the project seeking approval dedicates a minimum of 10 percent of the total number of units to housing affordable to households making below 80 percent of the area median income. If the locality has adopted a local ordinance that requires that greater than 10 percent of the units be dedicated to housing affordable to households making below 80 percent of the area median income, that local ordinance applies.

(ii) The locality’s latest production report reflects that there were fewer units of housing issued building permits affordable to either very low income or low-income households by income category than were required for the regional housing needs assessment cycle for that reporting period, and the project seeking approval dedicates 50 percent of the total number of units to housing affordable to households making below 80 percent of the area median income, unless the locality has adopted a local ordinance that requires that greater than 50 percent of the units be dedicated to housing affordable to households making below 80 percent of the area median income, in which case that local ordinance applies.

(iii) The locality did not submit its latest production report to the department by the time period required by Section 65400, or if the production report reflects that there were fewer units of housing affordable to both income levels described in clauses (i) and (ii) that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, the project seeking approval may choose between utilizing clause (i) or (ii).

(5) The development, excluding any additional density or any other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in Section 65915, is consistent with objective zoning standards, objective subdivision standards, and objective design review standards in effect at the time that the development is submitted to the local government pursuant to this section. For purposes of this paragraph, “objective zoning standards,” “objective subdivision standards,” and “objective design review standards” mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal. These standards may be embodied in alternative objective land use specifications adopted by a city or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances, subject to the following:

(A) A development shall be deemed consistent with the objective zoning standards related to housing density, as applicable, if the density proposed is compliant with the maximum density allowed within that land use designation, notwithstanding any specified maximum unit allocation that may result in fewer units of housing being permitted.

(B) In the event that objective zoning, general plan, subdivision, or design review standards are mutually inconsistent, a development shall be deemed consistent with the objective zoning and subdivision standards pursuant to this subdivision if the development is consistent with the standards set forth in the general plan.

(C) The amendments to this subdivision made by the act adding this subparagraph do not constitute a change in, but are declaratory of, existing law.

(6) The development is not located on a site that is any of the following:

(A) A coastal zone, as defined in Division 20 (commencing with Section 30000) of the Public Resources Code.

(B) Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction.

(C) Wetlands, as defined in the United States Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993).

(D) Within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code. This subparagraph does not apply to sites excluded from the specified hazard zones by a local agency, pursuant to subdivision (b) of Section 51179, or sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development.

(E) A hazardous waste site that is listed pursuant to Section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless the State Department of Public Health, State Water Resources Control Board, or Department of Toxic Substances Control has cleared the site for residential use or residential mixed uses.

(F) Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist, unless the development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law (Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code), and by any local building department under Chapter 12.2 (commencing with Section 8875) of Division 1 of Title 2.

(G) Within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency. If a development proponent is

able to satisfy all applicable federal qualifying criteria in order to provide that the site satisfies this subparagraph and is otherwise eligible for streamlined approval under this section, a local government shall not deny the application on the basis that the development proponent did not comply with any additional permit requirement, standard, or action adopted by that local government that is applicable to that site. A development may be located on a site described in this subparagraph if either of the following are met:

(i) The site has been subject to a Letter of Map Revision prepared by the Federal Emergency Management Agency and issued to the local jurisdiction.

(ii) The site meets Federal Emergency Management Agency requirements necessary to meet minimum flood plain management criteria of the National Flood Insurance Program pursuant to Part 59 (commencing with Section 59.1) and Part 60 (commencing with Section 60.1) of Subchapter B of Chapter I of Title 44 of the Code of Federal Regulations.

(H) Within a regulatory floodway as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency, unless the development has received a no-rise certification in accordance with Section 60.3(d)(3) of Title 44 of the Code of Federal Regulations. If a development proponent is able to satisfy all applicable federal qualifying criteria in order to provide that the site satisfies this subparagraph and is otherwise eligible for streamlined approval under this section, a local government shall not deny the application on the basis that the development proponent did not comply with any additional permit requirement, standard, or action adopted by that local government that is applicable to that site.

(I) Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code), habitat conservation plan pursuant to the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), or other adopted natural resource protection plan.

(J) Habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), or the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code).

(K) Lands under conservation easement.

(7) The development is not located on a site where any of the following apply:

(A) The development would require the demolition of the following types of housing:

(i) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(ii) Housing that is subject to any form of rent or price control through a public entity’s valid exercise of its police power.

(iii) Housing that has been occupied by tenants within the past 10 years.

(B) The site was previously used for housing that was occupied by tenants that was demolished within 10 years before the development proponent submits an application under this section.

(C) The development would require the demolition of a historic structure that was placed on a national, state, or local historic register.

(D) The property contains housing units that are occupied by tenants, and units at the property are, or were, subsequently offered for sale to the general public by the subdivider or subsequent owner of the property.

(8) The development proponent has done both of the following, as applicable:

(A) Certified to the locality that either of the following is true, as applicable:

(i) The entirety of the development is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) If the development is not in its entirety a public work, that all construction workers employed in the execution of the development will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the development is subject to this subparagraph, then for those portions of the development that are not a public work all of the following shall apply:

(I) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(II) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code.

If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(B) (i) For developments for which any of the following conditions apply, certified that a skilled and trained workforce shall be used to complete the development if the application is approved:

(I) On and after January 1, 2018, until December 31, 2021, the development consists of 75 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(II) On and after January 1, 2022, until December 31, 2025, the development consists of 50 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(III) On and after January 1, 2018, until December 31, 2019, the development consists of 75 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(IV) On and after January 1, 2020, until December 31, 2021, the development consists of more than 50 units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(V) On and after January 1, 2022, until December 31, 2025, the development consists of more than 25 units with a residential component that is not 100 percent subsidized affordable housing and will be located

within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(ii) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(iii) If the development proponent has certified that a skilled and trained workforce will be used to complete the development and the application is approved, the following shall apply:

(I) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the development.

(II) Every contractor and subcontractor shall use a skilled and trained workforce to complete the development.

(III) Except as provided in subclause (IV), the applicant shall provide to the locality, on a monthly basis while the development or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the locality pursuant to this subclause shall be a public record under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars (\$10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars (\$200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(IV) Subclause (III) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(C) Notwithstanding subparagraphs (A) and (B), a development that is subject to approval pursuant to this section is exempt from any requirement to pay prevailing wages or use a skilled and trained workforce if it meets both of the following:

- (i) The project includes 10 or fewer units.

(ii) The project is not a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(9) The development did not or does not involve a subdivision of a parcel that is, or, notwithstanding this section, would otherwise be, subject to the Subdivision Map Act (Division 2 (commencing with Section 66410)) or any other applicable law authorizing the subdivision of land, unless the development is consistent with all objective subdivision standards in the local subdivision ordinance, and either of the following apply:

(A) The development has received or will receive financing or funding by means of a low-income housing tax credit and is subject to the requirement that prevailing wages be paid pursuant to subparagraph (A) of paragraph (8).

(B) The development is subject to the requirement that prevailing wages be paid, and a skilled and trained workforce used, pursuant to paragraph (8).

(10) The development shall not be upon an existing parcel of land or site that is governed under the Mobilehome Residency Law (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code), the Recreational Vehicle Park Occupancy Law (Chapter 2.6 (commencing with Section 799.20) of Title 2 of Part 2 of Division 2 of the Civil Code), the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200) of Division 13 of the Health and Safety Code), or the Special Occupancy Parks Act (Part 2.3 (commencing with Section 18860) of Division 13 of the Health and Safety Code).

(b) (1) If a local government determines that a development submitted pursuant to this section is in conflict with any of the objective planning standards specified in subdivision (a), it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, as follows:

(A) Within 60 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(2) If the local government fails to provide the required documentation pursuant to paragraph (1), the development shall be deemed to satisfy the objective planning standards specified in subdivision (a).

(c) (1) Any design review or public oversight of the development may be conducted by the local government’s planning commission or any equivalent board or commission responsible for review and approval of development projects, or the city council or board of supervisors, as appropriate. That design review or public oversight shall be objective and be strictly focused on assessing compliance with criteria required for streamlined projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction

before submission of a development application, and shall be broadly applicable to development within the jurisdiction. That design review or public oversight shall be completed as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(A) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 180 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(2) If the development is consistent with the requirements of subparagraph (A) or (B) of paragraph (9) of subdivision (a) and is consistent with all objective subdivision standards in the local subdivision ordinance, an application for a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Section 66410)) shall be exempt from the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) and shall be subject to the public oversight timelines set forth in paragraph (1).

(d) (1) Notwithstanding any other law, a local government, whether or not it has adopted an ordinance governing automobile parking requirements in multifamily developments, shall not impose automobile parking standards for a streamlined development that was approved pursuant to this section in any of the following instances:

(A) The development is located within one-half mile of public transit.

(B) The development is located within an architecturally and historically significant historic district.

(C) When on-street parking permits are required but not offered to the occupants of the development.

(D) When there is a car share vehicle located within one block of the development.

(2) If the development does not fall within any of the categories described in paragraph (1), the local government shall not impose automobile parking requirements for streamlined developments approved pursuant to this section that exceed one parking space per unit.

(e) (1) If a local government approves a development pursuant to this section, then, notwithstanding any other law, that approval shall not expire if the project includes public investment in housing affordability, beyond tax credits, where 50 percent of the units are affordable to households making below 80 percent of the area median income.

(2) If a local government approves a development pursuant to this section and the project does not include 50 percent of the units affordable to households making below 80 percent of the area median income, that approval shall automatically expire after three years except that a project may receive a one-time, one-year extension if the project proponent can provide documentation that there has been significant progress toward

getting the development construction ready, such as filing a building permit application.

(3) If a local government approves a development pursuant to this section, that approval shall remain valid for three years from the date of the final action establishing that approval and shall remain valid thereafter for a project so long as vertical construction of the development has begun and is in progress. Additionally, the development proponent may request, and the local government shall have discretion to grant, an additional one-year extension to the original three-year period. The local government’s action and discretion in determining whether to grant the foregoing extension shall be limited to considerations and process set forth in this section.

(f) A local government shall not adopt any requirement, including, but not limited to, increased fees or inclusionary housing requirements, that applies to a project solely or partially on the basis that the project is eligible to receive ministerial or streamlined approval pursuant to this section.

(g) This section shall not affect a development proponent’s ability to use any alternative streamlined by right permit processing adopted by a local government, including the provisions of subdivision (i) of Section 65583.2.

(h) The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) does not apply to actions taken by a state agency or local government to lease, convey, or encumber land owned by the local government or to facilitate the lease, conveyance, or encumbrance of land owned by the local government, or to provide financial assistance to a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(i) For purposes of this section, the following terms have the following meanings:

(1) “Affordable housing cost” has the same meaning as set forth in Section 50052.5 of the Health and Safety Code.

(2) “Affordable rent” has the same meaning as set forth in Section 50053 of the Health and Safety Code.

(3) “Department” means the Department of Housing and Community Development.

(4) “Development proponent” means the developer who submits an application for streamlined approval pursuant to this section.

(5) “Completed entitlements” means a housing development which has received all the required land use approvals or entitlements necessary for the issuance of a building permit.

(6) “Locality” or “local government” means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.

(7) “Production report” means the information reported pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.

(8) “State agency” includes every state office, officer, department, division, bureau, board, and commission, but does not include the California State University or the University of California.

(9) “Subsidized” means units that are price or rent restricted such that the units are permanently affordable to households meeting the definitions of very low and lower income, as defined in Sections 50079.5 and 50105 of the Health and Safety Code.

(10) “Reporting period” means either of the following:

(A) The first half of the regional housing needs assessment cycle.

(B) The last half of the regional housing needs assessment cycle.

(11) “Urban uses” means any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

(j) The department may review, adopt, amend, and repeal guidelines to implement uniform standards or criteria that supplement or clarify the terms, references, or standards set forth in this section. Any guidelines or terms adopted pursuant to this subdivision shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(k) The determination of whether an application for a development is subject to the streamlined ministerial approval process provided by subdivision (b) is not a “project” as defined in Section 21065 of the Public Resources Code.

(l) It is the policy of the state that this section be interpreted and implemented in a manner to afford the fullest possible weight to the interest of, and the approval and provision of, increased housing supply.

(m) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 9. Section 50199.8 of the Health and Safety Code is amended to read:

50199.8. The committee is composed of the Governor, or in the Governor’s absence, the Director of Finance, the Controller, the Treasurer, the Director of Housing and Community Development, and the Executive Director of the California Housing Finance Agency. Two representatives of local government, one representative of the counties appointed by the Senate Rules Committee, and one representative of the cities appointed by the Speaker of the Assembly shall serve as ex officio, nonvoting members. The Treasurer shall be the chairperson of the committee. The members of the committee shall serve without compensation. A majority of voting members shall be empowered to act for the committee. The committee may employ an executive director to carry out its duties under this chapter. The committee may, by resolution, delegate to one or more of its members, its executive director, or any other official or employee of the committee any powers and duties that it may deem proper, including, but not limited to, the power to enter into contracts on behalf of the committee.

SEC. 10. Chapter 6 (commencing with Section 50216) is added to Part 1 of Division 31 of the Health and Safety Code, to read:

CHAPTER 6. HOMELESS HOUSING, ASSISTANCE, AND PREVENTION PROGRAM

50216. For purposes of this chapter:

(a) "Agency" means the Business, Consumer Services, and Housing Agency.

(b) "Applicant" means a continuum of care, city, or county.

(c) "City" means a city or city and county that is legally incorporated to provide local government services to its population. A city can be organized either under the general laws of this state or under a charter adopted by the local voters.

(d) "Continuum of care" means the same as defined by the United States Department of Housing and Urban Development at Section 578.3 of Title 24 of the Code of Federal Regulations.

(e) "Coordinated Entry System" means a centralized or coordinated process developed pursuant to Section 578.7 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019, designed to coordinate homelessness program participant intake, assessment, and provision of referrals. In order to satisfy this subdivision, a centralized or coordinated assessment system shall cover the geographic area, be easily accessed by individuals and families seeking housing or services, be well advertised, and include a comprehensive and standardized assessment tool.

(f) "Council" means the Homeless Coordinating and Financing Council created pursuant to Section 8257 of the Welfare and Institutions Code.

(g) "Emergency shelter" has the same meaning as defined in subdivision (e) of Section 50801.

(h) "Homeless" has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019.

(i) "Homeless Management Information System" means the information system designated by a continuum of care to comply with federal reporting requirements as defined in Section 578.3 of Title 24 of the Code of Federal Regulations. The term "Homeless Management Information System" also includes the use of a comparable database by a victim services provider or legal services provider that is permitted by the federal government under Part 576 of Title 24 of the Code of Federal Regulations.

(j) "Homeless point-in-time count" means the 2019 homeless point-in-time count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations. A jurisdiction may elect to instead use their 2017 point-in-time count if they can demonstrate that a significant methodology change occurred between the 2017 and 2019 point-in-time counts that was based on an attempt to more closely align the count with HUD best practices and undertaken in consultation with HUD representatives. A jurisdiction shall submit documentation of this to the agency by the date by which HUD's certification of the 2019 homeless point-in-time count is finalized. The agency shall review and approve or deny a request described in the previous sentence along with a jurisdiction's application for homeless funding.

(k) “Homeless youth” means an unaccompanied youth between 12 and 24 years of age, inclusive, who is experiencing homelessness, as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)). “Homeless youth” includes unaccompanied youth who are pregnant or parenting.

(l) “Housing First” has the same meaning as in Section 8255 of the Welfare and Institutions Code, including all of the core components listed therein.

(m) “Jurisdiction” means a city, city that is also a county, county, or continuum of care, as defined in this section.

(n) “Navigation center” means a Housing First, low-barrier, service-enriched shelter focused on moving homeless individuals and families into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.

(o) “Program” means the Homeless Housing, Assistance, and Prevention program established pursuant to this chapter.

(p) “Program allocation” means the portion of program funds available to expand or develop local capacity to address immediate homelessness challenges, in the amount of six hundred fifty million dollars (\$650,000,000).

(q) “Recipient” means a jurisdiction that receives funds from the agency for the purposes of the program.

50217. (a) The Homeless Housing, Assistance, and Prevention program is hereby established for the purpose of providing jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges informed by a best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing.

(b) Upon appropriation by the Legislature, the agency shall distribute six hundred fifty million dollars (\$650,000,000) in accordance with this chapter.

(c) The agency shall administer the program. The program shall provide grant funds to cities, counties, and continuums of care. No more than 5 percent of the funds available pursuant to this chapter shall be expended on state operations.

(d) The agency’s decision to approve or deny an application and the determination of the amount of funding to be provided shall be final.

(e) The agency shall maintain and make available to the public on its internet website records of the following:

- (1) The number of applications for program funding received by the agency.
- (2) The number of applications for program funding denied by the agency.
- (3) The name of each recipient of program funds.
- (4) Each applicant receiving funds pursuant to this chapter shall provide a list of all awards to subrecipients.
- (5) Annual reports filed by recipients pursuant to Section 50221.

(f) In administering this chapter, the agency shall not be subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

50218. (a) Upon appropriation by the Legislature, six hundred fifty million dollars (\$650,000,000) of the funds administered pursuant to this chapter shall be available for implementing the program, as follows:

(1) One hundred ninety million dollars (\$190,000,000) of the funding available pursuant to this section shall be available for continuums of care. The agency shall calculate these allocations to a continuum of care based on each continuum of care’s proportionate share of the state’s total homeless population, based on the homeless point-in-time count. The agency shall award no more than 40 percent of the allocation made pursuant to this section and no less than five hundred thousand (\$500,000) to an applicant that is a continuum of care.

(2) Two hundred seventy-five million dollars (\$275,000,000) of the funding available pursuant to this section shall be available to each city, or city that is also a county, that has a population of 300,000 or more, as of January 1, 2019, according to data published on the Department of Finance’s internet website. The agency shall calculate the allocation to a city based on the city’s proportionate share of the total homeless population of the region served by the continuum of care within which the city is located, based on the homeless point-in-time count. The agency shall not award more than 45 percent of the program allocation to a city. If more than one recipient within the continuum of care meets the requirements of this paragraph, the proportionate share of funds shall be equally allocated to those jurisdictions.

(3) One hundred seventy-five million dollars (\$175,000,000) of the funding available pursuant to this section shall be available to each county. The agency shall calculate the allocation to county based on the county’s proportionate share of the total homeless population of region served by the continuum of care within which the county is located, based on the homeless point-in-time count. The agency shall not award more than 40 percent of the allocation made pursuant to this section to a county.

(4) Once the 2019 point-in-time count numbers have been finalized and posted by the United States Department of Housing and Urban Development, and any determinations described in subdivision (j) of Section 50216 have been announced, the agency shall calculate each jurisdiction’s final program allocation award amount and submit that information to the council. The council shall post this information to its internet website.

(5) A program recipient shall not use funding from the program to supplant existing local funds for homeless housing, assistance, or prevention.

(b) A program recipient shall use at least 8 percent, of the funds for services for homeless youth populations.

50219. (a) In order to apply for a program allocation, an applicant shall submit an application pursuant to the timeline specified in Section 50220 and provide the following, in the form and manner prescribed by the agency:

(1) A demonstration of how the jurisdiction has coordinated with other jurisdictions to identify their share of the regional need to address homelessness, and how the requested funds will help meet the jurisdiction's share of that need.

(2) Identification of all funds currently being used by the applicant to provide housing and homeless services for the homeless populations in the jurisdiction, including all federal, state, and local funds, and information on programs supported by the identified funds.

(3) An assessment of existing programs to address homelessness and an identification of gaps in housing and homeless services for the homeless populations in the jurisdiction, as identified by the continuum of care pursuant to paragraph (7), including those provided by entities other than the applicant.

(4) Identification of how funds requested in the application will complement the funds described in paragraph (2), close the gaps identified pursuant to paragraph (3), and serve the homeless populations identified pursuant to paragraph (7).

(5) An outline of proposed uses of funds and explanation of how proposed use of funds meets each of the requirements described in paragraph (4).

(6) A list of measurable goals including but not limited to the number of individuals served and percentage of individuals successfully placed in permanent housing.

(7) If an applicant is a continuum of care, data on the demographics and characteristics of the homeless populations in the jurisdiction and on current programs providing housing and homeless services in the jurisdiction, as reported to the federal government through Homeless Management Information Systems and point-in-time counts.

(8) For a city applying for funds available pursuant to paragraph (2) of subdivision (a) of Section 50218 or a county applying for funds available pursuant to paragraph (3) of subdivision (a) of Section 50218, a plan demonstrating how these funds will complement the regional needs described in the continuum of care's plan for a coordinated housing and service system that meets the needs of individuals, unaccompanied youth, and families experiencing homelessness, as defined in Section 578.7(c) of Title 24 of the Code of Federal Regulations.

(9) Evidence of connection with the continuum of care's coordinated entry system.

(10) An agreement to participate in a statewide Homeless Management Information System, when available.

(b) The agency may request additional documentation and information from the applicant consistent with the requirements of subdivision (a).

(c) Except as provided in subdivisions (d) and (e) a recipient shall expend funds on evidence-based solutions that address and prevent homelessness among eligible populations including any of the following:

(1) Rental assistance and rapid rehousing.

(2) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.

(3) Incentives to landlords, including, but not limited to, security deposits and holding fees.

(4) Outreach and coordination, which may include access to job programs, to assist vulnerable populations in accessing permanent housing and to promote housing stability in supportive housing.

(5) Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system, particularly for vulnerable populations including families and homeless youth.

(6) Delivery of permanent housing and innovative housing solutions such as hotel and motel conversions.

(7) Prevention and shelter diversion to permanent housing.

(8) New navigation centers and emergency shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:

(i) The number of available shelter beds in the city, county, or region served by a continuum of care.

(ii) Shelter vacancy rate in the summer and winter months.

(iii) Percentage of exits from emergency shelters to permanent housing solutions.

(iv) A plan to connect residents to permanent housing.

(d) Up to 5 percent of an applicant’s program allocation may be expended for the following uses that are intended to meet federal requirements for housing funding:

(1) Strategic homelessness plan, as defined in section 578.7(c) of Title 24 of the Code of Federal Regulations.

(2) Infrastructure development to support coordinated entry systems and Homeless Management Information Systems.

(e) The applicant shall not use more than 7 percent of a program allocation for administrative costs incurred by the city, county, or continuum of care to administer its program allocation. For purposes of this subdivision, “administrative costs” does not include staff or other costs directly related to implementing activities funded by the program allocation.

(f) Pursuant to existing law, a recipient shall comply with Section 8255 of the Welfare and Institutions Code.

(g) Notwithstanding Section 27011 of the Government Code, or any other statute governing the deposit of funds in the county treasury, a county may accept or deposit into the county treasury, funds from any source for the purpose of administering a project, proposal, or program under this chapter.

(h) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program, or project voted on by the board, committee, or body

on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.

(i) The council shall post submitted final applications to its internet website.

50220. (a) (1) No later than February 15, 2020, each applicant shall submit to the agency its program allocation application.

(2) No later than April 1, 2020, the agency shall make award determinations for the program allocations based on the point-in-time count numbers.

(3) If, after the first round of awards pursuant to this section, not all funds have been awarded by the agency, the agency shall set aside any remaining funds for a second round of awards.

(4) (A) (i) On or before May 31, 2023, a recipient shall contractually obligate not less than 50 percent of program allocations.

(ii) Recipients that are counties shall contractually obligate the full allocation awarded to them by the agency at this time. Any funds that are not contractually obligated by this date shall be reverted to the continuum of care that serves the county.

(B) If less than 50 percent is obligated after May 31, 2023, recipients that are continuums of care and cities shall not expend any remaining portion of the 50 percent of program allocations required to have been obligated pursuant to subparagraph (A) unless and until both of the following occur:

(i) On or before June 30, 2023, the recipient submits an alternative disbursement plan that includes an explanation for the delay.

(ii) The agency approves the alternative disbursement plan.

(C) On or before December 31, 2023, recipients that are continuums of care and cities shall return to the agency any funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to subparagraph (B) for a subsequent round of awards by the agency.

(b) The agency may request additional information, as needed, to meet other applicable reporting or audit requirements.

(c) In addition to requirements in Section 50221, the agency may monitor the expenditures and activities of an applicant, as the agency deems necessary, to ensure compliance with program requirements.

(d) The agency may, as it deems appropriate or necessary, request the repayment of funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

(e) Any remaining amounts of program allocation funds not expended by June 30, 2025, shall revert to, and be paid and deposited in, the General Fund.

50221. (a) After receiving program funds, a recipient, by January 1 of the year following receipt of the funds and annually on that date thereafter until all funds have been expended, shall submit a report to the agency on a form and method provided by the agency, that includes all of the following, as well as any additional information the agency deems appropriate or necessary:

(1) An ongoing tracking of the specific uses and expenditures of any program funds broken out by eligible uses listed, including the current status of those funds.

(2) The number of homeless individuals served by the program funds in that year, and a total number served in all years of the program, as well the homeless population served.

(3) The types of housing assistance provided, broken out by the number of individuals.

(4) Outcome data for an individual served through program funds, including the type of housing that an individual exited to, the percent of successful housing exits, and exit types for unsuccessful housing exits.

(b) No later than January 1, 2026, each applicant that receives a program allocation shall submit to the agency a final report in a format provided by the agency, as well as detailed uses of all program funds.

(c) The agency shall post this information to its internet website within 30 days of receipt and provide notice to the Senate Housing Committee, Assembly Housing and Community Development Committee, and the appropriate Fiscal Committees.

SEC. 11. Chapter 3.1 (commencing with Section 50515) is added to Part 2 of Division 31 of the Health and Safety Code, to read:

CHAPTER 3.1. LOCAL GOVERNMENT PLANNING SUPPORT GRANTS PROGRAM

50515. For purposes of this chapter:

(a) “Annual progress report” means the annual report required to be submitted to the department pursuant to paragraph (2) of subdivision (a) of Section 65400 of the Government Code.

(b) “Completed entitlement” means a housing development project that has received all the required land use approvals or entitlements necessary for the issuance of a building permit and for which no additional action, including environmental review or appeals, is required to be eligible to apply for and obtain a building permit.

(c) “Council of governments” means a single or multicounty council created by a joint powers agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code that is responsible for allocating regional housing need pursuant to Sections 65584, 65584.04, and 65584.05 of the Government Code.

(d) “Housing element” or “element” means the housing element of a community’s general plan, as required pursuant to subdivision (c) of Section 65302 of the Government Code and prepared in accordance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

(e) “Jurisdiction” means a city, county, or city and county.

(f) “Program” means the Local Government Planning Support Grants Program established pursuant to this chapter.

(g) “Regional housing need assessment” means the existing and projected need for housing for each region, as determined by the department pursuant to Section 65584.01 of the Government Code.

50515.01. (a) (1) The Local Government Planning Support Grants Program is hereby established for the purpose of providing regions and jurisdictions with one-time funding, including grants for planning activities to enable jurisdictions to meet the sixth cycle of the regional housing need assessment.

(2) Upon appropriation by the Legislature, two hundred fifty million dollars (\$250,000,000) shall be distributed under the program in accordance with this chapter, as provided in Sections 50515.02 and 50515.03.

(b) The department shall administer the program and, consistent with the requirements of this chapter, provide grants to regions and jurisdictions for technical assistance, preparation and adoption of planning documents, and process improvements to accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing need assessment.

(c) Of the total amount of any moneys appropriated for purposes of this chapter, the department shall set aside up to 5 percent for program administration, including state operations expenditures and technical assistance, as well as expenditures by recipients of funding pursuant to Sections 50515.02 and 50515.03.

50515.02. Of the amount described in paragraph (2) of subdivision (a) of Section 50515.01, one hundred twenty-five million dollars (\$125,000,000) shall be available to councils of governments and other regional entities, as follows:

(a) The moneys allocated pursuant to this subdivision shall be available to the following entities:

(1) The Association of Bay Area Governments, representing the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(2) The Sacramento Area Council of Governments, representing the Counties of El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba.

(3) The San Diego Association of Governments, representing the County of San Diego.

(4) The Southern California Association of Governments, representing the Counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura.

(5) A central coast multiagency working group, formed in accordance with subdivision (c), consisting of the Association of Monterey Bay Area Governments, the San Luis Obispo Council of Governments, and the Santa Barbara County Association of Governments, representing the Counties of Monterey, San Benito, San Luis Obispo, Santa Barbara, and Santa Cruz.

(6) A San Joaquin Valley multiagency working group, formed in accordance with subdivision (c), consisting of the Fresno Council of Governments, the Kern Council of Governments, the Kings County Association of Governments, the Madera County Transportation

Commission, the Merced County Association of Governments, the San Joaquin Council of Governments, the Stanislaus Council of Governments, and the Tulare County Association of Governments, representing the Counties of Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare.

(7) Councils of governments from the Counties of Butte, Humboldt, Lake, and Mendocino. Notwithstanding any other provision of this chapter, the councils of governments described in this paragraph may apply directly to the department for funds pursuant to the program.

(8) The Counties of Alpine, Amador, Calaveras, Colusa, Del Norte, Glenn, Inyo, Lassen, Mariposa, Modoc, Mono, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, Tuolumne, and Trinity. Notwithstanding any other provision of this chapter, the counties described in this paragraph may apply directly to the department for funds pursuant to the program. The department may approve a fiscal agent to receive funds from the amount identified in this section on behalf of a county or consortium of counties listed in this paragraph.

(b) (1) Except as otherwise provided in paragraphs (7) and (8) of subdivision (a), the department shall make the allocations required by this subdivision to each regional entity on behalf all of the jurisdictions represented by that entity. The department shall calculate the amount of each allocation in accordance with the population estimates consistent with the methodology described in subdivision (a) of Section 50515.03.

(2) Each council of governments or other regional entity may, in consultation with the department and consistent with the requirements of this chapter, determine the appropriate use of funds or suballocations within its boundaries to appropriately address its unique housing and planning priorities.

(c) The following shall apply with respect to any allocation made pursuant to this subdivision to a multiagency working group, as described in paragraphs (5) and (6) of subdivision (a):

(1) Before November 30, 2019, the multiagency working groups described in paragraphs (5) and (6) of subdivision (a) shall be formed as follows:

(A) Each working group shall consist of the following members:

(i) One representative from each county described in paragraph (5) or (6), as applicable, of subdivision (a).

(ii) Two city representatives from each county described in paragraph (5) or (6), as applicable, of subdivision (a) appointed by the city selection committee for that county. In appointing city representatives, the city selection committee shall appoint one representative of a larger city within the county and one representative of a smaller city within the county.

(iii) Of the three representatives from each county serving on the multiagency working group pursuant to clauses (i) and (ii), at least one of the representatives shall also be a member of the governing body of the applicable council of governments representing the county.

(B) The multiagency working group shall select a council of governments to serve as the fiscal agent of the multiagency working group and identify

staff to assist the work of the group. If the multiagency working group fails to agree to the selection of a council of governments to serve as fiscal agent pursuant to this clause within a reasonable time period, the department shall select a fiscal agent based on factors such as capacity and experience in administering grant programs.

(C) Upon its formation, the multiagency working group shall notify each city and county that is a member of a council of governments described in paragraph (5) or (6), as applicable, of subdivision (a) of its purpose pursuant to this section.

(2) In recognition of the unique challenges in developing a process through a multiagency working group, the department shall allocate eight million dollars (\$8,000,000) of the amount available pursuant to this subdivision to the multiagency working groups described in described in paragraphs (5) and (6) of subdivision (a), as follows:

(A) Twenty-five percent of the amount subject to this subparagraph shall be allocated to the central coast multiagency working group described in paragraph (5) of subdivision (a).

(B) Seventy-five percent of the amount subject to this subparagraph shall be allocated to the San Joaquin Valley multiagency working group described in paragraph (6) of subdivision (a).

(d) (1) Until January 31, 2021, a council of governments or other regional entity described in subdivision (a), or a county described in paragraph (8) of subdivision (a), may request an allocation of funds pursuant to this section by submitting an application, in the form and manner prescribed by the department, that includes the following information:

(A) An allocation budget for the funds provided pursuant to this section.

(B) The amounts retained by the council of governments, regional entity, or county, and any suballocations to jurisdictions.

(C) An explanation of how proposed uses will increase housing planning and facilitate local housing production.

(D) Identification of current best practices at the regional and statewide level that promote sufficient supply of housing affordable to all income levels, and a strategy for increasing adoption of these practices at the regional level, where viable.

(E) An education and outreach strategy to inform local agencies of the need and benefits of taking early action related to the sixth cycle regional needs allocation.

(2) The department shall review an application submitted pursuant to this subdivision within 30 days. Upon approval of an application for funds pursuant to this subdivision, the department shall award the moneys for which the council of governments, other regional entity, or county, as applicable, qualifies.

(e) A council of governments, other regional entity, or county that receives an allocation of funds pursuant to this section shall establish priorities and use those moneys to increase housing planning and accelerate housing production, as follows:

(1) Developing an improved methodology for the distribution of the sixth cycle regional housing need assessment to further the objectives described in subdivision (d) of Section 65584 of the Government Code.

(2) Suballocating moneys directly and equitably to jurisdictions or other subregional entities in the form of grants, to be used in accordance with subdivision (f), for planning that will accommodate the development of housing and infrastructure that will accelerate housing production in a way that aligns with state planning priorities, housing, transportation, equity, and climate goals.

(3) Providing jurisdictions and other local agencies with technical assistance, planning, temporary staffing or consultant needs associated with updating local planning and zoning documents, expediting application processing, and other actions to accelerate additional housing production.

(4) Covering the costs of administering any programs described in this subdivision.

(f) An entity that receives a suballocation of funds pursuant to paragraph (2) of subdivision (e) shall only use that suballocation for housing-related planning activities, including, but not limited to, the following:

(1) Technical assistance in improving housing permitting processes, tracking systems, and planning tools.

(2) Establishing regional or countywide housing trust funds for affordable housing.

(3) Performing infrastructure planning, including for sewers, water systems, transit, roads, or other public facilities necessary to support new housing and new residents.

(4) Performing feasibility studies to determine the most efficient locations to site housing consistent with Sections 65041.1 and 65080 of the Government Code.

(5) Covering the costs of temporary staffing or consultant needs associated with the activities described in paragraphs (1) to (4), inclusive.

50515.03. Of the amount described in paragraph (2) of subdivision (a) of Section 50515.01, one hundred twenty-five million dollars (\$125,000,000) shall be available to jurisdictions to assist in planning for other activities related to meeting the sixth cycle regional housing need assessment, as follows:

(a) (1) The maximum amount that a jurisdiction may receive pursuant to this subdivision shall be as follows:

(A) If the jurisdiction has a population of 750,000 or greater, one million five hundred thousand dollars (\$1,500,000).

(B) If the jurisdiction has a population of 300,000 or greater, but equal to or less than 749,999, seven hundred fifty thousand dollars (\$750,000).

(C) If the jurisdiction has a population of 100,000 or greater, but equal to or less than 299,999, five hundred thousand dollars (\$500,000).

(D) If the jurisdiction has a population of 60,000 or greater, but equal to or less than 99,999, three hundred thousand dollars (\$300,000).

(E) If the jurisdiction has a population of 20,000 or greater, but equal to or less than 59,999, one hundred fifty thousand dollars (\$150,000).

(F) If the jurisdiction has a population equal to or less than 19,999, sixty-five thousand dollars (\$65,000).

(2) For purposes of this subdivision, the population of a jurisdiction shall be based on the population estimates posted on the Department of Finance’s internet website as of January 1, 2019.

(b) (1) Until July 1, 2020, a jurisdiction may request an allocation of funds pursuant to this section by submitting an application to the department, in the form and manner prescribed by the department, that contains the following information:

(A) An allocation budget for the funds provided pursuant to this section.

(B) An explanation of how proposed uses will increase housing planning and facilitate local housing production.

(2) The department shall review an application submitted pursuant to this subdivision within 30 days. Upon approval of an application for funds pursuant to this subdivision, the department shall award the moneys for which the jurisdiction qualifies.

(c) A jurisdiction that receives an allocation pursuant to this section shall only use that allocation for housing-related planning activities, including, but not limited to, the following:

(1) Rezoning and encouraging development by updating planning documents and zoning ordinances, such as general plans, community plans, specific plans, sustainable communities’ strategies, and local coastal programs.

(2) Completing environmental clearance to eliminate the need for project-specific review.

(3) Establishing a workforce housing opportunity zone pursuant to Article 10.10 (commencing with Section 65620) of Chapter 3 of Division 1 of Title 7 of the Government Code or a housing sustainability district pursuant to Chapter 11 (commencing with Section 66200) of Division 1 of Title 7 of the Government Code.

(4) Performing infrastructure planning, including for sewers, water systems, transit, roads, or other public facilities necessary to support new housing and new residents.

(5) Partnering with other local entities to identify and prepare excess property for residential development.

(6) Revamping local planning processes to speed up housing production.

(7) Developing or improving an accessory dwelling unit ordinance in compliance with Section 65852.2 of the Government Code.

(8) Covering the costs of temporary staffing or consultant needs associated with the activities described in paragraphs (1) to (7), inclusive.

50515.04. (a) (1) Subject to paragraph (2), a council of governments, other regional entity, or jurisdiction, as applicable, that receives an allocation of program funds pursuant to Section 50515.02 or 50515.03 shall submit a report, in the form and manner prescribed by the department, to be made publicly available on its internet website, by April 1 of the year following the receipt of those funds, and annually thereafter until those funds are expended, that contains the following information:

(A) The status of the proposed uses listed in the entity’s application for funding and the corresponding impact on housing within the region or jurisdiction, as applicable, categorized based on the eligible uses specified in Section 50515.02 or 50515.03, as applicable.

(B) A summary of building permits, certificates of occupancy, or other completed entitlements issued by entities within the region or by the jurisdiction, as applicable.

(2) A city or county that receives program funds shall, in lieu of providing a separate annual report pursuant to this subdivision, provide the information required by paragraph (1) as part of its annual progress report.

(b) (1) The department shall maintain records of the following and provide that information publicly on its internet website:

(A) The name of each applicant for program funds and the status of that entity’s application.

(B) The number of applications for program funding received by the department.

(C) The information described in subdivision (a) for each recipient of program funds.

(2) The department may request additional information, as needed, to meet other applicable reporting or audit requirements.

(c) (1) Each recipient of funds under the program shall expend those funds no later than December 31, 2023.

(2) No later than December 31, 2024, each council of governments, other regional entity, or county that receives an allocation of funds pursuant to Section 50515.02 shall submit a final report on the use of those funds to the department. The report required by this paragraph shall include an evaluation of jurisdiction actions taken in support of the entity’s proposed uses of those funds, as specified in the entity’s application, including which actions had greatest impact on housing production.

(d) The department may monitor expenditures and activities of an applicant, as the department deems necessary, to ensure compliance with program requirements.

(e) The department may, as it deems appropriate or necessary, request the repayment of funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

(f) The department may implement the program through the issuance of forms, guidelines, and one or more notices of funding availability, as the department deems necessary, to exercise the powers and perform the duties conferred on it by this chapter. Any forms, guidelines, and notices of funding availability adopted pursuant to this section are hereby exempted from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(g) The department’s decision to approve or deny an application or request for funding pursuant to the program, and its determination of the amount of funding to be provided, shall be final.

50515.05. (a) It is the intent of the Legislature to revamp the existing regional housing need allocation process described in Sections 65584 to 65584.2, inclusive, of the Government Code in order to accomplish the following objectives:

(1) Create a fair, transparent, and objective process for identifying housing needs across the state.

(2) Strategically plan for housing growth according to statewide priorities, consistent with Section 65041.1 of the Government Code, and expected future need for housing at all income levels.

(3) Encourage increased development to address the state’s housing affordability issues.

(4) Improve compliance and outcomes through incentives and enforcement.

(b) (1) By December 31, 2022, the department, in collaboration with the Office of Planning and Research and after engaging in stakeholder participation, shall develop a recommended improved regional housing need allocation process and methodology that promotes and streamlines housing development and substantially addresses California’s housing shortage.

(2) In developing the recommendations required by this subdivision, the department may appoint a third-party consultant to facilitate a comprehensive review of the current regional housing need allocation process and methodology.

(c) Upon completion of the process described in subdivision (b), the department shall submit a report of its findings and recommendations to the Legislature. The report required to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 12. Section 50517.5 of the Health and Safety Code is amended to read:

50517.5. (a) (1) The department shall establish the Joe Serna, Jr. Farmworker Housing Grant Program under which, subject to the availability of funds therefor, grants or loans, or both, shall be made to local public entities, nonprofit corporations, limited liability companies, and limited partnerships, for the construction or rehabilitation of housing for agricultural employees and their families or for the acquisition of manufactured housing as part of a program to address and remedy the impacts of current and potential displacement of farmworker families from existing labor camps, mobilehome parks, or other housing. Under this program, grants or loans, or both, may also be made for the cost of acquiring the land and any building thereon in connection with housing assisted pursuant to this section and for the construction and rehabilitation of related support facilities necessary to the housing. In its administration of this program, the department shall disburse grants or loans, or both, to the local public entities, nonprofit corporations, limited liability companies, or limited partnerships or may, at the request of the local public entity, nonprofit corporation, limited liability company, or limited partnership that sponsors and supervises the rehabilitation or construction program, disburse grant funds to agricultural

employees who are participants in a rehabilitation or construction program sponsored and supervised by the local public entity, nonprofit corporation, limited liability company, or limited partnership. No part of a grant or loan made pursuant to this section may be used for project organization or planning.

(2) Notwithstanding any other provision of this chapter, upon the request of a grantee the program also may loan funds to a grantee at no more than 3 percent simple interest. Principal and accumulated interest is due and payable upon completion of the term of the loan. For multifamily housing loans made pursuant to this subdivision, the department shall require annual loan payments in the minimum amount necessary to cover the costs of project monitoring. For the first 30 years of the loan term, the amount of the required loan payments shall not exceed 0.42 percent per annum. For any loan made pursuant to this subdivision, the performance requirements of the lien shall remain in effect for a period of no less than the original term of the loan.

(3) The program shall be administered by the Director of Housing and Community Development and officers and employees of the department as they may designate.

(b) (1) The Joe Serna, Jr. Farmworker Housing Grant Fund is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, all money in the fund is continuously appropriated to the department for making grants or loans, or both, pursuant to this section and Section 50517.10, for purposes of Chapter 8.5 (commencing with Section 50710), and for costs incurred by the department in administering these programs.

(2) There shall be paid into the fund the following:

(A) Any moneys appropriated and made available by the Legislature for purposes of the fund.

(B) Any moneys that the department receives in repayment or return of grants or loans from the fund, including any interest therefrom.

(C) Any other moneys that may be made available to the department for the purposes of this chapter from any other source or sources.

(D) All moneys appropriated to the department for the purposes of Chapter 8.5 (commencing with Section 50710) and any moneys received by the department from the occupants of housing or shelter provided pursuant to Chapter 8.5 (commencing with Section 50710). These moneys shall be separately accounted for from the other moneys deposited in the fund.

(c) With respect to the supervision of grantees, the department shall do the following:

(1) Establish minimum capital reserves to be maintained by grantees.

(2) Fix and alter from time to time a schedule of rents that may be necessary to provide residents of housing assisted pursuant to this section with affordable rents to the extent consistent with the maintenance of the financial integrity of the housing project. No grantee shall increase the rent on any unit constructed or rehabilitated with the assistance of funds provided pursuant to this section without the prior permission of the department,

which shall be given only if the grantee affirmatively demonstrates that the increase is required to defray necessary operating costs or avoid jeopardizing the fiscal integrity of the housing project.

(3) Determine standards for, and control selection by grantees of, tenants and subsequent purchasers of housing constructed or rehabilitated with the assistance of funds provided pursuant to this section.

(4) (A) Require as a condition precedent to a grant or loan, or both, of funds that the applicant have site control that is satisfactory to the department; that the grantee be record owner in fee of the assisted real property or provide other security including a lien on the manufactured home that is satisfactory to the department to ensure compliance with the construction, financial, and program obligations; and that the grantee shall have entered into a written agreement with the department binding upon the grantee and successors in interest to the grantee. The agreement shall include the conditions under which the funds advanced may be repaid. The agreement shall include provisions for a lien on the assisted real property or manufactured home in favor of the State of California for the purpose of securing performance of the agreement. The agreement shall also provide that the lien shall endure until released by the Director of Housing and Community Development.

(B) If funds granted or loaned pursuant to this section constitute less than 25 percent of the total development cost or value, whichever is applicable, of a project assisted under this section, the department may adopt, by regulation, criteria for determining the number of units in a project to which the restrictions on occupancy contained in the agreement apply. In no event may these regulations provide for the application of the agreement to a percentage of units in a project that is less than the percentage of total development costs that funds granted or loaned pursuant to this section represent.

(C) Contemporaneously with the disbursement of the initial funds to a grantee, the department shall cause to be recorded, in the office of the county recorder of the county in which the assisted real property is located, a notice of lien executed by the Director of Housing and Community Development. The notice of lien shall refer to the agreement required by this paragraph for which it secures and it shall include a legal description of the assisted real property that is subject to the lien. The notice of lien shall be indexed by the recorder in the Grantor Index to the name of the grantee and in the Grantee Index to the name of the State of California, Department of Housing and Community Development. For manufactured housing, the liens shall be recorded by the department in the same manner as other manufactured housing liens are recorded. The department shall adopt by regulation criteria for the determination of the lien period. This regulation shall take into account whether the property is held by multifamily rental, single-family ownership, or cooperative ownership and whether it is new construction or rehabilitative construction. The lien period for manufactured housing liens for manufactured homes shall not exceed 10 years.

(D) Pursuant to regulations adopted by the department, the department may execute and cause to be recorded in the office of the recorder of the county in which a notice of lien has been recorded, or the department, as appropriate, a subordination of the lien. The regulations adopted by the department shall provide that any subordination of the lien shall not jeopardize the security interest of the state and shall further the interest of farmworker housing. The recitals contained in the subordination shall be conclusive in favor of any bona fide purchaser or lender relying thereon.

(E) Prior to funds granted pursuant to this section being used to finance the acquisition of a manufactured home, the grantee shall ensure that the home either is already installed in a location where it will be occupied by the eligible household or that a location has been leased or otherwise made available for the manufactured home to be occupied by the eligible household.

(5) Regulate the terms of occupancy agreements or resale controls, to be used in housing assisted pursuant to this section.

(6) Provide linguistically appropriate services and publications, or require grantees to do so, as necessary to implement the purposes of this section.

(7) The agreement between the department and the grantee shall provide, among other things, that both of the following occur:

(A) Upon the sale or conveyance of the real property, or any part thereof, for use other than for agricultural employee occupancy, the grantee or its successors shall, as a condition for the release of the lien provided pursuant to paragraph (4), repay to the fund the department’s grant and loan funds.

(B) Upon the sale or conveyance of the real property or any part thereof for continued agricultural employee occupancy, the transferee shall assume the obligation of the transferor and the real property shall be transferred to the new owner; provided that the transferee agrees to abide by the agreement entered into between the transferor and the department and that the new owner takes the property subject to the lien provided pursuant to paragraph (4), except that this lien shall, at the time of the transfer of the property to the new owner, be extended for an additional lien period determined by the department pursuant to paragraph (4), and the new owner shall not be credited with the lien period that had run from the time the transferor had acquired the property to the time of transfer to the new owner, unless the department determines that it is in the best interest of the state and consistent with the intent of this section to so credit the lien period to the new owner. However, the lien shall have priority as of the recording date of the lien for the original grantee, pursuant to paragraph (4).

(d) The department may do any of the following with respect to grantees:

(1) Through its agents or employees enter upon and inspect the lands, buildings, and equipment of a grantee, including books and records, at any time before, during, or after construction or rehabilitation of units assisted pursuant to this section. However, there shall be no entry or inspection of any unit that is occupied, whether or not any occupant is actually present, without the consent of the occupant.

(2) Supervise the operation and maintenance of any housing assisted pursuant to this section and order repairs as may be necessary to protect the public interest or the health, safety, or welfare of occupants of the housing.

(e) The department shall include in its annual report required by Section 50408, a current report of the Joe Serna, Jr. Farmworker Housing Grant Program. The report shall include, but need not be limited to, (1) the number of households assisted, (2) the average income of households assisted and the distribution of annual incomes among assisted households, (3) the rents paid by households assisted, (4) the number and amount of grants or loans, or both, made to each grantee in the preceding year, (5) the dollar value of funding derived from sources other than the state for each project receiving a grant or loan, or both, under this section, and an identification of each source, (6) recommendations, as needed, to improve operations of the program and respecting the desirability of extending its application to other groups in rural areas identified by the department as having special need for state housing assistance, and (7) the number of manufactured housing units assisted under this section.

(f) As used in this section:

(1) “Agricultural employee” has the same meaning as specified in subdivision (b) of Section 1140.4 of the Labor Code, but also includes any person who works on or off the farm in the processing of any agricultural commodity until it is shipped for distribution, whether or not this person is encompassed within the definition specified in subdivision (b) of Section 1140.4 of the Labor Code.

(2) “Grantee” means the local public entity, nonprofit corporation, limited liability company, or limited partnership that is awarded the grant or loan, or both, under this section, and, at the request thereof, may include an agricultural employee receiving direct payment of a grant for rehabilitation under this section who occupies the assisted housing both before and after the rehabilitation and may include an agricultural employee receiving direct payment of a grant for construction under this section who will occupy the assisted housing and who is a participant in a rehabilitation or construction program sponsored and supervised by a local public entity, nonprofit corporation, limited liability company, or limited partnership.

(3) “Housing” may include, but is not necessarily limited to, conventionally constructed units and manufactured housing installed pursuant to either Section 18551 or 18613.

(4) “Limited liability company” means a limited liability company where all the members are nonprofit public benefit corporations.

(5) “Limited partnership” means a limited partnership where all of the general partners are either nonprofit public benefit corporations, limited liability companies, or a combination of nonprofit public benefit corporations and limited liability companies.

(g) The department may provide the assistance offered pursuant to this chapter in any area where there is a substantial unmet need for farmworker housing.

SEC. 13. Section 50517.6 of the Health and Safety Code is amended to read:

50517.6. (a) The department may set aside the amount of funds authorized by subdivision (d) for the purposes of curing or averting a default on the terms of any loan or other obligation by the recipient of financial assistance, or bidding at any foreclosure sale where the default or foreclosure sale would jeopardize the department's security in the dwelling unit assisted pursuant to this chapter.

(b) The department may use the set-aside funds made available pursuant to this chapter to repair or maintain any dwelling unit assisted pursuant to this chapter that was acquired to protect the department's security interest in the dwelling unit.

(c) The payment or advance of funds by the department pursuant to this section shall be exclusively within the department's discretion, and no person shall be deemed to have any entitlement to the payment or advance of those funds. The amount of any funds expended by the department for the purposes of curing or averting a default shall be added to any grant amount secured by the lien and shall be payable to the department upon demand.

(d) On the effective date of the act that adds this section, the department may set aside up to two hundred thousand dollars (\$200,000) from the Joe Serna, Jr. Farmworker Housing Grant Fund for the purposes authorized by this section. On July 1 of each subsequent fiscal year, the department may set aside, for the purposes of this section, up to 1.5 percent of the funds available in the Joe Serna, Jr. Farmworker Housing Grant Fund on that date.

SEC. 14. Section 50517.7 of the Health and Safety Code is amended to read:

50517.7. In counties in which a disaster has been declared by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code and for a period of 12 months after the declaration, the department may provide grants from the fund established by subdivision (b) of Section 50517.5, subject to the following terms and conditions, which are applicable only to this section:

(a) Grants may be made to local public entities, nonprofit corporations, and housing owners comprised of either homeowners who are agricultural employees or owners of rental property used primarily by agricultural households.

(b) The department may enter into master agreements with nonprofit corporations or local public entities or it may enter into contracts directly with housing owners to carry out the activities authorized by this section.

(c) The department may make grants directly to housing owners or through master agreements for the cost of preparation of applications for funds, and supervision of expenditures from the fund, including, but not limited to estimates, work writeups, bidding supervision, and inspections. Funds granted pursuant to this subdivision shall not be secured by, and subject to, the liens required by Section 50517.5.

(d) The department, either directly or through master agreements, may provide grants to housing owners which shall be used for housing

rehabilitation or acquisition and rehabilitation, and related costs, other than those costs accruing pursuant to subdivision (c). Only those funds from the fund which are actually utilized pursuant to this subdivision shall be secured by, and subject to, the liens required by Section 50517.5.

SEC. 15. Section 50650 of the Health and Safety Code is amended to read:

50650. The Legislature finds and declares as follows:

(a) An adequate supply of safe and affordable housing is the foundation for strong and sustainable communities. Owner occupied housing is a key housing resource, contributing to neighborhood stability as well as economic vitality.

(b) In California, homeownership is beyond the reach of a large segment of the population. There are also many homeowners who lack the resources to make necessary repairs to their homes, or who would welcome the opportunity to share them with suitable tenants.

(c) Reflecting California’s diversity, there is a variety of proven approaches to the promotion of homeownership within the state. The purpose of the CalHome Program established by this chapter is to support existing homeownership programs aimed at lower and very low income households, and in the case of a disaster, as defined in Section 8680.3 of the Government Code, households at or below moderate income, and operated by private nonprofit and local government agencies, and thereby to increase homeownership, encourage neighborhood revitalization and sustainable development, and maximize use of existing homes.

(d) The CalHome Program is intended to take the place of the Senior Citizens’ Shared Housing Program established by Chapter 3.6 (commencing with Section 50533), which is repealed by the act enacting this chapter.

SEC. 16. Section 50650.3 of the Health and Safety Code is amended to read:

50650.3. (a) Funds appropriated for purposes of this chapter shall be used to enable low- and very low income households to become or remain homeowners as provided in paragraphs (1) and (2), and to provide disaster relief assistance to households at or below 120 percent of area median income as provided in paragraph (3). Funds shall be provided by the department to local public agencies or nonprofit corporations as any of the following:

- (1) Grants for programs that assist individual households.
- (2) Loans that assist development projects involving multiple home ownership units, including single-family subdivisions.
- (3) Grants for programs that assist individual households as provided in subdivision (g).

(b) (1) Grant funds may be used for first-time homebuyer downpayment assistance, home rehabilitation, including the installation or retrofit of ignition resistant exterior components on existing manufactured homes, mobilehomes, and accessory structures required pursuant to Article 2.3 (commencing with Section 4200) of Subchapter 2 of Chapter 3 of Division 1 of Title 25 of the California Code of Regulations, homebuyer counseling,

home acquisition and rehabilitation, or self-help mortgage assistance programs, or for technical assistance for self-help and shared housing home ownership.

(2) Home rehabilitation funding for the purpose of installing ignition resistant components on manufactured homes, mobilehomes, or accessory structures pursuant to this subdivision shall not be conditioned upon the rehabilitation of additional or unrelated home components unless that rehabilitation is required pursuant to Article 2.3 (commencing with Section 4200) of Subchapter 2 of Chapter 3 of Division 1 of Title 25 of the California Code of Regulations. In administering funding for this purpose, local public agencies and nonprofit corporations may consider the condition and age of the manufactured home or mobilehome, including whether the home was constructed on or after June 15, 1976, in accordance with federal standards and whether the available funds could be more effectively used to replace the manufactured home or mobilehome.

(c) (1) Except as provided in subdivision (e), loan funds may be used for purchase of real property, site development, predevelopment, and construction period expenses incurred on home ownership development projects, and permanent financing for mutual housing or cooperative developments. Upon completion of construction, the department may convert project loans into grants for programs of assistance to individual homeowners. Except as provided in paragraph (2), financial assistance provided to individual households shall be in the form of deferred payment loans, repayable upon sale or transfer of the homes, when they cease to be owner-occupied, or upon the loan maturity date. Financial assistance may be provided in the form of a secured forgivable loan to an individual household to rehabilitate, repair, or replace manufactured housing located in a mobilehome park and not permanently affixed to a foundation. The loan shall be due and payable in 20 years, with 10 percent of the original principal to be forgiven annually for each additional year beyond the 10th year that the home is owned and continuously occupied by the borrower. Not more than 10 percent of the funds available for the purposes of this chapter in a fiscal year shall be used for financial assistance in the form of secured forgivable loans.

(2) Notwithstanding any other law, the department may, in its discretion, permit the downpayment assistance loan to be subordinated to refinancing if it determines that the borrower has demonstrated hardship, subordination is required to avoid foreclosure, and the new loan meets the department's underwriting requirements. The department may permit subordination on those terms and conditions as it determines are reasonable, however subordination shall not be permitted if the borrower has sufficient equity to repay the loan.

(d) All loan repayments shall be used for activities allowed under this section, and shall be governed by a reuse plan approved by the department. Those reuse plans may provide for loan servicing by the grant recipient or a third-party local government agency or nonprofit corporation.

(e) Notwithstanding subdivision (c), loans provided pursuant to the CalHome Program Disaster Assistance for Imperial County that have been made for the purpose of rehabilitation, reconstruction, or replacement of lower income owner-occupied manufactured homes shall be due and payable in 10 years, with 20 percent of the original principal to be forgiven annually for each additional year beyond the fifth year that the manufactured home is owned and continuously occupied by the borrower.

(f) The department may use funds appropriated pursuant to this chapter to make grants to local agencies or nonprofit corporations to construct accessory dwelling units as defined in Section 65852.2 of the Government Code or junior accessory dwelling units as defined in Section 65852.22 of the Government Code, and to repair, reconstruct, or rehabilitate, in whole or in part, accessory dwelling units and junior accessory dwelling units.

(g) Notwithstanding any other provision of this chapter, the department may use funds appropriated pursuant to this chapter to make grants to local agencies or nonprofit corporations to assist households at or below 120 percent of area median income that are victims of a disaster, if one of the following occurs with respect to the county in which the household's residence is located:

(1) The Governor has proclaimed a state of emergency, pursuant to Section 8625 of the Government Code, resulting from a disaster, as defined in Section 8680.3 of the Government Code.

(2) A special appropriation of federal emergency supplemental assistance or a presidential declaration of disaster has occurred.

(h) The department shall review, adopt, amend, and repeal guidelines to implement the making of grants pursuant to subdivisions (f) and (g). Any guidelines adopted to implement subdivisions (f) and (g) shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. In the event of inconsistency regarding the requirements of qualified applicants and eligibility of accessory dwelling units and junior accessory dwelling units, and rents associated with them between those guidelines and any regulations otherwise enacted pursuant to this chapter, those guidelines shall prevail.

SEC. 17. Section 50650.4 of the Health and Safety Code is amended to read:

50650.4. (a) To be eligible to receive a grant or loan, local public agencies or nonprofit corporations shall demonstrate sufficient organizational stability and capacity to carry out the activity for which they are requesting funds, including, where applicable, the capacity to manage a portfolio of individual loans over an extended time period. Capacity may be demonstrated by substantial successful experience performing similar activities, or through other means acceptable to the department. In administering the CalHome program, the department may permit local agencies and nonprofit corporations to apply their own underwriting guidelines when evaluating CalHome rehabilitation loan applications, following prior review and approval of those guidelines by the department. The local agency or nonprofit corporation shall not subsequently alter its underwriting guidelines with

respect to the use of CalHome funds without review and approval by the department, including how the local agencies and nonprofit corporations will ensure participation by low-income households if making loans in response to a disaster as described in paragraph (1) of subdivision (g) of Section 50650.3. In allocating funds, the department shall utilize a competitive application process, using weighted evaluation criteria, including, but not limited to, the extent that the program or project utilizes volunteer or self-help labor, trains youth and young adults in construction skills, creates balanced communities, involves community participation, or whether the program or project contributes toward community revitalization. To the extent feasible, the application process shall ensure a reasonable geographic distribution of funds.

(b) In administering department funds received pursuant to subdivision (a), local public agencies and nonprofit corporations shall not deny the funding application of, or apply different underwriting guidelines to, a housing program or project solely on the basis of either of the following:

(1) The home is a manufactured home or mobilehome, as defined in Sections 18007 and 18008.

(2) The home is located in a mobilehome park or in a manufactured housing community, as defined in Sections 18210.7 and 18214.

SEC. 18. Section 50843.5 of the Health and Safety Code is amended to read:

50843.5. (a) Subject to the availability of funding, the department shall make matching grants available to cities, counties, cities and counties, tribes, and charitable nonprofit organizations organized under Section 501(c)(3) of the Internal Revenue Code that have created and are operating or will operate housing trust funds. These funds shall be awarded through the issuance of a Notice of Funding Availability (NOFA). The department may adopt guidelines to administer this chapter. Any guidelines employed by the department in implementing this chapter shall not be subject to the requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). Notwithstanding anything to the contrary in this chapter, the terms of this section, and the guidelines authorized above, shall control in the event of any other statutory conflict.

(1) Applicants that provide matching funds from a source or sources other than impact fees on residential development shall receive a priority for funding.

(2) The department shall set aside funding for new trusts, as defined by the department in the guidelines adopted pursuant to this section.

(b) Housing trusts eligible for funding under this section shall have the following characteristics:

(1) Utilization of a public or joint public and private fund established by legislation, ordinance, resolution, or a public-private partnership to receive specific revenue to address local housing needs.

(2) Receipt of ongoing revenues from dedicated sources of funding such as taxes, fees, loan repayments, or public or private contributions.

(c) The minimum allocation to an applicant that is a newly established trust shall be five hundred thousand dollars (\$500,000), or a higher amount as established by the department. The minimum allocation for all other trusts shall be one million dollars (\$1,000,000), or a higher amount as established by the department. All funds provided pursuant to this section shall be matched on a dollar-for-dollar basis with moneys that are not required by any state or federal law to be spent on housing, except as authorized by Chapter 2.5 (commencing with Section 50470), if those funds are used to capitalize a regional housing trust fund. An application for an existing housing trust shall not be considered unless the department has received adequate documentation of the deposit in the local housing trust fund of the local match, or evidence of a legally binding commitment to deposit matching funds, and the identity of the source of matching funds. An application for a new trust shall not be considered unless the department has received adequate documentation, as determined by the department, that an ordinance imposing or dedicating a tax or fee to be deposited into the new trust has been enacted or the applicant has received a legally binding commitment to deposit matching funds into the new trust. Funds shall not be disbursed by the department to any trust until all matching funds are on deposit and then funds may be disbursed only in amounts necessary to fund projects identified to receive a loan from the trust within a reasonable period of time, as determined by the department. Applicants shall be required to continue funding the local housing trust fund from these identified local sources, and continue the trust in operation, for a period of no less than five years from the date of award. If the funding is not continued for a five-year period, then (1) the amount of the department's grant to the local housing trust fund, to the extent that the trust fund has unencumbered funds available, shall be immediately repaid, and (2) any payments from any projects funded by the local housing trust fund that would have been paid to the local housing trust fund shall be paid instead to the department and used for the program or its successor. The total amount paid to the department pursuant to (1) and (2), combined, shall not exceed the amount of the department's grant.

(d) (1) Funds shall be used for the predevelopment costs, acquisition, construction, or rehabilitation of the following types of housing or projects:

(A) Rental housing projects or units within rental housing projects. The affordability of all assisted units shall be restricted for not less than 55 years.

(B) Emergency shelters, transitional housing, and permanent supportive housing, as these terms are defined in the guidelines adopted pursuant to this section.

(C) For-sale housing projects or units within for-sale housing projects.

(D) Notwithstanding any other provision of this chapter, the department may use funds appropriated pursuant to this chapter to make grants to trust funds for the construction of accessory dwelling units as defined in Section 65852.2 of the Government Code, or junior accessory dwelling units as defined in Section 65852.22 of the Government Code, and to repair, reconstruct, or rehabilitate, in whole or in part, accessory dwelling units and junior accessory dwelling units.

(2) At least 30 percent of the total amount of the grant and the match shall be expended on projects, units, or shelters that are affordable to, and restricted for, extremely low income households, as defined in Section 50106. No more than 20 percent of the total amount of the grant and the match shall be expended on projects or units affordable to, and restricted for, moderate-income persons and families whose income does not exceed 120 percent of the area median income. The remaining funds shall be used for projects, units, or shelters that are affordable to, and restricted for, lower income households, as defined in Section 50079.5.

(3) If funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects, the grantee shall record a deed restriction against the property that will ensure compliance with one of the following requirements upon resale of the for-sale housing units, unless it is in conflict with the requirements of another public funding source or law:

(A) If the property is sold within 30 years from the date that trust funds are used to acquire, construct, or rehabilitate the property, the owner or subsequent owner shall sell the home at an affordable housing cost, as defined in Section 50052.5, to a household that meets the relevant income qualifications.

(B) The owner and grantee shall share the equity in the unit pursuant to an equity-sharing agreement. The grantee shall reuse the proceeds of the equity-sharing agreement consistent with this section. To the extent not in conflict with another public funding source or law, all of the following shall apply to the equity-sharing agreement provided for by the deed restriction:

(i) Upon resale by an owner-occupant of the home, the owner-occupant of the home shall retain the market value of any improvements, the downpayment, and their proportionate share of appreciation. The grantee shall recapture any initial subsidy and its proportionate share of appreciation, which shall then be used to make housing available to persons and families of the same income category as the original grant and for any type of housing or shelter specified in paragraph (1).

(ii) For purposes of this subdivision, the initial subsidy shall be equal to the fair market value of the home at the time of initial sale to the owner-occupant minus the initial sale price to the owner-occupant, plus the amount of any downpayment assistance or mortgage assistance. If upon resale by the owner-occupant the market value is lower than the initial market value, then the value at the time of the resale shall be used as the initial market value.

(iii) For purposes of this subdivision, the grantee's proportionate share of appreciation shall be equal to the ratio of the initial subsidy to the fair market value of the home at the time of the initial sale.

(4) Notwithstanding subparagraph (A) of paragraph (1) or paragraph (3), a local housing trust fund shall not be required to record a separate deed restriction or equity agreement for any project or home that it finances, if a restriction or agreement that meets the requirements of subparagraph (A)

of paragraph (1) or paragraph (3), as applicable, has been, or will be, recorded against the property by another public agency.

(e) Loan repayments shall accrue to the grantee housing trust for use pursuant to this section. If the trust no longer exists, loan repayments shall accrue to the department for use in the program or its successor.

(f) (1) In order for a city, county, or city and county to be eligible for funding, the applicant shall, at the time of application, meet both of the following requirements:

(A) Have an adopted housing element that the department has determined, pursuant to Section 65585 of the Government Code, is in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

(B) Have submitted to the department the annual progress report required by Section 65400 of the Government Code within the preceding 12 months, if the department has adopted the forms and definitions pursuant to subparagraph (B) of paragraph (2) of subdivision (a) of Section 65400 of the Government Code.

(2) In order for a nonprofit organization applicant to be eligible for funding, the applicant shall agree to utilize funds provided under this chapter only for projects located in cities, counties, or a city and county that meet both of the following requirements:

(A) Have an adopted housing element that the department has determined, pursuant to Section 65585 of the Government Code, to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

(B) Have submitted to the department the annual progress report required by Section 65400 of the Government Code within the preceding 12 months, if the department has adopted the forms and definitions pursuant to subparagraph (B) of paragraph (2) of subdivision (a) of Section 65400 of the Government Code.

(3) A city, county, or city and county that has received an award pursuant to this section shall not encumber any program funds unless it has an adopted housing element the department has determined, pursuant to Section 65585 of the Government Code, is in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

(g) Recipients shall have held, or shall agree to hold, a public hearing or hearings to discuss and describe the project or projects that will be financed with funds provided pursuant to this section. As a condition of receiving a grant pursuant to this section, any nonprofit organization shall agree that it will hold one public meeting a year to discuss the criteria that will be used to select projects to be funded. That meeting shall be open to the public, and public notice of this meeting shall be provided, except to the extent that any similar meeting of a city or county would be permitted to be held in closed session.

(h) No more than 5 percent of the funds appropriated to the department for the purposes of this program shall be used to pay the department's costs

of administration of this section. Notwithstanding any other law, the department may also allow a grantee to use up to 5 percent of the grant award for administrative costs.

(i) A local housing trust fund shall encumber funds provided pursuant to this section no later than 60 months after receipt. In addition, any award to a local housing trust that was under contract on January 1, 2013, shall be extended by 12 months, subject to progress benchmarks to be established by the department. Any funds not encumbered within that period shall revert to the department for use in the program or its successor.

(j) Recipients shall be required to file periodic reports with the department regarding the use of funds provided pursuant to this section. No later than December 31 of each year in which funds are awarded by the program, the department shall provide a report to the Legislature regarding the number of trust funds created, a description of the projects supported, the number of units assisted, and the amount of matching funds received.

SEC. 19. Section 53545.13 of the Health and Safety Code is amended to read:

53545.13. (a) The Infill Incentive Grant Program of 2007 is hereby established to be administered by the department.

(b) Upon appropriation of funds by the Legislature for the purpose of implementing paragraph (1) of subdivision (b) of Section 53545, the department shall establish and administer a competitive grant program to allocate those funds to selected capital improvement projects that are an integral part of, or necessary to facilitate the development of, a qualifying infill project or a qualifying infill area.

(c) A qualifying infill project or qualifying infill area for which a capital improvement project grant may be awarded shall meet all of the following conditions:

(1) Be located in a city, county, or city and county, in which the general plan of the city, county, or city and county, has an adopted housing element that has been found by the department, pursuant to Section 65585 of the Government Code, to be in compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

(2) Include not less than 15 percent of affordable units, as follows:

(A) For projects that contain both rental and ownership units, units of either or both product types may be included in the calculation of the affordability criteria.

(B) (i) To the extent included in a project grant application, for the purpose of calculating the percentage of affordable units, the department may consider the entire master development in which the development seeking grant funding is included.

(ii) Where applicable, an applicant may include a replacement housing plan to ensure that dwelling units housing persons and families of low or moderate income are not removed from the low- and moderate-income housing market. Residential units to be replaced may not be counted toward

meeting the affordability threshold required for eligibility for funding under this section.

(C) For the purposes of this subdivision, “affordable unit” means a unit that is made available at an affordable rent, as defined in Section 50053, to a household earning no more than 60 percent of the area median income or at an affordable housing cost, as defined in Section 50052.5, to a household earning no more than 120 percent of the area median income. Rental units shall be subject to a recorded covenant that ensures affordability for at least 55 years. Ownership units shall initially be sold to and occupied by a qualified household, and subject to a recorded covenant that includes either a resale restriction for at least 30 years or equity sharing upon resale.

(D) A qualifying infill project or qualifying infill area for which a disposition and development agreement or other project- or area-specific agreement between the developer and the local agency having jurisdiction over the project has been executed on or before the effective date of the act adding this section, shall be deemed to meet the affordability requirement of this paragraph (2) if the agreement includes affordability covenants that subject the project or area to the production of affordable units for very low, low-, or moderate-income households.

(3) Include average residential densities on the parcels to be developed that are equal to or greater than the densities described in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65583.2 of the Government Code, except that a project located in a rural area as defined in Section 50199.21 shall include average residential densities on the parcels to be developed of at least 10 units per acre.

(4) Be located in an area designated for mixed-use or residential development pursuant to one of the following adopted plans:

(A) A general plan adopted pursuant to Section 65300 of the Government Code.

(B) A project area redevelopment plan approved pursuant to Section 33330.

(C) A regional blueprint plan as defined in the California Regional Blueprint Planning Program administered by the Business, Transportation and Housing Agency, or a regional plan as defined in Section 65060.7 of the Government Code.

(5) For qualifying infill projects or qualifying infill areas located in a redevelopment project area, meet the requirements contained in subdivision (a) of Section 33413.

(d) In its review and ranking of applications for the award of capital improvement project grants, the department shall rank the affected qualifying infill projects and qualifying infill areas based on the following priorities:

(1) Project readiness, which shall include all of the following:

(A) A demonstration that the project or area development can complete environmental review and secure necessary entitlements from the local jurisdiction within a reasonable period of time following the submittal of a grant application.

(B) A demonstration that the eligible applicant can secure sufficient funding commitments derived from sources other than this part for the timely development of a qualifying infill project or development of a qualifying infill area.

(C) A demonstration that the project or area development has sufficient local support to achieve the proposed improvement.

(2) The depth and duration of the affordability of the housing proposed for a qualifying infill project or qualifying infill area.

(3) The extent to which the average residential densities on the parcels to be developed exceed the density standards contained in paragraph (3) of subdivision (c).

(4) The qualifying infill project's or qualifying infill area's inclusion of, or proximity or accessibility to, a transit station or major transit stop.

(5) The proximity of housing to parks, employment or retail centers, schools, or social services.

(6) The qualifying infill project or qualifying infill area location's consistency with an adopted regional blueprint plan or other adopted regional growth plan intended to foster efficient land use.

(e) In allocating funds pursuant to this section, the department, to the maximum extent feasible, shall ensure a reasonable geographic distribution of funds.

(f) Funds awarded pursuant to this section shall supplement, not supplant, other available funding.

(g) (1) The department shall adopt guidelines for the operation of the grant program, including guidelines to ensure the tax-exempt status of the bonds issued pursuant to this part, and may administer the program under those guidelines.

(2) The guidelines shall include provisions for the reversion of grant awards that are not encumbered within four years of the fiscal year in which an award was made, and for the recapture of grants awarded, but for which development of the related housing units has not progressed in a reasonable period of time from the date of the grant award, as determined by the department.

(3) The guidelines shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Division 3 of Title 2 of the Government Code.

(h) For each fiscal year within the duration of the grant program, the department shall include within the report to the Legislature, required by Section 50408, information on its activities relating to the grant program. The report shall include, but is not limited to, the following information:

(1) A summary of the projects that received grants under the program for each fiscal year that grants were awarded.

(2) The description, location, and estimated date of completion for each project that received a grant award under the program.

(3) An update on the status of each project that received a grant award under the program, and the number of housing units created or facilitated by the program.

(i) Notwithstanding paragraph (3) of subdivision (c), a city of greater than 100,000 in population in a standard metropolitan statistical area of less than 2,000,000 in population may petition the department for, and the department may grant, an exception to the jurisdiction's classification pursuant to subdivisions (d) to (f), inclusive, of Section 65583.2 of the Government Code, if the city believes it is unable to meet the density requirements specified in paragraph (3) of subdivision (c). The city shall submit the petition with its application and shall include the reasons why the city believes the exception is warranted. The city shall provide information supporting the need for the exception, including, but not limited to, any limitations that the city may encounter in meeting the density requirements specified in paragraph (3) of subdivision (c). Any exception shall be for the purposes of this section only. This subdivision shall become inoperative on January 1, 2015.

(j) For notices of funding availability released after July 1, 2021, in awarding funds under the program, the department shall provide additional points or preference to projects located in jurisdictions that have adopted a housing element that has been found by the department to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code pursuant to Section 65585 of the Government Code and that are designated prohousing pursuant to subdivision (c) of Section 65589.9 of the Government Code, in the manner determined by the department pursuant to subdivision (d) of Section 65589.9 of the Government Code.

SEC. 20. Part 12.5 (commencing with Section 53559) is added to Division 31 of the Health and Safety Code, to read:

PART 12.5. INFILL INFRASTRUCTURE GRANT PROGRAM OF 2019

53559. (a) The Infill Infrastructure Grant Program of 2019 is hereby established to be administered by the department.

(b) Upon appropriation by the Legislature of funds specified in Section 53559.2, the department shall establish and administer a grant program to allocate those funds to capital improvement projects that are an integral part of, or necessary to facilitate the development of, a qualifying infill project or qualifying infill area, pursuant to the requirements of this section.

(c) (1) The department shall administer a competitive application process for grants funded by the allocation specified in paragraph (1) of subdivision (a) of Section 53559.2 for selected capital improvement projects for large jurisdictions pursuant to this subdivision. The department shall release a notice of funding availability no later than November 30, 2019.

(2) In its review and ranking of applications for the award of capital improvement project grants, the department shall rank the affected qualifying infill projects and qualifying infill areas based on the following priorities:

- (A) Project readiness, which shall include all of the following:

(i) A demonstration that the project or area development can complete environmental review and secure necessary entitlements from the local jurisdiction within a reasonable period of time following the submission of a grant application.

(ii) A demonstration that the eligible applicant can secure sufficient funding commitments derived from sources other than this part for the timely development of a qualifying infill project or development of a qualifying infill area.

(iii) A demonstration that the project or area development has sufficient local support to achieve the proposed improvement.

(B) The depth and duration of the affordability of the housing proposed for a qualifying infill project or qualifying infill area.

(C) The extent to which the average residential densities on the parcels to be developed exceed the density standards contained in paragraph (4) of subdivision (e).

(D) The qualifying infill project’s or qualifying infill area’s inclusion of, or proximity or accessibility to, a transit station or major transit stop.

(E) The proximity of housing to parks, employment or retail centers, schools, or social services.

(F) The qualifying infill project or qualifying infill area location’s consistency with an adopted sustainable communities strategy pursuant to Section 65080 of the Government Code, alternative planning strategy pursuant to Section 65450 of the Government Code, or other adopted regional growth plan intended to foster efficient land use.

(3) In allocating funds pursuant to this subdivision, the department, to the maximum extent feasible, shall ensure a reasonable geographic distribution of funds.

(4) For purposes of awarding grants pursuant to the competitive application process required by this subdivision:

(A) “Qualifying infill area” means a contiguous area located within an urbanized area (i) that has been previously developed, or where at least 75 percent of the perimeter of the area adjoins parcels that are developed with urban uses, and (ii) in which at least one development application has been approved or is pending approval for a residential or mixed-use residential project that meets the definition and criteria in this section for a qualifying infill project.

(B) (i) “Qualifying infill project” means a residential or mixed-use residential project located within an urbanized area on a site that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses.

(ii) A property is adjoining the side of a project site if the property is separated from the project site only by an improved public right-of-way.

(d) (1) The department shall administer an over-the-counter application process for grants funded by the allocation specified in paragraph (2) of subdivision (a) of Section 53559.2 for capital improvement projects for small jurisdictions, pursuant to this subdivision. A notice of funding availability shall be released no later than November 30, 2019.

(2) Eligible applicants shall submit the following information in the application request for funding:

(A) A complete description of the qualifying infill project or qualifying infill area and documentation of how the infill project or infill area meets the requirements of this section.

(B) A complete description of the capital improvement project and requested grant funding for the project, how the project is necessary to support the development of housing, and how it meets the criteria of this section.

(C) Documentation that specifies how the application meets all of the requirements of subdivision (e).

(D) (i) Except as provided in clause (ii), a financial document that shows the gap financing needed for the project.

(ii) For a qualifying infill project located in the unincorporated area of the county, the department shall allow an applicant to meet the requirement described in clause (i) by submitting copies of an application or applications for other sources of state or federal funding for a qualifying infill project.

(E) (i) Except as provided by clause (ii), documentation of all necessary entitlement and permits, and a certification from the applicant that the project is shovel-ready.

(ii) For a qualifying infill project located in the unincorporated area of the county, the department shall allow the applicant to meet the requirement described in clause (i) by submitting a letter of intent from a willing affordable housing developer that has previously completed at least one comparable housing project, certifying that the developer is willing to submit an application to the county for approval by the county of a qualifying infill project within the area in the event that the funding requested pursuant to this subdivision is awarded.

(3) The department may establish a per-unit formula to determine the amount of funds awarded pursuant to this subdivision.

(4) For purposes of awarding grants pursuant to the over-the-counter application process required by this subdivision:

(A) “Qualifying infill area” means a contiguous area located within an urbanized area that meets either of the following criteria:

(i) The area contains sites included on the inventory of land suitable and available for residential development in the housing element of the applicable city or county general plan pursuant to paragraph (3) of subdivision (a) of Section 65583 of the Government Code, and at least 50 percent of the perimeter of the area shall adjoin parcels that are developed with urban uses.

(ii) The capital improvement project for which funding is requested is necessary, as documented by an environmental review or some other adopted planning document, to make the area suitable and available for residential development, or to allow the area to accommodate housing for additional income levels, and the area otherwise meets the requirements for inclusion on the inventory of land suitable and available for residential development in the housing element of the applicable city or county general plan pursuant to paragraph (3) of subdivision (a) of Section 65583 of the Government

Code. At least 50 percent of the perimeter of the area shall adjoin parcels that are developed with urban uses.

(B) “Qualifying infill project” means a residential or mixed-use residential project located within an urbanized area on a site that has been previously developed, or on a vacant site where at least 50 percent of the perimeter of the site adjoins parcels that are developed with urban uses.

(e) A qualifying infill project or qualifying infill area for which a capital improvement project grant may be awarded pursuant to either subdivision (c) or (d) shall meet all of the following conditions:

(1) Be located in a city, county, or city and county in which the general plan of the city, county, or city and county has an adopted housing element that has been found by the department, pursuant to Section 65585 of the Government Code, to be in compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

(2) Be located in a city, county, or city and county that, at the time of application, has submitted its annual progress reports for 2017 through the most recently required annual progress reports.

(3) Include not less than 15 percent of affordable units, as follows:

(A) For projects that contain both rental and ownership units, units of either or both product types may be included in the calculation of the affordability criteria.

(B) (i) To the extent included in a project grant application, for the purpose of calculating the percentage of affordable units, the department may consider the entire master development in which the development seeking grant funding is included.

(ii) Where applicable, an applicant may include a replacement housing plan to ensure that dwelling units housing persons and families of low or moderate income are not removed from the low- and moderate-income housing market. Residential units to be replaced shall not be counted toward meeting the affordability threshold required for eligibility for funding under this section.

(C) For the purposes of this subdivision, “affordable unit” means a unit that is made available at an affordable rent, as defined in Section 50053, to a household earning no more than 60 percent of the area median income or at an affordable housing cost, as defined in Section 50052.5, to a household earning no more than 120 percent of the area median income. Rental units shall be subject to a recorded covenant that ensures affordability for at least 55 years. Ownership units shall initially be sold to and occupied by a qualified household, and shall be subject to a recorded covenant that includes either a resale restriction for at least 30 years or equity sharing upon resale.

(D) A qualifying infill project or qualifying infill area for which a disposition and development agreement or other project- or area-specific agreement between the developer and the local agency having jurisdiction over the project has been executed on or before the effective date of the act adding this section, shall be deemed to meet the affordability requirements of this paragraph if the agreement includes affordability covenants that

subject the project or area to the production of affordable units for very low, low-, or moderate-income households.

(4) Include average residential densities on the parcels to be developed that are equal to or greater than the densities described in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65583.2 of the Government Code, except that a project located in a rural area as defined in Section 50199.21 shall include average residential densities on the parcels to be developed of at least 10 units per acre.

(5) Be located in an area designated for mixed-use or residential development pursuant to one of the following:

(A) A general plan adopted pursuant to Section 65300 of the Government Code.

(B) A sustainable communities strategy adopted pursuant to Section 65080 of the Government Code.

(C) A specific plan adopted pursuant to Section 65450 of the Government Code.

(D) A Workforce Housing Opportunity Zone established pursuant to Section 65620 of the Government Code.

(E) A Housing Sustainability District established pursuant to Section 66201 of the Government Code.

(f) Funds awarded pursuant to this section shall supplement, not supplant, other available funding.

(g) The department shall adopt guidelines for the operation of the grant program. The guidelines shall include provisions for the reversion of grant awards that are not encumbered within two years of the date an award was made, and for the recapture of grants awarded, but for which development of the related housing units has not progressed in a reasonable period of time from the date of the grant award, as determined by the department. The guidelines shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(h) For each fiscal year within the duration of the grant program, the department shall include within the report to the Governor and the Legislature, required by Section 50408, information on its activities relating to the grant program. The report shall include, but is not limited to, the following information:

(1) A summary of the projects that received grants under the program for each fiscal year that grants were awarded.

(2) The description, location, and estimated date of completion for each project that received a grant award under the program.

(3) An update on the status of each project that received a grant award under the program, and the number of housing units created or facilitated by the program.

(i) Notwithstanding paragraph (4) of subdivision (e), a city with a population greater than 100,000 in a standard metropolitan statistical area or a population of less than 2,000,000 may petition the department for, and the department may grant, an exception to the jurisdiction's classification

pursuant to subdivisions (d) to (f), inclusive, of Section 65583.2 of the Government Code, if the city believes it is unable to meet the density requirements specified in paragraph (4) of subdivision (e). The city shall submit the petition with its application and shall include the reasons why the city believes the exception is warranted. The city shall provide information supporting the need for the exception, including, but not limited to, any limitations that the city may encounter in meeting the density requirements specified in paragraph (4) of subdivision (e). Any exception shall be for the purposes of this section only. This subdivision shall become inoperative on January 1, 2023.

53559.1. For the purposes of this part, the following definitions apply:

(a) “Capital improvement project” means the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvement of a capital asset, as defined in subdivision (a) of Section 16727 of the Government Code, that is an integral part of, or necessary to facilitate the development of, a qualifying infill project or qualifying infill area. Capital improvement projects that may be funded under the grant program established by this part include, but are not limited to, those related to the following:

- (1) Water, sewer, or other utility service improvements.
- (2) Streets, roads, or transit linkages or facilities, including, but not limited to, related access plazas or pathways, bus or transit shelters, or facilities that support pedestrian or bicycle transit.
- (3) Qualifying infill project or qualifying infill area site preparation or demolition.

(4) Sidewalk or streetscape improvements, including, but not limited, the reconstruction or resurfacing of sidewalks and streets or the installation of lighting, signage, or other related amenities.

(b) “Eligible applicant” means either of the following:

- (1) A city, county, city and county, or public housing authority that has jurisdiction over a qualifying infill area.
- (2) A nonprofit or for-profit developer of a qualifying infill project applying jointly with a city, county, city and county, or public housing authority that has jurisdiction over a qualifying infill area.

(c) “Small jurisdiction” means a county with a population of less than 250,000 as of January 1, 2019, or any city within that county.

(d) “Large jurisdiction” means a county that is not a small jurisdiction, or any city within that county.

(e) “Urbanized area” means an incorporated city or an urbanized area or urban cluster as defined by the United States Census Bureau. For unincorporated areas outside of an urban area or urban cluster, the area must be within a designated urban service area that is designated in the local general plan for urban development and is served by the public sewer and water.

(f) “Urban uses” means any residential, commercial, industrial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

53599.2. (a) Upon appropriation by the Legislature, the department may expend the sum of five hundred million dollars (\$500,000,000) for the Infill Infrastructure Grant Program of 2019, as follows:

(1) Four hundred ten million dollars (\$410,000,000) shall be allocated to fund grants pursuant to subdivision (c) of Section 53599.

(2) Ninety million dollars (\$90,000,000) shall be allocated to fund grants pursuant subdivision (d) of Section 53599.

(b) Of the amount appropriated in subdivision (a), 5 percent of the funds shall be set aside for program administration, including state operations expenditures and technical assistance.

SEC. 21. Section 75218.1 is added to the Public Resources Code, to read:

75218.1. For notices of funding availability released after July 1, 2021, in awarding funds under the program, the council shall provide additional points or preference to jurisdictions that have adopted a housing element that has been found by the Department of Housing and Community Development to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code pursuant to Section 65585 of the Government Code and that are designated prohousing pursuant to subdivision (c) of Section 65589.9 of the Government Code, in the manner determined by the Department of Housing and Community Development pursuant to subdivision (d) of Section 65589.9 of the Government Code.

SEC. 22. Section 75244 is added to the Public Resources Code, to read:

75244. For notices of funding availability released after July 1, 2021, in awarding funds under the program, the council shall provide additional points or preference to jurisdictions that have adopted a housing element that has been found by the Department of Housing and Community Development to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code pursuant to Section 65585 of the Government Code and that are designated prohousing pursuant to subdivision (c) of Section 65589.9 of the Government Code, in the manner determined by the Department of Housing and Community Development pursuant to subdivision (d) of Section 65589.9 of the Government Code.

SEC. 23. Section 12206 of the Revenue and Taxation Code is amended to read:

12206. (a) (1) There shall be allowed as a credit against the “tax,” described by Section 12201, a state low-income housing tax credit in an amount equal to the amount determined in subdivision (c), computed in accordance with Section 42 of the Internal Revenue Code, relating to low-income housing credit, except as otherwise provided in this section.

(2) “Taxpayer,” for purposes of this section, means the sole owner in the case of a “C” corporation, the partners in the case of a partnership, and the shareholders in the case of an “S” corporation.

(3) "Housing sponsor," for purposes of this section, means the sole owner in the case of a "C" corporation, the partnership in the case of a partnership, and the "S" corporation in the case of an "S" corporation.

(b) (1) The amount of the credit allocated to any housing sponsor shall be authorized by the California Tax Credit Allocation Committee, or any successor thereof, based on a project's need for the credit for economic feasibility in accordance with the requirements of this section.

(A) Except for projects to provide farmworker housing, as defined in subdivision (h) of Section 50199.7 of the Health and Safety Code, that are allocated credits solely under the set-aside described in subdivision (c) of Section 50199.20 of the Health and Safety Code, the low-income housing project shall be located in California and shall meet either of the following requirements:

(i) The project's housing sponsor has been allocated by the California Tax Credit Allocation Committee a credit for federal income tax purposes under Section 42 of the Internal Revenue Code, relating to low-income housing credit.

(ii) It qualifies for a credit under Section 42(h)(4)(B) of the Internal Revenue Code, relating to special rule where 50 percent or more of building is financed with tax-exempt bonds subject to volume cap.

(B) The California Tax Credit Allocation Committee shall not require fees for the credit under this section in addition to those fees required for applications for the tax credit pursuant to Section 42 of the Internal Revenue Code, relating to low-income housing credit. The committee may require a fee if the application for the credit under this section is submitted in a calendar year after the year the application is submitted for the federal tax credit.

(C) (i) For a project that receives a preliminary reservation of the state low-income housing tax credit, allowed pursuant to subdivision (a), on or after January 1, 2009, the credit shall be allocated to the partners of a partnership owning the project in accordance with the partnership agreement, regardless of how the federal low-income housing tax credit with respect to the project is allocated to the partners, or whether the allocation of the credit under the terms of the agreement has substantial economic effect, within the meaning of Section 704(b) of the Internal Revenue Code, relating to determination of distributive share.

(ii) This subparagraph shall not apply to a project that receives a preliminary reservation of state low-income housing tax credits under the set-aside described in subdivision (c) of Section 50199.20 of the Health and Safety Code unless the project also receives a preliminary reservation of federal low-income housing tax credits.

(2) (A) The California Tax Credit Allocation Committee shall certify to the housing sponsor the amount of tax credit under this section allocated to the housing sponsor for each credit period.

(B) In the case of a partnership or an "S" corporation, the housing sponsor shall provide a copy of the California Tax Credit Allocation Committee certification to the taxpayer.

(C) (i) The taxpayer shall attach a copy of the certification to any return upon which a tax credit is claimed under this section.

(ii) In the case of a failure to attach a copy of the certification for the year to the return in which a tax credit is claimed under this section, no credit under this section shall be allowed for that year until a copy of that certification is provided.

(D) All elections made by the taxpayer pursuant to Section 42 of the Internal Revenue Code, relating to low-income housing credit, shall apply to this section.

(E) (i) Except as described in clause (ii) or (iii), for buildings located in designated difficult development areas (DDAs) or qualified census tracts (QCTs), as defined in Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas, credits may be allocated under this section in the amounts prescribed in subdivision (c), provided that the amount of credit allocated under Section 42 of the Internal Revenue Code, relating to low-income housing credit, is computed on 100 percent of the qualified basis of the building.

(ii) Notwithstanding clause (i), the California Tax Credit Allocation Committee may allocate the credit for buildings located in DDAs or QCTs that are restricted to having 50 percent of the building's occupants be special needs households, as defined in the California Code of Regulations by the California Tax Credit Allocation Committee, or receiving an allocation pursuant to subparagraph (B) of paragraph (1) of subdivision (g), even if the taxpayer receives federal credits pursuant to Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas, provided that the credit allowed under this section shall not exceed 30 percent of the eligible basis of the building.

(iii) On and after January 1, 2018, notwithstanding clause (i), the California Tax Credit Allocation Committee may allocate the credit pursuant to paragraph (6) of subdivision (c) even if the taxpayer receives federal credits, pursuant to Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas.

(F) (i) The California Tax Credit Allocation Committee may allocate a credit under this section in exchange for a credit allocated pursuant to Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas, in amounts up to 30 percent of the eligible basis of a building if the credits allowed under Section 42 of the Internal Revenue Code, relating to low-income housing credit, are reduced by an equivalent amount.

(ii) An equivalent amount shall be determined by the California Tax Credit Allocation Committee based upon the relative amount required to produce an equivalent state tax credit to the taxpayer.

(c) Section 42(b) of the Internal Revenue Code, relating to applicable percentage: 70 percent present value credit for certain new buildings; 30 percent present value credit for certain other buildings, shall be modified as follows:

(1) In the case of any qualified low-income building that receives an allocation after 1989 and is a new building not federally subsidized, the term “applicable percentage” means the following:

(A) For each of the first three years, the percentage prescribed by the Secretary of the Treasury for new buildings that are not federally subsidized for the taxable year, determined in accordance with the requirements of Section 42(b)(2) of the Internal Revenue Code, relating to temporary minimum credit rate for nonfederally subsidized new buildings, in lieu of the percentage prescribed in Section 42(b)(1)(A) of the Internal Revenue Code.

(B) For the fourth year, the difference between 30 percent and the sum of the applicable percentages for the first three years.

(2) In the case of any qualified low-income building that is a new building and is federally subsidized and receiving an allocation pursuant to subparagraph (B) of paragraph (1) of subdivision (g), the term “applicable percentage” means for the first three years, 9 percent of the qualified basis of the building, and for the fourth year, 3 percent of the qualified basis of the building.

(3) In the case of any qualified low-income building that receives an allocation after 1989 pursuant to subparagraph (A) of paragraph (1) of subdivision (g) and that is a new building that is federally subsidized or that is an existing building that is “at risk of conversion,” the term “applicable percentage” means the following:

(A) For each of the first three years, the percentage prescribed by the Secretary of the Treasury for new buildings that are federally subsidized for the taxable year.

(B) For the fourth year, the difference between 13 percent and the sum of the applicable percentages for the first three years.

(4) In the case of any qualified low-income building that receives an allocation pursuant to subparagraph (A) of paragraph (1) of subdivision (g) that meets all of the requirements of subparagraphs (A) through (D), inclusive, the term “applicable percentage” means 30 percent for each of the first three years and 5 percent for the fourth year. A qualified low-income building receiving an allocation under this paragraph is ineligible to also receive an allocation under paragraph (3).

(A) The qualified low-income building is at least 15 years old.

(B) The qualified low-income building is either:

(i) Serving households of very low income or extremely low income such that the average maximum household income as restricted, pursuant to an existing regulatory agreement with a federal, state, county, local, or other governmental agency, is not more than 45 percent of the area median gross income, as determined under Section 42 of the Internal Revenue Code, relating to low-income housing credit, adjusted by household size, and a tax credit regulatory agreement is entered into for a period of not less than 55 years restricting the average targeted household income to no more than 45 percent of the area median income.

(ii) Financed under Section 514 or 521 of the National Housing Act of 1949 (42 U.S.C. Sec. 1485).

(C) The qualified low-income building would have insufficient credits under paragraphs (2) and (3) to complete substantial rehabilitation due to a low appraised value.

(D) The qualified low-income building will complete the substantial rehabilitation in connection with the credit allocation herein.

(5) For purposes of this section, the term “at risk of conversion,” with respect to an existing property means a property that satisfies all of the following criteria:

(A) The property is a multifamily rental housing development in which at least 50 percent of the units receive governmental assistance pursuant to any of the following:

(i) New construction, substantial rehabilitation, moderate rehabilitation, property disposition, and loan management set-aside programs, or any other program providing project-based assistance pursuant to Section 8 of the United States Housing Act of 1937, Section 1437f of Title 42 of the United States Code, as amended.

(ii) The Below-Market-Interest-Rate Program pursuant to Section 221(d)(3) of the National Housing Act, Sections 1715(d)(3) and (5) of Title 12 of the United States Code.

(iii) Section 236 of the National Housing Act, Section 1715z-1 of Title 12 of the United States Code.

(iv) Programs for rent supplement assistance pursuant to Section 101 of the Housing and Urban Development Act of 1965, Section 1701s of Title 12 of the United States Code, as amended.

(v) Programs pursuant to Section 514 of the Housing Act of 1949, Section 1484 of Title 42 of the United States Code, as amended, and Section 515 of the Housing Act of 1949, Section 1485 of Title 42 of the United States Code, as amended.

(vi) The low-income housing credit program set forth in Section 42 of the Internal Revenue Code, relating to low-income housing credit.

(vii) Programs for loans or grants administered by the Department of Housing and Community Development.

(B) The restrictions on rent and income levels will terminate or the federally insured mortgage or rent subsidy contract on the property is eligible for prepayment or termination any time within five years before or after the date of application to the California Tax Credit Allocation Committee.

(C) The entity acquiring the property enters into a regulatory agreement that requires the property to be operated in accordance with the requirements of this section for a period equal to the greater of 55 years or the life of the property.

(D) The property satisfies the requirements of Section 42(e) of the Internal Revenue Code, relating to rehabilitation expenditures treated as separate new building, except that the provisions of Section 42(e)(3)(A)(ii)(I) shall not apply.

(6) On and after January 1, 2018, in the case of any qualified low-income building that is (A) farmworker housing, as defined by paragraph (2) of subdivision (h) of Section 50199.7 of the Health and Safety Code, and (B) is federally subsidized, the term “applicable percentage” means for each of the first three years, 20 percent of the qualified basis of the building, and for the fourth year, 15 percent of the qualified basis of the building.

(d) The term “qualified low-income housing project” as defined in Section 42(c)(2) of the Internal Revenue Code, relating to qualified low-income building, is modified by adding the following requirements:

(1) The taxpayer shall be entitled to receive a cash distribution from the operations of the project, after funding required reserves, that, at the election of the taxpayer, is equal to:

(A) An amount not to exceed 8 percent of the lesser of:

(i) The owner equity that shall include the amount of the capital contributions actually paid to the housing sponsor and shall not include any amounts until they are paid on an investor note.

(ii) Twenty percent of the adjusted basis of the building as of the close of the first taxable year of the credit period.

(B) The amount of the cashflow from those units in the building that are not low-income units. For purposes of computing cashflow under this subparagraph, operating costs shall be allocated to the low-income units using the “floor space fraction,” as defined in Section 42 of the Internal Revenue Code, relating to low-income housing credit.

(C) Any amount allowed to be distributed under subparagraph (A) that is not available for distribution during the first five years of the compliance period may be accumulated and distributed any time during the first 15 years of the compliance period but not thereafter.

(2) The limitation on return shall apply in the aggregate to the partners if the housing sponsor is a partnership and in the aggregate to the shareholders if the housing sponsor is an “S” corporation.

(3) The housing sponsor shall apply any cash available for distribution in excess of the amount eligible to be distributed under paragraph (1) to reduce the rent on rent-restricted units or to increase the number of rent-restricted units subject to the tests of Section 42(g)(1) of the Internal Revenue Code, relating to in general.

(e) The provisions of Section 42(f) of the Internal Revenue Code, relating to definition and special rules relating to credit period, shall be modified as follows:

(1) The term “credit period” as defined in Section 42(f)(1) of the Internal Revenue Code, relating to credit period defined, is modified by substituting “four taxable years” for “10 taxable years.”

(2) The special rule for the first taxable year of the credit period under Section 42(f)(2) of the Internal Revenue Code, relating to special rule for 1st year of credit period, shall not apply to the tax credit under this section.

(3) Section 42(f)(3) of the Internal Revenue Code, relating to determination of applicable percentage with respect to increases in qualified basis after 1st year of credit period, is modified to read:

If, as of the close of any taxable year in the compliance period, after the first year of the credit period, the qualified basis of any building exceeds the qualified basis of that building as of the close of the first year of the credit period, the housing sponsor, to the extent of its tax credit allocation, shall be eligible for a credit on the excess in an amount equal to the applicable percentage determined pursuant to subdivision (c) for the four-year period beginning with the later of the taxable years in which the increase in qualified basis occurs.

(f) The provisions of Section 42(h) of the Internal Revenue Code, relating to limitation on aggregate credit allowable with respect to projects located in a state, shall be modified as follows:

(1) Section 42(h)(2) of the Internal Revenue Code, relating to allocated credit amount to apply to all taxable years ending during or after credit allocation year, does not apply and instead the following provisions apply:

The total amount for the four-year credit period of the housing credit dollars allocated in a calendar year to any building shall reduce the aggregate housing credit dollar amount of the California Tax Credit Allocation Committee for the calendar year in which the allocation is made.

(2) Paragraphs (3), (4), (5), (6)(E)(i)(II), (6)(F), (6)(G), (6)(I), (7), and (8) of Section 42(h) of the Internal Revenue Code, relating to limitation on aggregate credit allowable with respect to projects located in a state, do not apply to this section.

(g) The aggregate housing credit dollar amount that may be allocated annually by the California Tax Credit Allocation Committee pursuant to this section, Section 17058, and Section 23610.5 shall be an amount equal to the sum of all the following:

(1) (A) Seventy million dollars (\$70,000,000) for the 2001 calendar year, and, for the 2002 calendar year and each calendar year thereafter, seventy million dollars (\$70,000,000) increased by the percentage, if any, by which the Consumer Price Index for the preceding calendar year exceeds the Consumer Price Index for the 2001 calendar year. For the purposes of this paragraph, the term “Consumer Price Index” means the last Consumer Price Index for All Urban Consumers published by the federal Department of Labor.

(B) Five hundred million dollars (\$500,000,000) for the 2020 calendar year, and up to five hundred million dollars (\$500,000,000) for the 2021 calendar year and every year thereafter. Allocations shall only be available pursuant to this subparagraph in the 2021 calendar year and thereafter if the annual Budget Act, or if any bill providing for appropriations related to the Budget Act, specifies an amount to be available for allocation in that calendar year by the California Tax Credit Allocation Committee, and the California Tax Credit Allocation Committee has adopted regulatory reforms aimed at increasing production and containing costs. A housing sponsor receiving a nonfederally subsidized allocation under subdivision (c) shall not be eligible for receipt of the housing credit allocated from the increased amount under this subparagraph. A housing sponsor receiving a nonfederally subsidized allocation under subdivision (c) shall remain eligible for receipt of the

housing credit allocated from the credit ceiling amount under subparagraph (A).

(i) Eligible projects for allocations under this subparagraph include any new building, as defined in Section 42(i)(4) of the Internal Revenue Code, relating to newly constructed buildings, and the regulations promulgated thereunder, excluding rehabilitation expenditures under Section 42(e) of the Internal Revenue Code, relating to rehabilitation expenditures treated as separate new building, and is federally subsidized.

(ii) Notwithstanding any other provision of this section, for allocations pursuant to this subparagraph for the 2020 calendar year, the California Tax Credit Allocation Committee shall consider projects located throughout the state and shall allocate housing credits, subject to the minimum federal requirements as set forth in Sections 42 and 142 of the Internal Revenue Code, the minimum requirements set forth in Sections 5033 and 5190 of the California Debt Limit Allocation Committee regulations, and the minimum set forth in Section 10326 of the Tax Credit Allocation Committee regulations, for projects that can begin construction within 180 days from award, subject to availability of funds.

(iii) Notwithstanding any other provision of this section, for allocations pursuant to this subparagraph for the 2021 calendar year and thereafter, the California Tax Credit Allocation Committee shall prescribe regulations, rules, guidelines, or procedures necessary to implement a new allocation methodology that is aimed at increasing production and containing costs.

(iv) Of the amount available pursuant to this subparagraph, and notwithstanding any other requirement of this section, the California Tax Credit Allocation Committee may allocate up to two hundred million dollars (\$200,000,000) for housing financed by the California Housing Finance Agency under its Mixed-Income Program.

(2) The unused housing credit ceiling, if any, for the preceding calendar years.

(3) The amount of housing credit ceiling returned in the calendar year. For purposes of this paragraph, the amount of housing credit dollar amount returned in the calendar year equals the housing credit dollar amount previously allocated to any project that does not become a qualified low-income housing project within the period required by this section or to any project with respect to which an allocation is canceled by mutual consent of the California Tax Credit Allocation Committee and the allocation recipient.

(4) Five hundred thousand dollars (\$500,000) per calendar year for projects to provide farmworker housing, as defined in subdivision (h) of Section 50199.7 of the Health and Safety Code.

(5) The amount of any unallocated or returned credits under former Sections 17053.14, 23608.2, and 23608.3, as those sections read prior to January 1, 2009, until fully exhausted for projects to provide farmworker housing, as defined in subdivision (h) of Section 50199.7 of the Health and Safety Code.

(h) The term “compliance period” as defined in Section 42(i)(1) of the Internal Revenue Code, relating to compliance period, is modified to mean, with respect to any building, the period of 30 consecutive taxable years beginning with the first taxable year of the credit period with respect thereto.

(i) (1) Section 42(j) of the Internal Revenue Code, relating to recapture of credit, shall not be applicable and the provisions in paragraph (2) shall be substituted in its place.

(2) The requirements of this section shall be set forth in a regulatory agreement between the California Tax Credit Allocation Committee and the housing sponsor, and the regulatory agreement shall be subordinated, when required, to any lien or encumbrance of any banks or other institutional lenders to the project. The regulatory agreement entered into pursuant to subdivision (f) of Section 50199.14 of the Health and Safety Code, shall apply, provided that the agreement includes all of the following provisions:

(A) A term not less than the compliance period.

(B) A requirement that the agreement be recorded in the official records of the county in which the qualified low-income housing project is located.

(C) A provision stating which state and local agencies can enforce the regulatory agreement in the event the housing sponsor fails to satisfy any of the requirements of this section.

(D) A provision that the regulatory agreement shall be deemed a contract enforceable by tenants as third-party beneficiaries thereto and that allows individuals, whether prospective, present, or former occupants of the building, who meet the income limitation applicable to the building, the right to enforce the regulatory agreement in any state court.

(E) A provision incorporating the requirements of Section 42 of the Internal Revenue Code, relating to low-income housing credit, as modified by this section.

(F) A requirement that the housing sponsor notify the California Tax Credit Allocation Committee or its designee and the local agency that can enforce the regulatory agreement if there is a determination by the Internal Revenue Service that the project is not in compliance with Section 42(g) of the Internal Revenue Code, relating to qualified low-income housing project.

(G) A requirement that the housing sponsor, as security for the performance of the housing sponsor’s obligations under the regulatory agreement, assign the housing sponsor’s interest in rents that it receives from the project, provided that until there is a default under the regulatory agreement, the housing sponsor is entitled to collect and retain the rents.

(H) A provision that the remedies available in the event of a default under the regulatory agreement that is not cured within a reasonable cure period include, but are not limited to, allowing any of the parties designated to enforce the regulatory agreement to collect all rents with respect to the project; taking possession of the project and operating the project in accordance with the regulatory agreement until the enforcer determines the housing sponsor is in a position to operate the project in accordance with the regulatory agreement; applying to any court for specific performance;

securing the appointment of a receiver to operate the project; or any other relief as may be appropriate.

(j) (1) The committee shall allocate the housing credit on a regular basis consisting of two or more periods in each calendar year during which applications may be filed and considered. The committee shall establish application filing deadlines, the maximum percentage of federal and state low-income housing tax credit ceiling that may be allocated by the committee in that period, and the approximate date on which allocations shall be made. If the enactment of federal or state law, the adoption of rules or regulations, or other similar events prevent the use of two allocation periods, the committee may reduce the number of periods and adjust the filing deadlines, maximum percentage of credit allocated, and the allocation dates.

(2) The committee shall adopt a qualified allocation plan, as provided in Section 42(m)(1) of the Internal Revenue Code, relating to plans for allocation of credit among projects. In adopting this plan, the committee shall comply with the provisions of Sections 42(m)(1)(B) and 42(m)(1)(C) of the Internal Revenue Code, relating to qualified allocation plan and relating to certain selection criteria must be used, respectively.

(3) Notwithstanding Section 42(m) of the Internal Revenue Code, relating to responsibilities of housing credit agencies, the California Tax Credit Allocation Committee shall allocate housing credits in accordance with the qualified allocation plan and regulations, which shall include the following provisions:

(A) All housing sponsors, as defined by paragraph (3) of subdivision (a), shall demonstrate at the time the application is filed with the committee that the project meets the following threshold requirements:

(i) The housing sponsor shall demonstrate there is a need and demand for low-income housing in the community or region for which it is proposed.

(ii) The project's proposed financing, including tax credit proceeds, shall be sufficient to complete the project and that the proposed operating income shall be adequate to operate the project for the extended use period.

(iii) The project shall have enforceable financing commitments, either construction or permanent financing, for at least 50 percent of the total estimated financing of the project.

(iv) The housing sponsor shall have and maintain control of the site for the project.

(v) The housing sponsor shall demonstrate that the project complies with all applicable local land use and zoning ordinances.

(vi) The housing sponsor shall demonstrate that the project development team has the experience and the financial capacity to ensure project completion and operation for the extended use period.

(vii) The housing sponsor shall demonstrate the amount of tax credit that is necessary for the financial feasibility of the project and its viability as a qualified low-income housing project throughout the extended use period, taking into account operating expenses, a supportable debt service, reserves, funds set aside for rental subsidies and required equity, and a development fee that does not exceed a specified percentage of the eligible basis of the

project prior to inclusion of the development fee in the eligible basis, as determined by the committee.

(B) The committee shall give a preference to those projects satisfying all of the threshold requirements of subparagraph (A) if both of the following apply:

(i) The project serves the lowest income tenants at rents affordable to those tenants.

(ii) The project is obligated to serve qualified tenants for the longest period.

(C) In addition to the provisions of subparagraphs (A) and (B), the committee shall use the following criteria in allocating housing credits:

(i) Projects serving large families in which a substantial number, as defined by the committee, of all residential units are low-income units with three or more bedrooms.

(ii) Projects providing single-room occupancy units serving very low income tenants.

(iii) Existing projects that are “at risk of conversion,” as defined by paragraph (5) of subdivision (c).

(iv) Projects for which a public agency provides direct or indirect long-term financial support for at least 15 percent of the total project development costs or projects for which the owner’s equity constitutes at least 30 percent of the total project development costs.

(v) Projects that provide tenant amenities not generally available to residents of low-income housing projects.

(D) Subparagraphs (B) and (C) shall not apply to projects receiving an allocation pursuant to subparagraph (B) of paragraph (1) of subdivision (g).

(4) For purposes of allocating credits pursuant to this section, the committee shall not give preference to any project by virtue of the date of submission of its application except to break a tie when two or more of the projects have an equal rating.

(k) Section 42(l) of the Internal Revenue Code, relating to certifications and other reports to secretary, shall be modified as follows:

The term “secretary” shall be replaced by the term “Franchise Tax Board.”

(l) In the case in which the credit allowed under this section exceeds the “tax,” the excess may be carried over to reduce the “tax” in the following year, and succeeding years if necessary, until the credit has been exhausted.

(m) The provisions of Section 11407(a) of Public Law 101-508, relating to the effective date of the extension of the low-income housing credit, apply to calendar years after 1993.

(n) The provisions of Section 11407(c) of Public Law 101-508, relating to election to accelerate credit, shall not apply.

(o) (1) (A) For a project that receives a preliminary reservation under this section beginning on or after January 1, 2016, a taxpayer may elect in its application to the California Tax Credit Allocation Committee to sell all or any portion of any credit allowed under this section to one or more unrelated parties for each taxable year in which the credit is allowed, subject to subparagraphs (B) and (C). The taxpayer may, only once, revoke an

election to sell pursuant to this subdivision at any time before the California Tax Credit Allocation Committee allocates a final credit amount for the project pursuant to this section, at which point the election shall become irrevocable.

(B) A credit that a taxpayer elects to sell all or a portion of pursuant to this subdivision shall be sold for consideration that is not less than 80 percent of the amount of the credit.

(C) A taxpayer shall not elect to sell all or any portion of any credit pursuant to this subdivision if the taxpayer did not make that election in its application submitted to the California Tax Credit Allocation Committee.

(2) (A) The taxpayer that originally received the credit shall report to the California Tax Credit Allocation Committee within 10 days of the sale of the credit, in the form and manner specified by the California Tax Credit Allocation Committee, all required information regarding the purchase and sale of the credit, including the social security or other taxpayer identification number of the unrelated party or parties to whom the credit has been sold, the face amount of the credit sold, and the amount of consideration received by the taxpayer for the sale of the credit.

(B) The California Tax Credit Allocation Committee shall provide an annual listing to the Franchise Tax Board, in a form and manner agreed upon by the California Tax Credit Allocation Committee and the Franchise Tax Board, of the taxpayers that have sold or purchased a credit pursuant to this subdivision.

(3) A credit may be sold pursuant to this subdivision to more than one unrelated party.

(4) Notwithstanding any other law, the taxpayer that originally received the credit that is sold pursuant to paragraph (1) shall remain solely liable for all obligations and liabilities imposed on the taxpayer by this section with respect to the credit, none of which shall apply to a party to whom the credit has been sold or subsequently transferred. Parties that purchase credits pursuant to paragraph (1) shall be entitled to utilize the purchased credits in the same manner in which the taxpayer that originally received the credit could utilize them.

(p) The California Tax Credit Allocation Committee may prescribe rules, guidelines, or procedures necessary or appropriate to carry out the purposes of this section, including any guidelines regarding the allocation of the credit allowed under this section. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code shall not apply to any rule, guideline, or procedure prescribed by the California Tax Credit Allocation Committee pursuant to this section.

(q) This section shall remain in effect for as long as Section 42 of the Internal Revenue Code, relating to low-income housing credit, remains in effect.

SEC. 24. Section 17058 of the Revenue and Taxation Code is amended to read:

17058. (a) (1) There shall be allowed as a credit against the “net tax,” defined in Section 17039, a state low-income housing tax credit in an amount

equal to the amount determined in subdivision (c), computed in accordance with Section 42 of the Internal Revenue Code, relating to low-income housing credit, except as otherwise provided in this section.

(2) "Taxpayer," for purposes of this section, means the sole owner in the case of an individual, the partners in the case of a partnership, and the shareholders in the case of an "S" corporation.

(3) "Housing sponsor," for purposes of this section, means the sole owner in the case of an individual, the partnership in the case of a partnership, and the "S" corporation in the case of an "S" corporation.

(b) (1) The amount of the credit allocated to any housing sponsor shall be authorized by the California Tax Credit Allocation Committee, or any successor thereof, based on a project's need for the credit for economic feasibility in accordance with the requirements of this section.

(A) The low-income housing project shall be located in California and shall meet either of the following requirements:

(i) Except for projects to provide farmworker housing, as defined in subdivision (h) of Section 50199.7 of the Health and Safety Code, that are allocated credits solely under the set-aside described in subdivision (c) of Section 50199.20 of the Health and Safety Code, the project's housing sponsor has been allocated by the California Tax Credit Allocation Committee a credit for federal income tax purposes under Section 42 of the Internal Revenue Code, relating to low-income housing credit.

(ii) It qualifies for a credit under Section 42(h)(4)(B) of the Internal Revenue Code, relating to special rule where 50 percent or more of building is financed with tax-exempt bonds subject to volume cap.

(B) The California Tax Credit Allocation Committee shall not require fees for the credit under this section in addition to those fees required for applications for the tax credit pursuant to Section 42 of the Internal Revenue Code, relating to low-income housing credit. The committee may require a fee if the application for the credit under this section is submitted in a calendar year after the year the application is submitted for the federal tax credit.

(C) (i) For a project that receives a preliminary reservation of the state low-income housing tax credit, allowed pursuant to subdivision (a), on or after January 1, 2009, the credit shall be allocated to the partners of a partnership owning the project in accordance with the partnership agreement, regardless of how the federal low-income housing tax credit with respect to the project is allocated to the partners, or whether the allocation of the credit under the terms of the agreement has substantial economic effect, within the meaning of Section 704(b) of the Internal Revenue Code, relating to determination of distributive share.

(ii) To the extent the allocation of the credit to a partner under this section lacks substantial economic effect, any loss or deduction otherwise allowable under this part that is attributable to the sale or other disposition of that partner's partnership interest made prior to the expiration of the federal credit shall not be allowed in the taxable year in which the sale or other disposition occurs, but shall instead be deferred until and treated as if it

occurred in the first taxable year immediately following the taxable year in which the federal credit period expires for the project described in clause (i).

(iii) This subparagraph shall not apply to a project that receives a preliminary reservation of state low-income housing tax credits under the set-aside described in subdivision (c) of Section 50199.20 of the Health and Safety Code unless the project also receives a preliminary reservation of federal low-income housing tax credits.

(2) (A) The California Tax Credit Allocation Committee shall certify to the housing sponsor the amount of tax credit under this section allocated to the housing sponsor for each credit period.

(B) In the case of a partnership or an “S” corporation, the housing sponsor shall provide a copy of the California Tax Credit Allocation Committee certification to the taxpayer.

(C) The taxpayer shall, upon request, provide a copy of the certification to the Franchise Tax Board.

(D) All elections made by the taxpayer pursuant to Section 42 of the Internal Revenue Code, relating to low-income housing credit, apply to this section.

(E) (i) Except as described in clause (ii) or (iii), for buildings located in designated difficult development areas (DDAs) or qualified census tracts (QCTs), as defined in Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas, credits may be allocated under this section in the amounts prescribed in subdivision (c), provided that the amount of credit allocated under Section 42 of the Internal Revenue Code, relating to low-income housing credit, is computed on 100 percent of the qualified basis of the building.

(ii) Notwithstanding clause (i), the California Tax Credit Allocation Committee may allocate the credit for buildings located in DDAs or QCTs that are restricted to having 50 percent of the building’s occupants be special needs households, as defined in the California Code of Regulations by the California Tax Credit Allocation Committee, or receiving an allocation pursuant to subparagraph (B) of paragraph (1) of subdivision (g), even if the taxpayer receives federal credits pursuant to Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas, provided that the credit allowed under this section shall not exceed 30 percent of the eligible basis of the building.

(iii) On and after January 1, 2018, notwithstanding clause (i), the California Tax Credit Allocation Committee may allocate the credit pursuant to paragraph (7) of subdivision (c) even if the taxpayer receives federal credits, pursuant to Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas.

(F) (i) The California Tax Credit Allocation Committee may allocate a credit under this section in exchange for a credit allocated pursuant to Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas, in amounts up to 30 percent of the eligible basis of a building if the credits allowed under Section 42 of the Internal

Revenue Code, relating to low-income housing credit, are reduced by an equivalent amount.

(ii) An equivalent amount shall be determined by the California Tax Credit Allocation Committee based upon the relative amount required to produce an equivalent state tax credit to the taxpayer.

(c) Section 42(b) of the Internal Revenue Code, relating to applicable percentage: 70 percent present value credit for certain new buildings; 30 percent present value credit for certain other buildings, shall be modified as follows:

(1) In the case of any qualified low-income building placed in service by the housing sponsor during 1987, the term “applicable percentage” means 9 percent for each of the first three years and 3 percent for the fourth year for new buildings (whether or not the building is federally subsidized) and for existing buildings.

(2) In the case of any qualified low-income building that receives an allocation after 1989 and is a new building not federally subsidized, the term “applicable percentage” means the following:

(A) For each of the first three years, the percentage prescribed by the Secretary of the Treasury for new buildings that are not federally subsidized for the taxable year, determined in accordance with the requirements of Section 42(b)(2) of the Internal Revenue Code, relating to temporary minimum credit rate for nonfederally subsidized new buildings, in lieu of the percentage prescribed in Section 42(b)(1)(A) of the Internal Revenue Code.

(B) For the fourth year, the difference between 30 percent and the sum of the applicable percentages for the first three years.

(3) In the case of any qualified low-income building that is a new building that is federally subsidized and receiving an allocation pursuant to subparagraph (B) of paragraph (1) of subdivision (g), the term “applicable percentage” means for the first three years, 9 percent of the qualified basis of the building, and for the fourth year, 3 percent of the qualified basis of the building.

(4) In the case of any qualified low-income building that receives an allocation after 1989 pursuant to subparagraph (A) of paragraph (1) of subdivision (g) and that is a new building that is federally subsidized or that is an existing building that is “at risk of conversion,” the term “applicable percentage” means the following:

(A) For each of the first three years, the percentage prescribed by the Secretary of the Treasury for new buildings that are federally subsidized for the taxable year.

(B) For the fourth year, the difference between 13 percent and the sum of the applicable percentages for the first three years.

(5) In the case of any qualified low-income building that receives an allocation pursuant to subparagraph (A) of paragraph (1) of subdivision (g) that meets all of the requirements of subparagraphs (A) through (D), inclusive, the term “applicable percentage” means 30 percent for each of the first three years and 5 percent for the fourth year. A qualified low-income

building receiving an allocation under this paragraph is ineligible to also receive an allocation under paragraph (3).

(A) The qualified low-income building is at least 15 years old.

(B) The qualified low-income building is either:

(i) Serving households of very low income or extremely low income such that the average maximum household income as restricted, pursuant to an existing regulatory agreement with a federal, state, county, local, or other governmental agency, is not more than 45 percent of the area median gross income, as determined under Section 42 of the Internal Revenue Code, relating to low-income housing credit, adjusted by household size, and a tax credit regulatory agreement is entered into for a period of not less than 55 years restricting the average targeted household income to no more than 45 percent of the area median income.

(ii) Financed under Section 514 or 521 of the National Housing Act of 1949 (42 U.S.C. Sec. 1485).

(C) The qualified low-income building would have insufficient credits under paragraphs (2) and (3) to complete substantial rehabilitation due to a low appraised value.

(D) The qualified low-income building will complete the substantial rehabilitation in connection with the credit allocation herein.

(6) For purposes of this section, the term “at risk of conversion,” with respect to an existing property means a property that satisfies all of the following criteria:

(A) The property is a multifamily rental housing development in which at least 50 percent of the units receive governmental assistance pursuant to any of the following:

(i) New construction, substantial rehabilitation, moderate rehabilitation, property disposition, and loan management set-aside programs, or any other program providing project-based assistance pursuant to Section 8 of the United States Housing Act of 1937, Section 1437f of Title 42 of the United States Code, as amended.

(ii) The Below-Market-Interest-Rate Program pursuant to Section 221(d)(3) of the National Housing Act, Sections 1715(d)(3) and (5) of Title 12 of the United States Code.

(iii) Section 236 of the National Housing Act, Section 1715z-1 of Title 12 of the United States Code.

(iv) Programs for rent supplement assistance pursuant to Section 101 of the Housing and Urban Development Act of 1965, Section 1701s of Title 12 of the United States Code, as amended.

(v) Programs pursuant to Section 514 of the Housing Act of 1949, Section 1484 of Title 42 of the United States Code, as amended, and Section 515 of the Housing Act of 1949, Section 1485 of Title 42 of the United States Code, as amended.

(vi) The low-income housing credit program set forth in Section 42 of the Internal Revenue Code, relating to low-income housing credit.

(vii) Programs for loans or grants administered by the Department of Housing and Community Development.

(B) The restrictions on rent and income levels will terminate or the federally insured mortgage or rent subsidy contract on the property is eligible for prepayment or termination any time within five years before or after the date of application to the California Tax Credit Allocation Committee.

(C) The entity acquiring the property enters into a regulatory agreement that requires the property to be operated in accordance with the requirements of this section for a period equal to the greater of 55 years or the life of the property.

(D) The property satisfies the requirements of Section 42(e) of the Internal Revenue Code, relating to rehabilitation expenditures treated as separate new building, except that the provisions of Section 42(e)(3)(A)(ii)(I) shall not apply.

(7) On and after January 1, 2018, in the case of any qualified low-income building that is (A) farmworker housing, as defined by paragraph (2) of subdivision (h) of Section 50199.7 of the Health and Safety Code, and (B) is federally subsidized, the term “applicable percentage” means for each of the first three years, 20 percent of the qualified basis of the building, and for the fourth year, 15 percent of the qualified basis of the building.

(d) The term “qualified low-income housing project” as defined in Section 42(c)(2) of the Internal Revenue Code, relating to qualified low-income building, is modified by adding the following requirements:

(1) The taxpayer shall be entitled to receive a cash distribution from the operations of the project, after funding required reserves, that, at the election of the taxpayer, is equal to:

(A) An amount not to exceed 8 percent of the lesser of:

(i) The owner equity, which shall include the amount of the capital contributions actually paid to the housing sponsor and shall not include any amounts until they are paid on an investor note.

(ii) Twenty percent of the adjusted basis of the building as of the close of the first taxable year of the credit period.

(B) The amount of the cashflow from those units in the building that are not low-income units. For purposes of computing cashflow under this subparagraph, operating costs shall be allocated to the low-income units using the “floor space fraction,” as defined in Section 42 of the Internal Revenue Code, relating to low-income housing credit.

(C) Any amount allowed to be distributed under subparagraph (A) that is not available for distribution during the first five years of the compliance period may be accumulated and distributed any time during the first 15 years of the compliance period but not thereafter.

(2) The limitation on return shall apply in the aggregate to the partners if the housing sponsor is a partnership and in the aggregate to the shareholders if the housing sponsor is an “S” corporation.

(3) The housing sponsor shall apply any cash available for distribution in excess of the amount eligible to be distributed under paragraph (1) to reduce the rent on rent-restricted units or to increase the number of rent-restricted units subject to the tests of Section 42(g)(1) of the Internal Revenue Code, relating to in general.

(e) The provisions of Section 42(f) of the Internal Revenue Code, relating to definition and special rules relating to credit period, shall be modified as follows:

(1) The term “credit period” as defined in Section 42(f)(1) of the Internal Revenue Code, relating to credit period defined, is modified by substituting “four taxable years” for “10 taxable years.”

(2) The special rule for the first taxable year of the credit period under Section 42(f)(2) of the Internal Revenue Code, relating to special rules for 1st year of credit period, shall not apply to the tax credit under this section.

(3) Section 42(f)(3) of the Internal Revenue Code, relating to determination of applicable percentage with respect to increases in qualified basis after 1st year of credit period, is modified to read:

If, as of the close of any taxable year in the compliance period, after the first year of the credit period, the qualified basis of any building exceeds the qualified basis of that building as of the close of the first year of the credit period, the housing sponsor, to the extent of its tax credit allocation, shall be eligible for a credit on the excess in an amount equal to the applicable percentage determined pursuant to subdivision (c) for the four-year period beginning with the taxable year in which the increase in qualified basis occurs.

(f) The provisions of Section 42(h) of the Internal Revenue Code, relating to limitation on aggregate credit allowable with respect to projects located in a state, shall be modified as follows:

(1) Section 42(h)(2) of the Internal Revenue Code, relating to allocated credit amount to apply to all taxable years ending during or after credit allocation year, does not apply and instead the following provisions apply:

The total amount for the four-year credit period of the housing credit dollars allocated in a calendar year to any building shall reduce the aggregate housing credit dollar amount of the California Tax Credit Allocation Committee for the calendar year in which the allocation is made.

(2) Paragraphs (3), (4), (5), (6)(E)(i)(II), (6)(F), (6)(G), (6)(I), (7), and (8) of Section 42(h) of the Internal Revenue Code, relating to limitation on aggregate credit allowable with respect to projects located in a state, do not apply to this section.

(g) The aggregate housing credit dollar amount that may be allocated annually by the California Tax Credit Allocation Committee pursuant to this section, Section 12206, and Section 23610.5 shall be an amount equal to the sum of all the following:

(1) (A) Seventy million dollars (\$70,000,000) for the 2001 calendar year, and, for the 2002 calendar year and each calendar year thereafter, seventy million dollars (\$70,000,000) increased by the percentage, if any, by which the Consumer Price Index for the preceding calendar year exceeds the Consumer Price Index for the 2001 calendar year. For the purposes of this paragraph, the term “Consumer Price Index” means the last Consumer Price Index for All Urban Consumers published by the federal Department of Labor.

(B) Five hundred million dollars (\$500,000,000) for the 2020 calendar year, and up to five hundred million dollars (\$500,000,000) for the 2021 calendar year and every year thereafter. Allocations shall only be available pursuant to this subparagraph in the 2021 calendar year and thereafter if the annual Budget Act, or if any bill providing for appropriations related to the Budget Act, specifies an amount to be available for allocation in that calendar year by the California Tax Credit Allocation Committee, and the California Tax Credit Allocation Committee has adopted regulatory reforms aimed at increasing production and containing costs. A housing sponsor receiving a nonfederally subsidized allocation under subdivision (c) shall not be eligible for receipt of the housing credit allocated from the increased amount under this subparagraph. A housing sponsor receiving a nonfederally subsidized allocation under subdivision (c) shall remain eligible for receipt of the housing credit allocated from the credit ceiling amount under subparagraph (A).

(i) Eligible projects for allocations under this subparagraph include any new building, as defined in Section 42(i)(4) of the Internal Revenue Code, relating to newly constructed buildings, and the regulations promulgated thereunder, excluding rehabilitation expenditures under Section 42(e) of the Internal Revenue Code, relating to rehabilitation expenditures treated as separate new building, and is federally subsidized.

(ii) Notwithstanding any other provision of this section, for allocations pursuant to this subparagraph for the 2020 calendar year, the California Tax Credit Allocation Committee shall consider projects located throughout the state and shall allocate housing credits, subject to the minimum federal requirements as set forth in Sections 42 and 142 of the Internal Revenue Code, the minimum requirements set forth in Sections 5033 and 5190 of the California Debt Limit Allocation Committee regulations, and the minimum set forth in Section 10326 of the Tax Credit Allocation Committee regulations, for projects that can begin construction within 180 days from award, subject to availability of funds.

(iii) Notwithstanding any other provision of this section, for allocations pursuant to this subparagraph for the 2021 calendar year and thereafter, the California Tax Credit Allocation Committee shall prescribe regulations, rules, guidelines, or procedures necessary to implement a new allocation methodology that is aimed at increasing production and containing costs.

(iv) Of the amount available pursuant to this subparagraph, and notwithstanding any other requirement of this section, the California Tax Credit Allocation Committee may allocate up to two hundred million dollars (\$200,000,000) for housing financed by the California Housing Finance Agency under its Mixed-Income Program.

(2) The unused housing credit ceiling, if any, for the preceding calendar years.

(3) The amount of housing credit ceiling returned in the calendar year. For purposes of this paragraph, the amount of housing credit dollar amount returned in the calendar year equals the housing credit dollar amount previously allocated to any project that does not become a qualified

low-income housing project within the period required by this section or to any project with respect to which an allocation is canceled by mutual consent of the California Tax Credit Allocation Committee and the allocation recipient.

(4) Five hundred thousand dollars (\$500,000) per calendar year for projects to provide farmworker housing, as defined in subdivision (h) of Section 50199.7 of the Health and Safety Code.

(5) The amount of any unallocated or returned credits under former Sections 17053.14, 23608.2, and 23608.3, as those sections read prior to January 1, 2009, until fully exhausted for projects to provide farmworker housing, as defined in subdivision (h) of Section 50199.7 of the Health and Safety Code.

(h) The term “compliance period” as defined in Section 42(i)(1) of the Internal Revenue Code, relating to compliance period, is modified to mean, with respect to any building, the period of 30 consecutive taxable years beginning with the first taxable year of the credit period with respect thereto.

(i) Section 42(j) of the Internal Revenue Code, relating to recapture of credit, shall not be applicable and the following requirements of this section shall be set forth in a regulatory agreement between the California Tax Credit Allocation Committee and the housing sponsor, and the regulatory agreement shall be subordinated, when required, to any lien or encumbrance of any banks or other institutional lenders to the project. The regulatory agreement entered into pursuant to subdivision (f) of Section 50199.14 of the Health and Safety Code shall apply, provided that the agreement includes all of the following provisions:

(1) A term not less than the compliance period.

(2) A requirement that the agreement be recorded in the official records of the county in which the qualified low-income housing project is located.

(3) A provision stating which state and local agencies can enforce the regulatory agreement in the event the housing sponsor fails to satisfy any of the requirements of this section.

(4) A provision that the regulatory agreement shall be deemed a contract enforceable by tenants as third-party beneficiaries thereto and that allows individuals, whether prospective, present, or former occupants of the building, who meet the income limitation applicable to the building, the right to enforce the regulatory agreement in any state court.

(5) A provision incorporating the requirements of Section 42 of the Internal Revenue Code, relating to low-income housing credit, as modified by this section.

(6) A requirement that the housing sponsor notify the California Tax Credit Allocation Committee or its designee if there is a determination by the Internal Revenue Service that the project is not in compliance with Section 42(g) of the Internal Revenue Code, relating to qualified low-income housing project.

(7) A requirement that the housing sponsor, as security for the performance of the housing sponsor’s obligations under the regulatory agreement, assign the housing sponsor’s interest in rents that it receives

from the project, provided that until there is a default under the regulatory agreement, the housing sponsor is entitled to collect and retain the rents.

(8) A provision that the remedies available in the event of a default under the regulatory agreement that is not cured within a reasonable cure period include, but are not limited to, allowing any of the parties designated to enforce the regulatory agreement to collect all rents with respect to the project; taking possession of the project and operating the project in accordance with the regulatory agreement until the enforcer determines the housing sponsor is in a position to operate the project in accordance with the regulatory agreement; applying to any court for specific performance; securing the appointment of a receiver to operate the project; or any other relief as may be appropriate.

(j) (1) The committee shall allocate the housing credit on a regular basis consisting of two or more periods in each calendar year during which applications may be filed and considered. The committee shall establish application filing deadlines, the maximum percentage of federal and state low-income housing tax credit ceiling that may be allocated by the committee in that period, and the approximate date on which allocations shall be made. If the enactment of federal or state law, the adoption of rules or regulations, or other similar events prevent the use of two allocation periods, the committee may reduce the number of periods and adjust the filing deadlines, maximum percentage of credit allocated, and the allocation dates.

(2) The committee shall adopt a qualified allocation plan, as provided in Section 42(m)(1) of the Internal Revenue Code, relating to plans for allocation of credit among projects. In adopting this plan, the committee shall comply with the provisions of Sections 42(m)(1)(B) and 42(m)(1)(C) of the Internal Revenue Code, relating to qualified allocation plan and relating to certain selection criteria must be used, respectively.

(3) Notwithstanding Section 42(m) of the Internal Revenue Code, relating to responsibilities of housing credit agencies, the California Tax Credit Allocation Committee shall allocate housing credits in accordance with the qualified allocation plan and regulations, which shall include the following provisions:

(A) All housing sponsors, as defined by paragraph (3) of subdivision (a), shall demonstrate at the time the application is filed with the committee that the project meets the following threshold requirements:

(i) The housing sponsor shall demonstrate that there is a need and demand for low-income housing in the community or region for which it is proposed.

(ii) The project’s proposed financing, including tax credit proceeds, shall be sufficient to complete the project and that the proposed operating income shall be adequate to operate the project for the extended use period.

(iii) The project shall have enforceable financing commitments, either construction or permanent financing, for at least 50 percent of the total estimated financing of the project.

(iv) The housing sponsor shall have and maintain control of the site for the project.

(v) The housing sponsor shall demonstrate that the project complies with all applicable local land use and zoning ordinances.

(vi) The housing sponsor shall demonstrate that the project development team has the experience and the financial capacity to ensure project completion and operation for the extended use period.

(vii) The housing sponsor shall demonstrate the amount of tax credit that is necessary for the financial feasibility of the project and its viability as a qualified low-income housing project throughout the extended use period, taking into account operating expenses, a supportable debt service, reserves, funds set aside for rental subsidies and required equity, and a development fee that does not exceed a specified percentage of the eligible basis of the project prior to inclusion of the development fee in the eligible basis, as determined by the committee.

(B) The committee shall give a preference to those projects satisfying all of the threshold requirements of subparagraph (A) if both of the following apply:

(i) The project serves the lowest income tenants at rents affordable to those tenants.

(ii) The project is obligated to serve qualified tenants for the longest period.

(C) In addition to the provisions of subparagraphs (A) and (B), the committee shall use the following criteria in allocating housing credits:

(i) Projects serving large families in which a substantial number, as defined by the committee, of all residential units are low-income units with three or more bedrooms.

(ii) Projects providing single-room occupancy units serving very low income tenants.

(iii) Existing projects that are “at risk of conversion,” as defined by paragraph (6) of subdivision (c).

(iv) Projects for which a public agency provides direct or indirect long-term financial support for at least 15 percent of the total project development costs or projects for which the owner’s equity constitutes at least 30 percent of the total project development costs.

(v) Projects that provide tenant amenities not generally available to residents of low-income housing projects.

(4) For purposes of allocating credits pursuant to this section, the committee shall not give preference to any project by virtue of the date of submission of its application.

(D) Subparagraphs (B) and (C) shall not apply to projects receiving an allocation pursuant to subparagraph (B) of paragraph (1) of subdivision (g).

(k) Section 42(l) of the Internal Revenue Code, relating to certifications and other reports to secretary, shall be modified as follows:

The term “secretary” shall be replaced by the term “Franchise Tax Board.”

(l) In the case in which the credit allowed under this section exceeds the “net tax,” the excess may be carried over to reduce the “net tax” in the following year, and succeeding years, if necessary, until the credit has been exhausted.

(m) A project that received an allocation of a 1989 federal housing credit dollar amount shall be eligible to receive an allocation of a 1990 state housing credit dollar amount, subject to all of the following conditions:

- (1) The project was not placed in service prior to 1990.
- (2) To the extent the amendments made to this section by the Statutes of 1990 conflict with any provisions existing in this section prior to those amendments, the prior provisions of law shall prevail.
- (3) Notwithstanding paragraph (2), a project applying for an allocation under this subdivision shall be subject to the requirements of paragraph (3) of subdivision (j).

(n) The credit period with respect to an allocation of credit in 1989 by the California Tax Credit Allocation Committee of which any amount is attributable to unallocated credit from 1987 or 1988 shall not begin until after December 31, 1989.

(o) The provisions of Section 11407(a) of Public Law 101-508, relating to the effective date of the extension of the low-income housing credit, apply to calendar years after 1989.

(p) The provisions of Section 11407(c) of Public Law 101-508, relating to election to accelerate credit, shall not apply.

(q) (1) (A) For a project that receives a preliminary reservation under this section beginning on or after January 1, 2016, a taxpayer may elect in its application to the California Tax Credit Allocation Committee to sell all or any portion of any credit allowed, subject to subparagraphs (B) and (C). The taxpayer may, only once, revoke an election to sell pursuant to this subdivision at any time before the California Tax Credit Allocation Committee allocates a final credit amount for the project pursuant to this section, at which point the election shall become irrevocable.

(B) A credit that a taxpayer elects to sell all or a portion of pursuant to this subdivision shall be sold for consideration that is not less than 80 percent of the amount of the credit.

(C) A taxpayer shall not elect to sell all or any portion of any credit pursuant to this subdivision if the taxpayer did not make that election in its application submitted to the California Tax Credit Allocation Committee.

(2) (A) The taxpayer that originally received the credit shall report to the California Tax Credit Allocation Committee within 10 days of the sale of the credit, in the form and manner specified by the California Tax Credit Allocation Committee, all required information regarding the purchase and sale of the credit, including the social security or other taxpayer identification number of the unrelated party or parties to whom the credit has been sold, the face amount of the credit sold, and the amount of consideration received by the taxpayer for the sale of the credit.

(B) The California Tax Credit Allocation Committee shall provide an annual listing to the Franchise Tax Board, in a form and manner agreed upon by the California Tax Credit Allocation Committee and the Franchise Tax Board, of the taxpayers that have sold or purchased a credit pursuant to this subdivision.

(3) A credit may be sold pursuant to this subdivision to more than one unrelated party.

(4) Notwithstanding any other law, the taxpayer that originally received the credit that is sold pursuant to paragraph (1) shall remain solely liable for all obligations and liabilities imposed on the taxpayer by this section with respect to the credit, none of which shall apply to a party to whom the credit has been sold or subsequently transferred. Parties that purchase credits pursuant to paragraph (1) shall be entitled to utilize the purchased credits in the same manner in which the taxpayer that originally received the credit could utilize them.

(5) A taxpayer shall not sell a credit allowed by this section if the taxpayer was allowed the credit on any tax return of the taxpayer.

(r) The California Tax Credit Allocation Committee may prescribe rules, guidelines, or procedures necessary or appropriate to carry out the purposes of this section, including any guidelines regarding the allocation of the credit allowed under this section. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code shall not apply to any rule, guideline, or procedure prescribed by the California Tax Credit Allocation Committee pursuant to this section.

(s) The amendments to this section made by Chapter 1222 of the Statutes of 1993 apply only to taxable years beginning on or after January 1, 1994.

(t) This section shall remain in effect on and after December 1, 1990, for as long as Section 42 of the Internal Revenue Code, relating to low-income housing credit, remains in effect. Any unused credit may continue to be carried forward, as provided in subdivision (l), until the credit has been exhausted.

SEC. 25. Section 17561 of the Revenue and Taxation Code is amended to read:

17561. (a) Section 469(c)(7) of the Internal Revenue Code, relating to special rules for taxpayers in real property business, shall not apply.

(b) Section 469(d)(2) of the Internal Revenue Code, relating to passive activity credits, is modified to refer to the following credits:

- (1) The credit for research expenses allowed by Section 17052.12.
- (2) The credit for certain wages paid (targeted jobs) allowed by Section 17053.7.
- (3) The credit allowed by former Section 17057 (relating to clinical testing expenses).
- (4) The credit for low-income housing allowed by Section 17058.

(c) Section 469(g)(1)(A) of the Internal Revenue Code is modified to provide that if all gain or loss realized on the disposition of the taxpayer's entire interest in any passive activity (or former passive activity) is recognized, the excess of—

- (1) The sum of—
 - (A) Any loss from that activity for that taxable year (determined after application of Section 469(b) of the Internal Revenue Code), plus
 - (B) Any loss realized on that disposition, over

(2) Net income or gain for the taxable year from all passive activities (determined without regard to losses described in paragraph (1)), shall be treated as a loss which is not from a passive activity.

(d) (1) For purposes of applying the provisions of Section 469(i) of the Internal Revenue Code, relating to the twenty-five thousand dollars (\$25,000) offset for rental real estate activities, the dollar limitation specified in Section 469(i)(2) of the Internal Revenue Code, relating to dollar limitation, for the credit allowed under Section 17058, relating to low-income housing, shall not apply.

(2) The amendments made to this subdivision by the act adding this paragraph shall apply to each taxable year beginning on or after January 1, 2020.

(e) Section 502 of the Tax Reform Act of 1986 (P.L. 99-514) shall apply.

(f) For taxable years beginning on or after January 1, 1987, the provisions of Section 10212 of Public Law 100-203, relating to treatment of publicly traded partnerships under Section 469 of the Internal Revenue Code, shall be applicable.

SEC. 26. Section 23610.5 of the Revenue and Taxation Code is amended to read:

23610.5. (a) (1) There shall be allowed as a credit against the “tax,” defined in Section 23036, a state low-income housing tax credit in an amount equal to the amount determined in subdivision (c), computed in accordance with Section 42 of the Internal Revenue Code, relating to low-income housing credit, except as otherwise provided in this section.

(2) “Taxpayer,” for purposes of this section, means the sole owner in the case of a “C” corporation, the partners in the case of a partnership, and the shareholders in the case of an “S” corporation.

(3) “Housing sponsor,” for purposes of this section, means the sole owner in the case of a “C” corporation, the partnership in the case of a partnership, and the “S” corporation in the case of an “S” corporation.

(b) (1) The amount of the credit allocated to any housing sponsor shall be authorized by the California Tax Credit Allocation Committee, or any successor thereof, based on a project’s need for the credit for economic feasibility in accordance with the requirements of this section.

(A) The low-income housing project shall be located in California and shall meet either of the following requirements:

(i) Except for projects to provide farmworker housing, as defined in subdivision (h) of Section 50199.7 of the Health and Safety Code, that are allocated credits solely under the set-aside described in subdivision (c) of Section 50199.20 of the Health and Safety Code, the project’s housing sponsor has been allocated by the California Tax Credit Allocation Committee a credit for federal income tax purposes under Section 42 of the Internal Revenue Code, relating to low-income housing credit.

(ii) It qualifies for a credit under Section 42(h)(4)(B) of the Internal Revenue Code, relating to special rule where 50 percent or more of building is financed with tax-exempt bonds subject to volume cap.

(B) The California Tax Credit Allocation Committee shall not require fees for the credit under this section in addition to those fees required for applications for the tax credit pursuant to Section 42 of the Internal Revenue Code, relating to low-income housing credit. The committee may require a fee if the application for the credit under this section is submitted in a calendar year after the year the application is submitted for the federal tax credit.

(C) (i) For a project that receives a preliminary reservation of the state low-income housing tax credit, allowed pursuant to subdivision (a), on or after January 1, 2009, the credit shall be allocated to the partners of a partnership owning the project in accordance with the partnership agreement, regardless of how the federal low-income housing tax credit with respect to the project is allocated to the partners, or whether the allocation of the credit under the terms of the agreement has substantial economic effect, within the meaning of Section 704(b) of the Internal Revenue Code, relating to determination of distributive share.

(ii) To the extent the allocation of the credit to a partner under this section lacks substantial economic effect, any loss or deduction otherwise allowable under this part that is attributable to the sale or other disposition of that partner’s partnership interest made prior to the expiration of the federal credit shall not be allowed in the taxable year in which the sale or other disposition occurs, but shall instead be deferred until and treated as if it occurred in the first taxable year immediately following the taxable year in which the federal credit period expires for the project described in clause (i).

(iii) This subparagraph shall not apply to a project that receives a preliminary reservation of state low-income housing tax credits under the set-aside described in subdivision (c) of Section 50199.20 of the Health and Safety Code unless the project also receives a preliminary reservation of federal low-income housing tax credits.

(2) (A) The California Tax Credit Allocation Committee shall certify to the housing sponsor the amount of tax credit under this section allocated to the housing sponsor for each credit period.

(B) In the case of a partnership or an “S” corporation, the housing sponsor shall provide a copy of the California Tax Credit Allocation Committee certification to the taxpayer.

(C) The taxpayer shall, upon request, provide a copy of the certification to the Franchise Tax Board.

(D) All elections made by the taxpayer pursuant to Section 42 of the Internal Revenue Code, relating to low-income housing credit, shall apply to this section.

(E) (i) Except as described in clause (ii) or (iii), for buildings located in designated difficult development areas (DDAs) or qualified census tracts (QCTs), as defined in Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas, credits may be allocated under this section in the amounts prescribed in subdivision (c), provided that the amount of credit allocated under Section 42 of the Internal

Revenue Code, relating to low-income housing credit, is computed on 100 percent of the qualified basis of the building.

(ii) Notwithstanding clause (i), the California Tax Credit Allocation Committee may allocate the credit for buildings located in DDAs or QCTs that are restricted to having 50 percent of the building’s occupants be special needs households, as defined in the California Code of Regulations by the California Tax Credit Allocation Committee, or receiving an allocation pursuant to subparagraph (B) of paragraph (1) of subdivision (g), even if the taxpayer receives federal credits pursuant to Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas, provided that the credit allowed under this section shall not exceed 30 percent of the eligible basis of the building.

(iii) On and after January 1, 2018, notwithstanding clause (i), the California Tax Credit Allocation Committee may allocate the credit pursuant to paragraph (7) of subdivision (c) even if the taxpayer receives federal credits, pursuant to Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas.

(F) (i) The California Tax Credit Allocation Committee may allocate a credit under this section in exchange for a credit allocated pursuant to Section 42(d)(5)(B) of the Internal Revenue Code, relating to increase in credit for buildings in high-cost areas, in amounts up to 30 percent of the eligible basis of a building if the credits allowed under Section 42 of the Internal Revenue Code, relating to low-income housing credit, are reduced by an equivalent amount.

(ii) An equivalent amount shall be determined by the California Tax Credit Allocation Committee based upon the relative amount required to produce an equivalent state tax credit to the taxpayer.

(c) Section 42(b) of the Internal Revenue Code, relating to applicable percentage: 70 percent present value credit for certain new buildings; 30 percent present value credit for certain other buildings, shall be modified as follows:

(1) In the case of any qualified low-income building placed in service by the housing sponsor during 1987, the term “applicable percentage” means 9 percent for each of the first three years and 3 percent for the fourth year for new buildings (whether or not the building is federally subsidized) and for existing buildings.

(2) In the case of any qualified low-income building that receives an allocation after 1989 and is a new building not federally subsidized, the term “applicable percentage” means the following:

(A) For each of the first three years, the percentage prescribed by the Secretary of the Treasury for new buildings that are not federally subsidized for the taxable year, determined in accordance with the requirements of Section 42(b)(2) of the Internal Revenue Code, relating to temporary minimum credit rate for nonfederally subsidized new buildings, in lieu of the percentage prescribed in Section 42(b)(1)(A) of the Internal Revenue Code.

(B) For the fourth year, the difference between 30 percent and the sum of the applicable percentages for the first three years.

(3) In the case of any qualified low-income building that is a new building and is federally subsidized and receiving an allocation pursuant to subparagraph (B) of paragraph (1) of subdivision (g), the term “applicable percentage” means for the first three years, 9 percent of the qualified basis of the building, and for the fourth year, 3 percent of the qualified basis of the building.

(4) In the case of any qualified low-income building that receives an allocation after 1989 pursuant to subparagraph (A) of paragraph (1) of subdivision (g) and that is a new building that is federally subsidized or that is an existing building that is “at risk of conversion,” the term “applicable percentage” means the following:

(A) For each of the first three years, the percentage prescribed by the Secretary of the Treasury for new buildings that are federally subsidized for the taxable year.

(B) For the fourth year, the difference between 13 percent and the sum of the applicable percentages for the first three years.

(5) In the case of any qualified low-income building that receives an allocation pursuant to subparagraph (A) of paragraph (1) of subdivision (g) that meets all of the requirements of subparagraphs (A) through (D), inclusive, the term “applicable percentage” means 30 percent for each of the first three years and 5 percent for the fourth year. A qualified low-income building receiving an allocation under this paragraph is ineligible to also receive an allocation under paragraph (3).

(A) The qualified low-income building is at least 15 years old.

(B) The qualified low-income building is either:

(i) Serving households of very low income or extremely low income such that the average maximum household income as restricted, pursuant to an existing regulatory agreement with a federal, state, county, local, or other governmental agency, is not more than 45 percent of the area median gross income, as determined under Section 42 of the Internal Revenue Code, relating to low-income housing credit, adjusted by household size, and a tax credit regulatory agreement is entered into for a period of not less than 55 years restricting the average targeted household income to no more than 45 percent of the area median income.

(ii) Financed under Section 514, or 521 of the National Housing Act of 1949 (42 U.S.C. Sec. 1485).

(C) The qualified low-income building would have insufficient credits under paragraphs (2) and (3) to complete substantial rehabilitation due to a low appraised value.

(D) The qualified low-income building will complete the substantial rehabilitation in connection with the credit allocation herein.

(6) For purposes of this section, the term “at risk of conversion,” with respect to an existing property means a property that satisfies all of the following criteria:

(A) The property is a multifamily rental housing development in which at least 50 percent of the units receive governmental assistance pursuant to any of the following:

(i) New construction, substantial rehabilitation, moderate rehabilitation, property disposition, and loan management set-aside programs, or any other program providing project-based assistance pursuant to Section 8 of the United States Housing Act of 1937, Section 1437f of Title 42 of the United States Code, as amended.

(ii) The Below-Market-Interest-Rate Program pursuant to Section 221(d)(3) of the National Housing Act, Sections 1715l(d)(3) and (5) of Title 12 of the United States Code.

(iii) Section 236 of the National Housing Act, Section 1715z-1 of Title 12 of the United States Code.

(iv) Programs for rent supplement assistance pursuant to Section 101 of the Housing and Urban Development Act of 1965, Section 1701s of Title 12 of the United States Code, as amended.

(v) Programs pursuant to Section 514 of the Housing Act of 1949, Section 1484 of Title 42 of the United States Code, as amended, and Section 515 of the Housing Act of 1949, Section 1485 of Title 42 of the United States Code, as amended.

(vi) The low-income housing credit program set forth in Section 42 of the Internal Revenue Code, relating to low-income housing credit.

(vii) Programs for loans or grants administered by the Department of Housing and Community Development.

(B) The restrictions on rent and income levels will terminate or the federally insured mortgage or rent subsidy contract on the property is eligible for prepayment or termination any time within five years before or after the date of application to the California Tax Credit Allocation Committee.

(C) The entity acquiring the property enters into a regulatory agreement that requires the property to be operated in accordance with the requirements of this section for a period equal to the greater of 55 years or the life of the property.

(D) The property satisfies the requirements of Section 42(e) of the Internal Revenue Code, relating to rehabilitation expenditures treated as separate new building, except that the provisions of Section 42(e)(3)(A)(ii)(I) shall not apply.

(7) On and after January 1, 2018, in the case of any qualified low-income building that is (A) farmworker housing, as defined by paragraph (2) of subdivision (h) of Section 50199.7 of the Health and Safety Code, and (B) is federally subsidized, the term “applicable percentage” means for each of the first three years, 20 percent of the qualified basis of the building, and for the fourth year, 15 percent of the qualified basis of the building.

(d) The term “qualified low-income housing project” as defined in Section 42(c)(2) of the Internal Revenue Code, relating to qualified low-income building, is modified by adding the following requirements:

(1) The taxpayer shall be entitled to receive a cash distribution from the operations of the project, after funding required reserves, that, at the election of the taxpayer, is equal to:

(A) An amount not to exceed 8 percent of the lesser of:

(i) The owner equity, which shall include the amount of the capital contributions actually paid to the housing sponsor and shall not include any amounts until they are paid on an investor note.

(ii) Twenty percent of the adjusted basis of the building as of the close of the first taxable year of the credit period.

(B) The amount of the cashflow from those units in the building that are not low-income units. For purposes of computing cashflow under this subparagraph, operating costs shall be allocated to the low-income units using the “floor space fraction,” as defined in Section 42 of the Internal Revenue Code, relating to low-income housing credit.

(C) Any amount allowed to be distributed under subparagraph (A) that is not available for distribution during the first five years of the compliance period may be accumulated and distributed any time during the first 15 years of the compliance period but not thereafter.

(2) The limitation on return shall apply in the aggregate to the partners if the housing sponsor is a partnership and in the aggregate to the shareholders if the housing sponsor is an “S” corporation.

(3) The housing sponsor shall apply any cash available for distribution in excess of the amount eligible to be distributed under paragraph (1) to reduce the rent on rent-restricted units or to increase the number of rent-restricted units subject to the tests of Section 42(g)(1) of the Internal Revenue Code, relating to in general.

(e) The provisions of Section 42(f) of the Internal Revenue Code, relating to definition and special rules relating to credit period, shall be modified as follows:

(1) The term “credit period” as defined in Section 42(f)(1) of the Internal Revenue Code, relating to credit period defined, is modified by substituting “four taxable years” for “10 taxable years.”

(2) The special rule for the first taxable year of the credit period under Section 42(f)(2) of the Internal Revenue Code, relating to special rule for 1st year of credit period, shall not apply to the tax credit under this section.

(3) Section 42(f)(3) of the Internal Revenue Code, relating to determination of applicable percentage with respect to increases in qualified basis after 1st year of credit period, is modified to read:

If, as of the close of any taxable year in the compliance period, after the first year of the credit period, the qualified basis of any building exceeds the qualified basis of that building as of the close of the first year of the credit period, the housing sponsor, to the extent of its tax credit allocation, shall be eligible for a credit on the excess in an amount equal to the applicable percentage determined pursuant to subdivision (c) for the four-year period beginning with the later of the taxable years in which the increase in qualified basis occurs.

(f) The provisions of Section 42(h) of the Internal Revenue Code, relating to limitation on aggregate credit allowable with respect to projects located in a state, shall be modified as follows:

(1) Section 42(h)(2) of the Internal Revenue Code, relating to allocated credit amount to apply to all taxable years ending during or after credit allocation year, does not apply and instead the following provisions apply:

The total amount for the four-year credit period of the housing credit dollars allocated in a calendar year to any building shall reduce the aggregate housing credit dollar amount of the California Tax Credit Allocation Committee for the calendar year in which the allocation is made.

(2) Paragraphs (3), (4), (5), (6)(E)(i)(II), (6)(F), (6)(G), (6)(I), (7), and (8) of Section 42(h) of the Internal Revenue Code, relating to limitation on aggregate credit allowable with respect to projects located in a state, do not apply to this section.

(g) The aggregate housing credit dollar amount that may be allocated annually by the California Tax Credit Allocation Committee pursuant to this section, Section 12206, and Section 17058 shall be an amount equal to the sum of all the following:

(1) (A) Seventy million dollars (\$70,000,000) for the 2001 calendar year, and, for the 2002 calendar year and each calendar year thereafter, seventy million dollars (\$70,000,000) increased by the percentage, if any, by which the Consumer Price Index for the preceding calendar year exceeds the Consumer Price Index for the 2001 calendar year. For the purposes of this paragraph, the term “Consumer Price Index” means the last Consumer Price Index for All Urban Consumers published by the federal Department of Labor.

(B) Five hundred million dollars (\$500,000,000) for the 2020 calendar year, and up to five hundred million dollars (\$500,000,000) for the 2021 calendar year and every year thereafter. Allocations shall only be available pursuant to this subparagraph in the 2021 calendar year and thereafter if the annual Budget Act, or if any bill providing for appropriations related to the Budget Act, specifies an amount to be available for allocation in that calendar year by the California Tax Credit Allocation Committee, and the California Tax Credit Allocation Committee has adopted regulatory reforms aimed at increasing production and containing costs. A housing sponsor receiving a nonfederally subsidized allocation under subdivision (c) shall not be eligible for receipt of the housing credit allocated from the increased amount under this subparagraph. A housing sponsor receiving a nonfederally subsidized allocation under subdivision (c) shall remain eligible for receipt of the housing credit allocated from the credit ceiling amount under subparagraph (A).

(i) Eligible projects for allocations under this subparagraph include any new building, as defined in Section 42(i)(4) of the Internal Revenue Code, relating to newly constructed buildings, and the regulations promulgated thereunder, excluding rehabilitation expenditures under Section 42 (e) of the Internal Revenue Code, relating to rehabilitation expenditures treated as separate new building, and is federally subsidized.

(ii) Notwithstanding any other provision of this section, for allocations pursuant to this subparagraph for the 2020 calendar year, the California Tax Credit Allocation Committee shall consider projects located throughout the state and shall allocate housing credits, subject to the minimum federal requirements as set forth in Sections 42 and 142 of the Internal Revenue Code, the minimum requirements set forth in Sections 5033 and 5190 of the California Debt Limit Allocation Committee regulations, and the minimum set forth in Section 10326 of the Tax Credit Allocation Committee regulations, for projects that can begin construction within 180 days from award, subject to availability of funds.

(iii) Notwithstanding any other provision of this section, for allocations pursuant to this subparagraph for the 2021 calendar year and thereafter, the California Tax Credit Allocation Committee shall prescribe regulations, rules, guidelines, or procedures necessary to implement a new allocation methodology that is aimed at increasing production and containing costs.

(iv) Of the amount available pursuant to this subparagraph, and notwithstanding any other requirement of this section, the California Tax Credit Allocation Committee may allocate up to two hundred million dollars (\$200,000,000) for housing financed by the California Housing Finance Agency under its Mixed-Income Program.

(2) The unused housing credit ceiling, if any, for the preceding calendar years.

(3) The amount of housing credit ceiling returned in the calendar year. For purposes of this paragraph, the amount of housing credit dollar amount returned in the calendar year equals the housing credit dollar amount previously allocated to any project that does not become a qualified low-income housing project within the period required by this section or to any project with respect to which an allocation is canceled by mutual consent of the California Tax Credit Allocation Committee and the allocation recipient.

(4) Five hundred thousand dollars (\$500,000) per calendar year for projects to provide farmworker housing, as defined in subdivision (h) of Section 50199.7 of the Health and Safety Code.

(5) The amount of any unallocated or returned credits under former Sections 17053.14, 23608.2, and 23608.3, as those sections read prior to January 1, 2009, until fully exhausted for projects to provide farmworker housing, as defined in subdivision (h) of Section 50199.7 of the Health and Safety Code.

(h) The term “compliance period” as defined in Section 42(i)(1) of the Internal Revenue Code, relating to compliance period, is modified to mean, with respect to any building, the period of 30 consecutive taxable years beginning with the first taxable year of the credit period with respect thereto.

(i) Section 42(j) of the Internal Revenue Code, relating to recapture of credit, shall not be applicable and the following shall be substituted in its place:

The requirements of this section shall be set forth in a regulatory agreement between the California Tax Credit Allocation Committee and

the housing sponsor, and the regulatory agreement shall be subordinated, when required, to any lien or encumbrance of any banks or other institutional lenders to the project. The regulatory agreement entered into pursuant to subdivision (f) of Section 50199.14 of the Health and Safety Code shall apply, provided that the agreement includes all of the following provisions:

- (1) A term not less than the compliance period.
- (2) A requirement that the agreement be recorded in the official records of the county in which the qualified low-income housing project is located.
- (3) A provision stating which state and local agencies can enforce the regulatory agreement in the event the housing sponsor fails to satisfy any of the requirements of this section.
- (4) A provision that the regulatory agreement shall be deemed a contract enforceable by tenants as third-party beneficiaries thereto and that allows individuals, whether prospective, present, or former occupants of the building, who meet the income limitation applicable to the building, the right to enforce the regulatory agreement in any state court.
- (5) A provision incorporating the requirements of Section 42 of the Internal Revenue Code, relating to low-income housing credit, as modified by this section.
- (6) A requirement that the housing sponsor notify the California Tax Credit Allocation Committee or its designee if there is a determination by the Internal Revenue Service that the project is not in compliance with Section 42(g) of the Internal Revenue Code, relating to qualified low-income housing project.
- (7) A requirement that the housing sponsor, as security for the performance of the housing sponsor's obligations under the regulatory agreement, assign the housing sponsor's interest in rents that it receives from the project, provided that until there is a default under the regulatory agreement, the housing sponsor is entitled to collect and retain the rents.
- (8) A provision that the remedies available in the event of a default under the regulatory agreement that is not cured within a reasonable cure period include, but are not limited to, allowing any of the parties designated to enforce the regulatory agreement to collect all rents with respect to the project; taking possession of the project and operating the project in accordance with the regulatory agreement until the enforcer determines the housing sponsor is in a position to operate the project in accordance with the regulatory agreement; applying to any court for specific performance; securing the appointment of a receiver to operate the project; or any other relief as may be appropriate.
- (j) (1) The committee shall allocate the housing credit on a regular basis consisting of two or more periods in each calendar year during which applications may be filed and considered. The committee shall establish application filing deadlines, the maximum percentage of federal and state low-income housing tax credit ceiling that may be allocated by the committee in that period, and the approximate date on which allocations shall be made. If the enactment of federal or state law, the adoption of rules or regulations, or other similar events prevent the use of two allocation periods, the

committee may reduce the number of periods and adjust the filing deadlines, maximum percentage of credit allocated, and allocation dates.

(2) The committee shall adopt a qualified allocation plan, as provided in Section 42(m)(1) of the Internal Revenue Code, relating to plans for allocation of credit among projects. In adopting this plan, the committee shall comply with the provisions of Sections 42(m)(1)(B) and 42(m)(1)(C) of the Internal Revenue Code, relating to qualified allocation plan and relating to certain selection criteria must be used, respectively.

(3) Notwithstanding Section 42(m) of the Internal Revenue Code, relating to responsibilities of housing credit agencies, the California Tax Credit Allocation Committee shall allocate housing credits in accordance with the qualified allocation plan and regulations, which shall include the following provisions:

(A) All housing sponsors, as defined by paragraph (3) of subdivision (a), shall demonstrate at the time the application is filed with the committee that the project meets the following threshold requirements:

(i) The housing sponsor shall demonstrate there is a need and demand for low-income housing in the community or region for which it is proposed.

(ii) The project’s proposed financing, including tax credit proceeds, shall be sufficient to complete the project and that the proposed operating income shall be adequate to operate the project for the extended use period.

(iii) The project shall have enforceable financing commitments, either construction or permanent financing, for at least 50 percent of the total estimated financing of the project.

(iv) The housing sponsor shall have and maintain control of the site for the project.

(v) The housing sponsor shall demonstrate that the project complies with all applicable local land use and zoning ordinances.

(vi) The housing sponsor shall demonstrate that the project development team has the experience and the financial capacity to ensure project completion and operation for the extended use period.

(vii) The housing sponsor shall demonstrate the amount of tax credit that is necessary for the financial feasibility of the project and its viability as a qualified low-income housing project throughout the extended use period, taking into account operating expenses, a supportable debt service, reserves, funds set aside for rental subsidies and required equity, and a development fee that does not exceed a specified percentage of the eligible basis of the project prior to inclusion of the development fee in the eligible basis, as determined by the committee.

(B) The committee shall give a preference to those projects satisfying all of the threshold requirements of subparagraph (A) if both of the following apply:

(i) The project serves the lowest income tenants at rents affordable to those tenants.

(ii) The project is obligated to serve qualified tenants for the longest period.

(C) In addition to the provisions of subparagraphs (A) and (B), the committee shall use the following criteria in allocating housing credits:

(i) Projects serving large families in which a substantial number, as defined by the committee, of all residential units are low-income units with three or more bedrooms.

(ii) Projects providing single-room occupancy units serving very low income tenants.

(iii) Existing projects that are “at risk of conversion,” as defined by paragraph (6) of subdivision (c).

(iv) Projects for which a public agency provides direct or indirect long-term financial support for at least 15 percent of the total project development costs or projects for which the owner’s equity constitutes at least 30 percent of the total project development costs.

(v) Projects that provide tenant amenities not generally available to residents of low-income housing projects.

(D) Subparagraph (B) and (C) shall not apply to projects receiving an allocation pursuant to subparagraph (B) of paragraph (1) of subdivision (g).

(4) For purposes of allocating credits pursuant to this section, the committee shall not give preference to any project by virtue of the date of submission of its application except to break a tie when two or more of the projects have an equal rating.

(5) Not less than 20 percent of the low-income housing tax credits available annually under this section, Section 12206, and Section 17058 shall be set aside for allocation to rural areas as defined in Section 50199.21 of the Health and Safety Code. Any amount of credit set aside for rural areas remaining on or after October 31 of any calendar year shall be available for allocation to any eligible project. No amount of credit set aside for rural areas shall be considered available for any eligible project so long as there are eligible rural applications pending on October 31.

(k) Section 42(l) of the Internal Revenue Code, relating to certifications and other reports to secretary, shall be modified as follows:

The term “secretary” shall be replaced by the term “Franchise Tax Board.”

(l) In the case in which the credit allowed under this section exceeds the “tax,” the excess may be carried over to reduce the “tax” in the following year, and succeeding years, if necessary, until the credit has been exhausted.

(m) A project that received an allocation of a 1989 federal housing credit dollar amount shall be eligible to receive an allocation of a 1990 state housing credit dollar amount, subject to all of the following conditions:

(1) The project was not placed in service prior to 1990.

(2) To the extent the amendments made to this section by the Statutes of 1990 conflict with any provisions existing in this section prior to those amendments, the prior provisions of law shall prevail.

(3) Notwithstanding paragraph (2), a project applying for an allocation under this subdivision shall be subject to the requirements of paragraph (3) of subdivision (j).

(n) The credit period with respect to an allocation of credit in 1989 by the California Tax Credit Allocation Committee of which any amount is

attributable to unallocated credit from 1987 or 1988 shall not begin until after December 31, 1989.

(o) The provisions of Section 11407(a) of Public Law 101-508, relating to the effective date of the extension of the low-income housing credit, apply to calendar years after 1989.

(p) The provisions of Section 11407(c) of Public Law 101-508, relating to election to accelerate credit, shall not apply.

(q) (1) A corporation may elect to assign any portion of any credit allowed under this section to one or more affiliated corporations for each taxable year in which the credit is allowed. For purposes of this subdivision, "affiliated corporation" has the meaning provided in subdivision (b) of Section 25110, as that section was amended by Chapter 881 of the Statutes of 1993, as of the last day of the taxable year in which the credit is allowed, except that "100 percent" is substituted for "more than 50 percent" wherever it appears in the section, as that section was amended by Chapter 881 of the Statutes of 1993, and "voting common stock" is substituted for "voting stock" wherever it appears in the section, as that section was amended by Chapter 881 of the Statutes of 1993.

(2) The election provided in paragraph (1):

(A) May be based on any method selected by the corporation that originally receives the credit.

(B) Shall be irrevocable for the taxable year the credit is allowed, once made.

(C) May be changed for any subsequent taxable year if the election to make the assignment is expressly shown on each of the returns of the affiliated corporations that assign and receive the credits.

(r) (1) (A) For a project that receives a preliminary reservation under this section beginning on or after January 1, 2016, a taxpayer may elect in its application to the California Tax Credit Allocation Committee to sell all or any portion of any credit allowed, subject to subparagraphs (B) and (C). The taxpayer may, only once, revoke an election to sell pursuant to this subdivision at any time before the California Tax Credit Allocation Committee allocates a final credit amount for the project pursuant to this section, at which point the election shall become irrevocable.

(B) A credit that a taxpayer elects to sell all or a portion of pursuant to this subdivision shall be sold for consideration that is not less than 80 percent of the amount of the credit.

(C) A taxpayer shall not elect to sell all or any portion of any credit pursuant to this subdivision if the taxpayer did not make that election in its application submitted to the California Tax Credit Allocation Committee.

(2) (A) The taxpayer that originally received the credit shall report to the California Tax Credit Allocation Committee within 10 days of the sale of the credit, in the form and manner specified by the California Tax Credit Allocation Committee, all required information regarding the purchase and sale of the credit, including the social security or other taxpayer identification number of the unrelated party or parties to whom the credit has been sold,

the face amount of the credit sold, and the amount of consideration received by the taxpayer for the sale of the credit.

(B) The California Tax Credit Allocation Committee shall provide an annual listing to the Franchise Tax Board, in a form and manner agreed upon by the California Tax Credit Allocation Committee and the Franchise Tax Board, of the taxpayers that have sold or purchased a credit pursuant to this subdivision.

(3) A credit may be sold pursuant to this subdivision to more than one unrelated party.

(4) Notwithstanding any other law, the taxpayer that originally received the credit that is sold pursuant to paragraph (1) shall remain solely liable for all obligations and liabilities imposed on the taxpayer by this section with respect to the credit, none of which shall apply to a party to whom the credit has been sold or subsequently transferred. Parties that purchase credits pursuant to paragraph (1) shall be entitled to utilize the purchased credits in the same manner in which the taxpayer that originally received the credit could utilize them.

(5) A taxpayer shall not sell a credit allowed by this section if the taxpayer was allowed the credit on any tax return of the taxpayer.

(s) The California Tax Credit Allocation Committee may prescribe rules, guidelines, or procedures necessary or appropriate to carry out the purposes of this section, including any guidelines regarding the allocation of the credit allowed under this section. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code shall not apply to any rule, guideline, or procedure prescribed by the California Tax Credit Allocation Committee pursuant to this section.

(t) Any unused credit may continue to be carried forward, as provided in subdivision (l), until the credit has been exhausted.

(u) This section shall remain in effect on and after December 1, 1990, for as long as Section 42 of the Internal Revenue Code, relating to low-income housing credit, remains in effect.

(v) The amendments to this section made by Chapter 1222 of the Statutes of 1993 shall apply only to taxable years beginning on or after January 1, 1994, except that paragraph (1) of subdivision (q), as amended, shall apply to taxable years beginning on or after January 1, 1993.

SEC. 27. Section 24692 of the Revenue and Taxation Code is amended to read:

24692. (a) Section 469 of the Internal Revenue Code, relating to passive activity losses and credits limited, shall apply, except as otherwise provided.

(b) Section 469(c)(7) of the Internal Revenue Code, relating to special rules for taxpayers in real property business, shall not apply.

(c) Section 469(d)(2) of the Internal Revenue Code, relating to passive activity credits, is modified to refer to the following credits:

- (1) The credit for research expenses allowed by Section 23609.
- (2) The credit for clinical testing expenses allowed by Section 23609.5.
- (3) The credit for low-income housing allowed by Section 23610.5.

(4) The credit for certain wages paid (targeted jobs) allowed by Section 23621.

(d) Section 469(g)(1)(A) of the Internal Revenue Code is modified to provide that if all gain or loss realized on the disposition of the taxpayer's entire interest in any passive activity (or former passive activity) is recognized, the excess of—

(1) The sum of—

(A) Any loss from that activity for that taxable year (determined after application of Section 469(b) of the Internal Revenue Code), plus

(B) Any loss realized on that disposition, over

(2) Net income or gain for the taxable year from all passive activities (determined without regard to losses described in paragraph (1)), shall be treated as a loss which is not from a passive activity.

(e) (1) For purposes of applying Section 469(i) of the Internal Revenue Code, relating to the twenty-five thousand dollars (\$25,000) offset for rental real estate activities, the dollar limitation specified in Section 469(i)(2) of the Internal Revenue Code, relating to dollar limitation, for the credit allowed under Section 23610.5, relating to low-income housing, shall not apply.

(2) The amendments made to this subdivision by the act adding this paragraph shall apply to each taxable year beginning on or after January 1, 2020.

(f) Section 502 of the Tax Reform Act of 1986 (Public Law 99-514) shall apply.

(g) For each taxable year beginning on or after January 1, 1987, Section 10212 of Public Law 100-203, relating to treatment of publicly traded partnerships under Section 469 of the Internal Revenue Code, shall apply, except as otherwise provided.

(h) The amendments to Section 469(k) of the Internal Revenue Code made by Section 2004 of Public Law 100-647, relating to separate application of section in case of publicly traded partnerships, shall apply to each taxable year beginning on or after January 1, 1990, except as otherwise provided.

SEC. 28. Section 8256 of the Welfare and Institutions Code is amended to read:

8256. (a) Agencies and departments administering state programs created on or after July 1, 2017, shall collaborate with the coordinating council to adopt guidelines and regulations to incorporate core components of Housing First.

(b) By July 1, 2019, except as otherwise provided in subdivision (c), agencies and departments administering state programs in existence prior to July 1, 2017, shall collaborate with the coordinating council to revise or adopt guidelines and regulations that incorporate the core components of Housing First, if the existing guidelines and regulations do not already incorporate the core components of Housing First.

(c) (1) An agency or department that administers programs that fund recovery housing shall comply with the requirements of subdivision (b) by July 1, 2020.

(2) An agency or department that administers programs that fund recovery housing shall additionally do both of the following:

(A) Consult with the Legislature, the Homeless Coordinating and Financing Council, the Business, Consumer Services, and Housing Agency, and other stakeholders between July 1, 2019, and July 1, 2020, to identify ways to improve the provision of housing to individuals who receive funding from that agency or department, consistent with the applicable requirements of state law.

(B) By March 1, 2020, submit a report to the Senate Committee on Budget and Fiscal Review and the Assembly Committee on Budget on its efforts to comply with Housing First specifically and to improve the provision of housing to individuals who receive housing assistance from the agency or department generally.

(3) (A) For purposes of this subdivision, “recovery housing” means sober living facilities and programs that provide housing in an abstinence-focused and peer-supported community if participation is voluntary, unless that participation is pursuant to a court order or is a condition of release for individuals under the jurisdiction of a county probation department of the Department of Corrections and Rehabilitation.

(B) A recovery housing program shall comply with the core components of Housing First, other than those components described in paragraphs (5) through (7), inclusive, of subdivision (b) of Section 8255.

SEC. 29. (a) Notwithstanding Section 13340 of the Government Code, there is hereby continuously appropriated, without regard to fiscal years, the sum of five hundred million dollars (\$500,000,000) from the General Fund to the Department of Housing and Community Development. The moneys appropriated pursuant to this section shall be transferred to the Self-Help Housing Fund established pursuant to Section 50697.1 of the Health and Safety Code, based on the following schedule:

(1) For the 2019–20 fiscal year, two hundred million dollars (\$200,000,000).

(2) For the 2020–21 fiscal year, ninety-five million dollars (\$95,000,000).

(3) For the 2021–22 fiscal year, one hundred twenty million dollars (\$120,000,000).

(4) For the 2022–23 fiscal year, eighty-five million dollars (\$85,000,000).

(b) Notwithstanding Section 50697.1 of the Health and Safety Code, the Department of Housing and Community Development shall transfer the moneys appropriated pursuant to subdivision (a) to the California Housing Finance Agency, to be used to finance low and moderate income housing.

(c) The Director of Finance may change the release of funds scheduled in subparagraphs (1) through (4), inclusive, of subdivision (a), if deemed necessary. The director shall notify the Chairperson of the Joint Legislative Budget Committee, or the chairpersons’s designee, of the director’s intent to notify the Controller of the necessity to change the release of funds scheduled in paragraphs (1) through (4), inclusive, of subdivision (a). The total amount appropriated shall not be greater or lesser than the amount

appropriated in subdivision (a). The Controller shall make the funds available to the department not sooner than five days after receipt of this notification.

SEC. 30. The Legislature finds and declares that Section 4 of this act, amending Section 65585 of, and Sections 5 and 6 of this act, adding Sections 65589.9 and 65589.11 to, the Government Code, address a matter of statewide concern rather than a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, Sections 4, 5, and 6 of this act apply to all cities, including charter cities.

SEC. 31. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

SEC. 32. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

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Low Barrier Navigation Center By Right Processing Government Code Sections 65660, 65664, and 65666 (AB 101, Chapter 159, Statutes of 2019)

Fact Sheet

Introduction

AB 101 requires a Low Barrier Navigation Center (LBNC) be a use by right in areas zoned for mixed use and nonresidential zones permitting multifamily uses if it meets specified requirements, including:

- Access to permanent housing.
- Use of a coordinated entry system (i.e. Homeless Management Information System).
- Use of Housing First according to Welfare and Institutions Code section 8255. (Gov. Code, § 65662.)

A LBNC is defined as a Housing First, low barrier, temporary, service-enriched shelter focused on helping homeless individuals and families to quickly obtain permanent housing. Low barrier includes best practices to reduce barriers to entry, such as allowing partners, pets, storage of personal items, and privacy. (Gov. Code, § 65660.)

Highlights

- LBNC shall be a use by right as defined by Government Code section 65583.2, subdivision (i).
- A local government is required to notify the developer whether the application is complete within 30 days of receipt of an application.
- Within 60 days of receipt of a completed application, the local jurisdiction shall act upon its review of the application.
- New provisions under AB 101 are **in addition** to current housing element law regarding planning and approval for emergency shelters and transitional and by right permanent supportive housing.
- This law applies to all cities and counties, including charter cities and counties.

Excerpt from Government Code Section 65583.2(i)

“use by right” shall mean that the local government’s review of the owner-occupied or multifamily residential use may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code

Additional Resources

For the full text and requirements of AB 101 - Low Barrier Navigation Center, visit California’s legislative information website at <http://leginfo.legislature.ca.gov/>. If you have any questions or would like additional information or technical assistance, please email Divya Ram at Divya.Ram@hcd.ca.gov.

Low-Barrier Navigation Center Checklist

California planning and zoning law was updated in July of 2019 with the passing of **Assembly Bill (AB) 101 (2019)**.

AB 101 amended Article 11 (commencing with Section 65660 of the California Government Code) pertaining to low-barrier navigation center regulations and prescribes the following:

- Provides a “by-right” process and expedited review for low-barrier navigation centers in certain types of zones.
- Prohibits local governments from requiring a conditional-use permit or other discretionary approval of low-barrier navigation centers in mixed-use and nonresidential zones permitting multifamily uses if certain operational standards are met.

The set of questions below will allow jurisdictions to determine whether updates to their zoning regulations are needed for consistency with current state regulations.

NUMBER	QUESTION	YES	NO	UPDATES NEEDED
1	Does the current ordinance allow low barrier navigation centers as a by-right use in all zones where mixed-use is permitted and nonresidential zones where multifamily uses are permitted?			If no is checked
2	Does the current ordinance allow low barrier navigation centers as a by-right use for the types of zones described above where all the following requirements are met? a) Connected Services. It offers services to connect people to permanent housing through a services plan that identifies services staffing. b) Coordinated Entry System. It is linked to a coordinated entry system, so that staff in the interim facility or staff who co-locate in the facility may conduct assessments and provide services to connect people to permanent housing. “Coordinated entry system” means a centralized or coordinated assessment system developed pursuant to Section 576.400(d) or Section 578.7(a)(8), as applicable, of Title 24 of the Code of Federal Regulations, as those sections read on January 1, 2020, and any			If no is checked

	<p>related requirements, designed to coordinate program participant intake, assessment, and referrals.</p> <p>c) Code Compliant. It complies with Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.</p> <p>d) Homeless Management Information System. It has a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System, as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.</p>			
<p>3</p>	<p>Does the current ordinance define low-barrier navigation centers as follows?</p> <p>Low-Barrier Navigation Centers. A housing-first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. “Low barrier” means best practices to reduce barriers to entry, and may include, but is not limited to, the following:</p> <ol style="list-style-type: none"> 1. The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth. 2. Pets. 3. The storage of possessions. 4. Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms. 5. “Use by-right” has the meaning defined in subdivision (i) of Section 65583.2. Division 13 (commencing with Section 21000) of the California Public Resources Code shall not apply to actions taken by a public agency to lease, convey, or encumber land owned by a public agency, or to facilitate the lease, conveyance, or encumbrance of land owned by a public agency, or to provide financial assistance to, or otherwise approve, a Low-Barrier Navigation Center constructed or allowed by this section. 			<p>If no is checked</p>

Assembly Bill No. 2162

CHAPTER 753

An act to amend Section 65583 of, and to add Article 11 (commencing with Section 65650) to Chapter 3 of Division 1 of Title 7 of, the Government Code, relating to land use.

[Approved by Governor September 26, 2018. Filed with Secretary of State September 26, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2162, Chiu. Planning and zoning: housing development: supportive housing.

The Planning and Zoning Law requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city that includes, among other mandatory elements, a housing element. That law requires the housing element to contain, among other things, an assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs and a program that sets forth a schedule of actions during the planning period, each with a timeline for implementation. That law specifies that transitional housing and supportive housing are a residential use of property, subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.

This bill would make a nonsubstantive change to this requirement.

The Planning and Zoning Law requires the rezoning of sites identified in the inventory of sites by specific deadlines where the inventory does not identify adequate sites to accommodate the need for groups of all household income levels. That law further requires this rezoning to accommodate 100% of the need for housing for very low and low-income households, as specified, on sites zoned to permit owner-occupied and rental multifamily residential use by right during the planning period and defines the term "use by right" for these purposes.

This bill would require that supportive housing be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses, if the proposed housing development meets specified criteria, and would require a local government to approve, within specified periods, a supportive housing development that complies with these requirements. The bill would require that a developer of supportive housing provide the planning agency with a plan for providing supportive services, with documentation demonstrating that supportive services will be provided onsite to residents in the project and describing those services, as provided. The bill would prohibit the local government from imposing any minimum parking requirement for units occupied by

supportive housing residents if the development is located within ½ mile of a public transit stop. The bill would specify that its provisions do not (1) preclude or limit the ability of a developer to seek a density bonus from the local government or (2) expand or contract the authority of a local government to adopt or amend an ordinance, charter, general plan, specific plan, resolution, or other land use policy or regulation that promotes the development of supportive housing.

The bill would include findings that the changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA does not apply to the ministerial approval of projects.

This bill, by authorizing supportive housing as a use by right under certain circumstances, would expand the exemption for the ministerial approval of projects under CEQA.

By adding to the duties of local planning officials, this bill would impose a state-mandated local program.

This bill would incorporate additional changes to Section 65583 of the Government Code proposed by AB 686 to be operative only if this bill and AB 686 are enacted and this bill is enacted last.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares the following:

(a) California’s homeless population increased by over 16,000 from 2016 to 2017, to 134,278 Californians experiencing homelessness at any point in time. Two to three times this number experienced homelessness during the course of last year. Twenty-five percent of the nation’s total homeless population and almost half of the nation’s unsheltered population reside in California. California now has one of the highest rates of homelessness per resident, twice as high as the national average.

(b) Addressing homelessness is urgent, as communities across the state face public health emergencies, including widespread Hepatitis A infection among residents experiencing homelessness in several major cities, higher mortality among homeless people with HIV and AIDS, and early mortality among people experiencing chronic homelessness.

(c) Chronic patterns of homelessness—homelessness lasting at least a year or repeatedly over three years—are on the rise in California, whereas decreasing elsewhere. As of 2017, 42 percent of those experiencing chronic homelessness nationwide live in California. The vast majority of these individuals and families have lived in California since well before becoming homeless.

(d) Evidence shows supportive housing—an affordable rental with intensive services promoting housing stability—works to reduce chronic homelessness. As a result, the Legislature has invested in supportive housing, including the No Place Like Home Program, which will generate \$2 billion in revenue bonds to build supportive housing for homeless Californians with serious mental illness.

(e) Studies reveal supportive housing benefits communities by reducing homelessness locally, addressing blight, and increasing property values. Yet one of the barriers to creating supportive housing has been local delays or denials of applications to build supportive housing, based on subjective local planning standards. Delays or denials of building applications add to the costs and timeline of development, affecting the effectiveness of state dollars.

(f) Given the urgent need to provide supportive housing to Californians experiencing chronic homelessness, streamlining and expediting the process of approving supportive housing applications will offer housing opportunities in communities with few or no opportunities to exit chronic homelessness. Further, it will promote progress in addressing the growing crisis of homelessness the Legislature intended through recent initiatives.

SEC. 2. Section 65583 of the Government Code is amended to read:

65583. The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobilehomes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community. The element shall contain all of the following:

(a) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. The assessment and inventory shall include all of the following:

(1) An analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels, including extremely low income households, as defined in subdivision (b) of Section 50105 and Section 50106 of the Health and Safety Code. These existing and projected needs shall include the locality's share of the regional housing need in accordance with Section 65584. Local agencies shall calculate the subset of very low income households allotted under Section 65584 that qualify as extremely low income households. The local agency may either use available census data to calculate the percentage of very low income households that qualify

as extremely low income households or presume that 50 percent of the very low income households qualify as extremely low income households. The number of extremely low income households and very low income households shall equal the jurisdiction's allocation of very low income households pursuant to Section 65584.

(2) An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition.

(3) An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites.

(4) (A) The identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The identified zone or zones shall include sufficient capacity to accommodate the need for emergency shelter identified in paragraph (7), except that each local government shall identify a zone or zones that can accommodate at least one year-round emergency shelter. If the local government cannot identify a zone or zones with sufficient capacity, the local government shall include a program to amend its zoning ordinance to meet the requirements of this paragraph within one year of the adoption of the housing element. The local government may identify additional zones where emergency shelters are permitted with a conditional use permit. The local government shall also demonstrate that existing or proposed permit processing, development, and management standards are objective and encourage and facilitate the development of, or conversion to, emergency shelters. Emergency shelters may only be subject to those development and management standards that apply to residential or commercial development within the same zone except that a local government may apply written, objective standards that include all of the following:

(i) The maximum number of beds or persons permitted to be served nightly by the facility.

(ii) Off-street parking based upon demonstrated need, provided that the standards do not require more parking for emergency shelters than for other residential or commercial uses within the same zone.

(iii) The size and location of exterior and interior onsite waiting and client intake areas.

(iv) The provision of onsite management.

(v) The proximity to other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart.

(vi) The length of stay.

(vii) Lighting.

(viii) Security during hours that the emergency shelter is in operation.

(B) The permit processing, development, and management standards applied under this paragraph shall not be deemed to be discretionary acts

within the meaning of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(C) A local government that can demonstrate to the satisfaction of the department the existence of one or more emergency shelters either within its jurisdiction or pursuant to a multijurisdictional agreement that can accommodate that jurisdiction's need for emergency shelter identified in paragraph (7) may comply with the zoning requirements of subparagraph (A) by identifying a zone or zones where new emergency shelters are allowed with a conditional use permit.

(D) A local government with an existing ordinance or ordinances that comply with this paragraph shall not be required to take additional action to identify zones for emergency shelters. The housing element must only describe how existing ordinances, policies, and standards are consistent with the requirements of this paragraph.

(5) An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, local processing and permit procedures, and any locally adopted ordinances that directly impact the cost and supply of residential development. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7).

(6) An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Section 65583.2, and the length of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality's share of the regional housing need in accordance with Section 65584. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing.

(7) An analysis of any special housing needs, such as those of 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. The need for emergency shelter shall be assessed based on annual and seasonal need. The need for emergency shelter may be reduced by the number of supportive housing units that are

identified in an adopted 10-year plan to end chronic homelessness and that are either vacant or for which funding has been identified to allow construction during the planning period. An analysis of special housing needs by a city or county may include an analysis of the need for frequent user coordinated care housing services.

(8) An analysis of opportunities for energy conservation with respect to residential development. Cities and counties are encouraged to include weatherization and energy efficiency improvements as part of publicly subsidized housing rehabilitation projects. This may include energy efficiency measures that encompass the building envelope, its heating and cooling systems, and its electrical system.

(9) An analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. "Assisted housing developments," for the purpose of this section, shall mean multifamily rental housing that receives governmental assistance under federal programs listed in subdivision (a) of Section 65863.10, state and local multifamily revenue bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees. "Assisted housing developments" shall also include multifamily rental units that were developed pursuant to a local inclusionary housing program or used to qualify for a density bonus pursuant to Section 65916.

(A) The analysis shall include a listing of each development by project name and address, the type of governmental assistance received, the earliest possible date of change from low-income use, and the total number of elderly and nonelderly units that could be lost from the locality's low-income housing stock in each year during the 10-year period. For purposes of state and federally funded projects, the analysis required by this subparagraph need only contain information available on a statewide basis.

(B) The analysis shall estimate the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments. This cost analysis for replacement housing may be done aggregately for each five-year period and does not have to contain a project-by-project cost estimate.

(C) The analysis shall identify public and private nonprofit corporations known to the local government which have legal and managerial capacity to acquire and manage these housing developments.

(D) The analysis shall identify and consider the use of all federal, state, and local financing and subsidy programs which can be used to preserve, for lower income households, the assisted housing developments, identified in this paragraph, including, but not limited to, federal Community Development Block Grant Program funds, tax increment funds received by a redevelopment agency of the community, and administrative fees received by a housing authority operating within the community. In considering the use of these financing and subsidy programs, the analysis shall identify the

amounts of funds under each available program which have not been legally obligated for other purposes and which could be available for use in preserving assisted housing developments.

(b) (1) A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing.

(2) It is recognized that the total housing needs identified pursuant to subdivision (a) may exceed available resources and the community's ability to satisfy this need within the content of the general plan requirements outlined in Article 5 (commencing with Section 65300). Under these circumstances, the quantified objectives need not be identical to the total housing needs. The quantified objectives shall establish the maximum number of housing units by income category, including extremely low income, that can be constructed, rehabilitated, and conserved over a five-year time period.

(c) A program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, the utilization of appropriate federal and state financing and subsidy programs when available, and the utilization of moneys in a low- and moderate-income housing fund of an agency if the locality has established a redevelopment project area pursuant to the Community Redevelopment Law (Division 24 (commencing with Section 33000) of the Health and Safety Code). In order to make adequate provision for the housing needs of all economic segments of the community, the program shall do all of the following:

(1) Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing.

(A) Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, rezoning of those sites, including adoption of minimum density and development standards, for jurisdictions with an eight-year housing element planning period pursuant

to Section 65588, shall be completed no later than three years after either the date the housing element is adopted pursuant to subdivision (f) of Section 65585 or the date that is 90 days after receipt of comments from the department pursuant to subdivision (b) of Section 65585, whichever is earlier, unless the deadline is extended pursuant to subdivision (f). Notwithstanding the foregoing, for a local government that fails to adopt a housing element within 120 days of the statutory deadline in Section 65588 for adoption of the housing element, rezoning of those sites, including adoption of minimum density and development standards, shall be completed no later than three years and 120 days from the statutory deadline in Section 65588 for adoption of the housing element.

(B) Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall identify sites that can be developed for housing within the planning period pursuant to subdivision (h) of Section 65583.2. The identification of sites shall include all components specified in Section 65583.2.

(C) Where the inventory of sites pursuant to paragraph (3) of subdivision (a) does not identify adequate sites to accommodate the need for farmworker housing, the program shall provide for sufficient sites to meet the need with zoning that permits farmworker housing use by right, including density and development standards that could accommodate and facilitate the feasibility of the development of farmworker housing for low- and very low income households.

(2) Assist in the development of adequate housing to meet the needs of extremely low, very low, low-, and moderate-income households.

(3) Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. Transitional housing and supportive housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone. Supportive housing, as defined in Section 65650, shall be a use by right in all zones where multifamily and mixed uses are permitted, as provided in Article 11 (commencing with Section 65650).

(4) Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action.

(5) Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.

(6) Preserve for lower income households the assisted housing developments identified pursuant to paragraph (9) of subdivision (a). The program for preservation of the assisted housing developments shall utilize,

to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (9) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance.

(7) Include an identification of the agencies and officials responsible for the implementation of the various actions and the means by which consistency will be achieved with other general plan elements and community goals.

(8) Include a diligent effort by the local government to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.

(d) (1) A local government may satisfy all or part of its requirement to identify a zone or zones suitable for the development of emergency shelters pursuant to paragraph (4) of subdivision (a) by adopting and implementing a multijurisdictional agreement, with a maximum of two other adjacent communities, that requires the participating jurisdictions to develop at least one year-round emergency shelter within two years of the beginning of the planning period.

(2) The agreement shall allocate a portion of the new shelter capacity to each jurisdiction as credit toward its emergency shelter need, and each jurisdiction shall describe how the capacity was allocated as part of its housing element.

(3) Each member jurisdiction of a multijurisdictional agreement shall describe in its housing element all of the following:

(A) How the joint facility will meet the jurisdiction's emergency shelter need.

(B) The jurisdiction's contribution to the facility for both the development and ongoing operation and management of the facility.

(C) The amount and source of the funding that the jurisdiction contributes to the facility.

(4) The aggregate capacity claimed by the participating jurisdictions in their housing elements shall not exceed the actual capacity of the shelter.

(e) Except as otherwise provided in this article, amendments to this article that alter the required content of a housing element shall apply to both of the following:

(1) A housing element or housing element amendment prepared pursuant to subdivision (e) of Section 65588 or Section 65584.02, when a city, county, or city and county submits a draft to the department for review pursuant to Section 65585 more than 90 days after the effective date of the amendment to this section.

(2) Any housing element or housing element amendment prepared pursuant to subdivision (e) of Section 65588 or Section 65584.02, when the city, county, or city and county fails to submit the first draft to the department before the due date specified in Section 65588 or 65584.02.

(f) The deadline for completing required rezoning pursuant to subparagraph (A) of paragraph (1) of subdivision (c) shall be extended by

one year if the local government has completed the rezoning at densities sufficient to accommodate at least 75 percent of the units for low- and very low income households and if the legislative body at the conclusion of a public hearing determines, based upon substantial evidence, that any of the following circumstances exist:

- (1) The local government has been unable to complete the rezoning because of the action or inaction beyond the control of the local government of any other state, federal, or local agency.
- (2) The local government is unable to complete the rezoning because of infrastructure deficiencies due to fiscal or regulatory constraints.
- (3) The local government must undertake a major revision to its general plan in order to accommodate the housing-related policies of a sustainable communities strategy or an alternative planning strategy adopted pursuant to Section 65080.

The resolution and the findings shall be transmitted to the department together with a detailed budget and schedule for preparation and adoption of the required rezonings, including plans for citizen participation and expected interim action. The schedule shall provide for adoption of the required rezoning within one year of the adoption of the resolution.

(g) (1) If a local government fails to complete the rezoning by the deadline provided in subparagraph (A) of paragraph (1) of subdivision (c), as it may be extended pursuant to subdivision (f), except as provided in paragraph (2), a local government may not disapprove a housing development project, nor require a conditional use permit, planned unit development permit, or other locally imposed discretionary permit, or impose a condition that would render the project infeasible, if the housing development project (A) is proposed to be located on a site required to be rezoned pursuant to the program action required by that subparagraph and (B) complies with applicable, objective general plan and zoning standards and criteria, including design review standards, described in the program action required by that subparagraph. Any subdivision of sites shall be subject to the Subdivision Map Act (Division 2 (commencing with Section 66410)). Design review shall not constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

(2) A local government may disapprove a housing development described in paragraph (1) if it makes written findings supported by substantial evidence on the record that both of the following conditions exist:

- (A) The housing development project would have a specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density. As used in this paragraph, a “specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.
- (B) There is no feasible method to satisfactorily mitigate or avoid the adverse impact identified pursuant to paragraph (1), other than the

disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density.

(3) The applicant or any interested person may bring an action to enforce this subdivision. If a court finds that the local agency disapproved a project or conditioned its approval in violation of this subdivision, the court shall issue an order or judgment compelling compliance within 60 days. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment has not been carried out within 60 days, the court may issue further orders to ensure that the purposes and policies of this subdivision are fulfilled. In any such action, the city, county, or city and county shall bear the burden of proof.

(4) For purposes of this subdivision, “housing development project” means a project to construct residential units for which the project developer provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of at least 49 percent of the housing units for very low, low-, and moderate-income households with an affordable housing cost or affordable rent, as defined in Section 50052.5 or 50053 of the Health and Safety Code, respectively, for the period required by the applicable financing.

(h) An action to enforce the program actions of the housing element shall be brought pursuant to Section 1085 of the Code of Civil Procedure.

SEC. 2.5. Section 65583 of the Government Code is amended to read:

65583. The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobilehomes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community. The element shall contain all of the following:

(a) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. The assessment and inventory shall include all of the following:

(1) An analysis of population and employment trends and documentation of projections and a quantification of the locality’s existing and projected housing needs for all income levels, including extremely low income households, as defined in subdivision (b) of Section 50105 and Section 50106 of the Health and Safety Code. These existing and projected needs shall include the locality’s share of the regional housing need in accordance with Section 65584. Local agencies shall calculate the subset of very low income households allotted under Section 65584 that qualify as extremely low income households. The local agency may either use available census data to calculate the percentage of very low income households that qualify as extremely low income households or presume that 50 percent of the very low income households qualify as extremely low income households. The number of extremely low income households and very low income

households shall equal the jurisdiction's allocation of very low income households pursuant to Section 65584.

(2) An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition.

(3) An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites.

(4) (A) The identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The identified zone or zones shall include sufficient capacity to accommodate the need for emergency shelter identified in paragraph (7), except that each local government shall identify a zone or zones that can accommodate at least one year-round emergency shelter. If the local government cannot identify a zone or zones with sufficient capacity, the local government shall include a program to amend its zoning ordinance to meet the requirements of this paragraph within one year of the adoption of the housing element. The local government may identify additional zones where emergency shelters are permitted with a conditional use permit. The local government shall also demonstrate that existing or proposed permit processing, development, and management standards are objective and encourage and facilitate the development of, or conversion to, emergency shelters. Emergency shelters may only be subject to those development and management standards that apply to residential or commercial development within the same zone except that a local government may apply written, objective standards that include all of the following:

(i) The maximum number of beds or persons permitted to be served nightly by the facility.

(ii) Off-street parking based upon demonstrated need, provided that the standards do not require more parking for emergency shelters than for other residential or commercial uses within the same zone.

(iii) The size and location of exterior and interior onsite waiting and client intake areas.

(iv) The provision of onsite management.

(v) The proximity to other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart.

(vi) The length of stay.

(vii) Lighting.

(viii) Security during hours that the emergency shelter is in operation.

(B) The permit processing, development, and management standards applied under this paragraph shall not be deemed to be discretionary acts within the meaning of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(C) A local government that can demonstrate to the satisfaction of the department the existence of one or more emergency shelters either within its jurisdiction or pursuant to a multijurisdictional agreement that can accommodate that jurisdiction's need for emergency shelter identified in paragraph (7) may comply with the zoning requirements of subparagraph (A) by identifying a zone or zones where new emergency shelters are allowed with a conditional use permit.

(D) A local government with an existing ordinance or ordinances that comply with this paragraph shall not be required to take additional action to identify zones for emergency shelters. The housing element must only describe how existing ordinances, policies, and standards are consistent with the requirements of this paragraph.

(5) An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, local processing and permit procedures, and any locally adopted ordinances that directly impact the cost and supply of residential development. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7).

(6) An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Section 65583.2, and the length of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality's share of the regional housing need in accordance with Section 65584. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing.

(7) An analysis of any special housing needs, such as those of 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. The need for emergency shelter shall be assessed based on annual and seasonal need. The need for emergency shelter may be reduced by the number of supportive housing units that are identified in an adopted 10-year plan to end chronic homelessness and that are either vacant or for which funding has been identified to allow

construction during the planning period. An analysis of special housing needs by a city or county may include an analysis of the need for frequent user coordinated care housing services.

(8) An analysis of opportunities for energy conservation with respect to residential development. Cities and counties are encouraged to include weatherization and energy efficiency improvements as part of publicly subsidized housing rehabilitation projects. This may include energy efficiency measures that encompass the building envelope, its heating and cooling systems, and its electrical system.

(9) An analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. "Assisted housing developments," for the purpose of this section, shall mean multifamily rental housing that receives governmental assistance under federal programs listed in subdivision (a) of Section 65863.10, state and local multifamily revenue bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees. "Assisted housing developments" shall also include multifamily rental units that were developed pursuant to a local inclusionary housing program or used to qualify for a density bonus pursuant to Section 65916.

(A) The analysis shall include a listing of each development by project name and address, the type of governmental assistance received, the earliest possible date of change from low-income use, and the total number of elderly and nonelderly units that could be lost from the locality's low-income housing stock in each year during the 10-year period. For purposes of state and federally funded projects, the analysis required by this subparagraph need only contain information available on a statewide basis.

(B) The analysis shall estimate the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments. This cost analysis for replacement housing may be done aggregately for each five-year period and does not have to contain a project-by-project cost estimate.

(C) The analysis shall identify public and private nonprofit corporations known to the local government that have legal and managerial capacity to acquire and manage these housing developments.

(D) The analysis shall identify and consider the use of all federal, state, and local financing and subsidy programs that can be used to preserve, for lower income households, the assisted housing developments, identified in this paragraph, including, but not limited to, federal Community Development Block Grant Program funds, tax increment funds received by a redevelopment agency of the community, and administrative fees received by a housing authority operating within the community. In considering the use of these financing and subsidy programs, the analysis shall identify the amounts of funds under each available program that have not been legally

obligated for other purposes and that could be available for use in preserving assisted housing developments.

(b) (1) A statement of the community’s goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing.

(2) It is recognized that the total housing needs identified pursuant to subdivision (a) may exceed available resources and the community’s ability to satisfy this need within the content of the general plan requirements outlined in Article 5 (commencing with Section 65300). Under these circumstances, the quantified objectives need not be identical to the total housing needs. The quantified objectives shall establish the maximum number of housing units by income category, including extremely low income, that can be constructed, rehabilitated, and conserved over a five-year time period.

(c) A program that sets forth a schedule of actions during the planning period, each with a timeline for implementation, that may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, the utilization of appropriate federal and state financing and subsidy programs when available, and the utilization of moneys in a low- and moderate-income housing fund of an agency if the locality has established a redevelopment project area pursuant to the Community Redevelopment Law (Division 24 (commencing with Section 33000) of the Health and Safety Code). In order to make adequate provision for the housing needs of all economic segments of the community, the program shall do all of the following:

(1) Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city’s or county’s share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing.

(A) Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, rezoning of those sites, including adoption of minimum density and development standards, for jurisdictions with an eight-year housing element planning period pursuant to Section 65588, shall be completed no later than three years after either

the date the housing element is adopted pursuant to subdivision (f) of Section 65585 or the date that is 90 days after receipt of comments from the department pursuant to subdivision (b) of Section 65585, whichever is earlier, unless the deadline is extended pursuant to subdivision (f). Notwithstanding the foregoing, for a local government that fails to adopt a housing element within 120 days of the statutory deadline in Section 65588 for adoption of the housing element, rezoning of those sites, including adoption of minimum density and development standards, shall be completed no later than three years and 120 days from the statutory deadline in Section 65588 for adoption of the housing element.

(B) Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall identify sites that can be developed for housing within the planning period pursuant to subdivision (h) of Section 65583.2. The identification of sites shall include all components specified in Section 65583.2.

(C) Where the inventory of sites pursuant to paragraph (3) of subdivision (a) does not identify adequate sites to accommodate the need for farmworker housing, the program shall provide for sufficient sites to meet the need with zoning that permits farmworker housing use by right, including density and development standards that could accommodate and facilitate the feasibility of the development of farmworker housing for low- and very low income households.

(2) Assist in the development of adequate housing to meet the needs of extremely low, very low, low-, and moderate-income households.

(3) Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. Transitional housing and supportive housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone. Supportive housing, as defined in Section 65650, shall be a use by right in all zones where multifamily and mixed uses are permitted, as provided in Article 11 (commencing with Section 65650).

(4) Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action.

(5) Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law.

(6) Preserve for lower income households the assisted housing developments identified pursuant to paragraph (9) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (9) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance.

(7) Include an identification of the agencies and officials responsible for the implementation of the various actions and the means by which consistency will be achieved with other general plan elements and community goals.

(8) Include a diligent effort by the local government to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.

(9) (A) Affirmatively further fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2. The program shall include an assessment of fair housing in the jurisdiction that shall include all of the following components:

(i) A summary of fair housing issues in the jurisdiction and an assessment of the jurisdiction’s fair housing enforcement and fair housing outreach capacity.

(ii) An analysis of available federal, state, and local data and knowledge to identify integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs within the jurisdiction, including displacement risk.

(iii) An assessment of the contributing factors for the fair housing issues identified under clause (ii).

(iv) An identification of the jurisdiction’s fair housing priorities and goals, giving highest priority to those factors identified in clause (iii) that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance, and identifying the metrics and milestones for determining what fair housing results will be achieved.

(v) Strategies and actions to implement those priorities and goals, which may include, but are not limited to, enhancing mobility strategies and encouraging development of new affordable housing in areas of opportunity, as well as place-based strategies to encourage community revitalization, including preservation of existing affordable housing, and protecting existing residents from displacement.

(B) A jurisdiction that completes or revises an assessment of fair housing pursuant to Subpart A (commencing with Section 5.150) of Part 5 of Subtitle A of Title 24 of the Code of Federal Regulations, as published in Volume 80 of the Federal Register, Number 136, page 42272, dated July 16, 2015, or an analysis of impediments to fair housing choice in accordance with the requirements of Section 91.225 of Title 24 of the Code of Federal Regulations in effect prior to August 17, 2015, may incorporate relevant

portions of that assessment or revised assessment of fair housing or analysis or revised analysis of impediments to fair housing into its housing element.

(C) The requirements of this paragraph shall apply to housing elements due to be revised pursuant to Section 65588 on or after January 1, 2021.

(d) (1) A local government may satisfy all or part of its requirement to identify a zone or zones suitable for the development of emergency shelters pursuant to paragraph (4) of subdivision (a) by adopting and implementing a multijurisdictional agreement, with a maximum of two other adjacent communities, that requires the participating jurisdictions to develop at least one year-round emergency shelter within two years of the beginning of the planning period.

(2) The agreement shall allocate a portion of the new shelter capacity to each jurisdiction as credit toward its emergency shelter need, and each jurisdiction shall describe how the capacity was allocated as part of its housing element.

(3) Each member jurisdiction of a multijurisdictional agreement shall describe in its housing element all of the following:

(A) How the joint facility will meet the jurisdiction's emergency shelter need.

(B) The jurisdiction's contribution to the facility for both the development and ongoing operation and management of the facility.

(C) The amount and source of the funding that the jurisdiction contributes to the facility.

(4) The aggregate capacity claimed by the participating jurisdictions in their housing elements shall not exceed the actual capacity of the shelter.

(e) Except as otherwise provided in this article, amendments to this article that alter the required content of a housing element shall apply to both of the following:

(1) A housing element or housing element amendment prepared pursuant to subdivision (e) of Section 65588 or Section 65584.02, when a city, county, or city and county submits a draft to the department for review pursuant to Section 65585 more than 90 days after the effective date of the amendment to this section.

(2) Any housing element or housing element amendment prepared pursuant to subdivision (e) of Section 65588 or Section 65584.02, when the city, county, or city and county fails to submit the first draft to the department before the due date specified in Section 65588 or 65584.02.

(f) The deadline for completing required rezoning pursuant to subparagraph (A) of paragraph (1) of subdivision (c) shall be extended by one year if the local government has completed the rezoning at densities sufficient to accommodate at least 75 percent of the units for low- and very low income households and if the legislative body at the conclusion of a public hearing determines, based upon substantial evidence, that any of the following circumstances exist:

(1) The local government has been unable to complete the rezoning because of the action or inaction beyond the control of the local government of any other state, federal, or local agency.

(2) The local government is unable to complete the rezoning because of infrastructure deficiencies due to fiscal or regulatory constraints.

(3) The local government must undertake a major revision to its general plan in order to accommodate the housing-related policies of a sustainable communities strategy or an alternative planning strategy adopted pursuant to Section 65080.

The resolution and the findings shall be transmitted to the department together with a detailed budget and schedule for preparation and adoption of the required rezonings, including plans for citizen participation and expected interim action. The schedule shall provide for adoption of the required rezoning within one year of the adoption of the resolution.

(g) (1) If a local government fails to complete the rezoning by the deadline provided in subparagraph (A) of paragraph (1) of subdivision (c), as it may be extended pursuant to subdivision (f), except as provided in paragraph (2), a local government may not disapprove a housing development project, nor require a conditional use permit, planned unit development permit, or other locally imposed discretionary permit, or impose a condition that would render the project infeasible, if the housing development project (A) is proposed to be located on a site required to be rezoned pursuant to the program action required by that subparagraph and (B) complies with applicable, objective general plan and zoning standards and criteria, including design review standards, described in the program action required by that subparagraph. Any subdivision of sites shall be subject to the Subdivision Map Act (Division 2 (commencing with Section 66410)). Design review shall not constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

(2) A local government may disapprove a housing development described in paragraph (1) if it makes written findings supported by substantial evidence on the record that both of the following conditions exist:

(A) The housing development project would have a specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density. As used in this paragraph, a “specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

(B) There is no feasible method to satisfactorily mitigate or avoid the adverse impact identified pursuant to paragraph (1), other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density.

(3) The applicant or any interested person may bring an action to enforce this subdivision. If a court finds that the local agency disapproved a project or conditioned its approval in violation of this subdivision, the court shall issue an order or judgment compelling compliance within 60 days. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment has not been carried

out within 60 days, the court may issue further orders to ensure that the purposes and policies of this subdivision are fulfilled. In any such action, the city, county, or city and county shall bear the burden of proof.

(4) For purposes of this subdivision, “housing development project” means a project to construct residential units for which the project developer provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of at least 49 percent of the housing units for very low, low-, and moderate-income households with an affordable housing cost or affordable rent, as defined in Section 50052.5 or 50053 of the Health and Safety Code, respectively, for the period required by the applicable financing.

(h) An action to enforce the program actions of the housing element shall be brought pursuant to Section 1085 of the Code of Civil Procedure.

SEC. 3. Article 11 (commencing with Section 65650) is added to Chapter 3 of Division 1 of Title 7 of the Government Code, to read:

Article 11. Supportive Housing

65650. For purposes of this article, the following definitions shall apply:

(a) “Supportive housing” shall have the same meaning as defined in Section 50675.14 of the Health and Safety Code.

(b) “Supportive services” shall have the same meaning as defined in Section 65582.

(c) “Target population” shall have the same meaning as defined in Section 50675.14 of the Health and Safety Code.

(d) “Use by right” shall have the same meaning as defined in subdivision (i) of Section 65583.2.

65651. (a) Supportive housing shall be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses, if the proposed housing development satisfies all of the following requirements:

(1) Units within the development are subject to a recorded affordability restriction for 55 years.

(2) One hundred percent of the units, excluding managers’ units, within the development are dedicated to lower income households and are receiving public funding to ensure affordability of the housing to lower income Californians. For purposes of this paragraph, “lower income households” has the same meaning as defined in Section 50079.5 of the Health and Safety Code.

(3) At least 25 percent of the units in the development or 12 units, whichever is greater, are restricted to residents in supportive housing who meet criteria of the target population. If the development consists of fewer than 12 units, then 100 percent of the units, excluding managers’ units, in the development shall be restricted to residents in supportive housing.

(4) The developer provides the planning agency with the information required by Section 65652.

(5) Nonresidential floor area shall be used for onsite supportive services in the following amounts:

(A) For a development with 20 or fewer total units, at least 90 square feet shall be provided for onsite supportive services.

(B) For a development with more than 20 units, at least 3 percent of the total nonresidential floor area shall be provided for onsite supportive services that are limited to tenant use, including, but not limited to, community rooms, case management offices, computer rooms, and community kitchens.

(6) The developer replaces any dwelling units on the site of the supportive housing development in the manner provided in paragraph (3) of subdivision (c) of Section 65915.

(7) Units within the development, excluding managers' units, include at least one bathroom and a kitchen or other cooking facilities, including, at minimum, a stovetop, a sink, and a refrigerator.

(b) The local government may require a supportive housing development subject to this article to comply with objective, written development standards and policies; provided, however, that the development shall only be subject to the objective standards and policies that apply to other multifamily development within the same zone.

(c) Notwithstanding any other provision of this section to the contrary, the local government shall, at the request of the project owner, reduce the number of residents required to live in supportive housing if the project-based rental assistance or operating subsidy for a supportive housing project is terminated through no fault of the project owner, but only if all of the following conditions have been met:

(1) The owner demonstrates that it has made good faith efforts to find other sources of financial support.

(2) Any change in the number of supportive service units is restricted to the minimum necessary to maintain project's financial feasibility.

(3) Any change to the occupancy of the supportive housing units is made in a manner that minimizes tenant disruption and only upon the vacancy of any supportive housing units.

(d) If the proposed housing development is located within a city with a population of fewer than 200,000 or the unincorporated area of a county with a population of fewer than 200,000, and the city or the unincorporated area of the county has a population of persons experiencing homelessness of 1,500 or fewer, according to the most recently published homeless point-in-time-count, the development, in addition to the requirements of subdivision (a), shall consist of 50 units or fewer to be a use by right pursuant to this article. A city or county described in this subdivision may develop a policy to approve as a use by right proposed housing developments with a limit higher than 50 units.

65652. A developer of supportive housing subject to this article shall provide the planning agency with a plan for providing supportive services, with documentation demonstrating that supportive services will be provided onsite to residents in the project, as required by Section 65651, and describing those services, which shall include all of the following:

(a) The name of the proposed entity or entities that will provide supportive services.

(b) The proposed funding source or sources for the provided onsite supportive services.

(c) Proposed staffing levels.

65653. (a) The local government shall approve a supportive housing development that complies with the applicable requirements of this article.

(b) The local government shall notify the developer whether the application is complete within 30 days of receipt of an application to develop supportive housing in accordance with this article. The local government shall complete its review of the application within 60 days after the application is complete for a project with 50 or fewer units, or within 120 days after the application is complete for a project with more than 50 units.

65654. If the supportive housing development is located within one-half mile of a public transit stop, the local government shall not impose any minimum parking requirements for the units occupied by supportive housing residents.

65655. This article shall not be construed to do either of the following:

(a) Preclude or limit the ability of a developer to seek a density bonus from the local government pursuant to Section 65915.

(b) Expand or contract the authority of a local government to adopt or amend an ordinance, charter, general plan, specific plan, resolution, or other land use policy or regulation that promotes the development of supportive housing.

65656. The Legislature finds and declares that the provision of adequate supportive housing to help alleviate the severe shortage of housing opportunities for people experiencing homelessness in this state and of necessary services to the target population described in Section 50675.14 of the Health and Safety Code is a matter of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this article applies to all cities, including charter cities.

SEC. 4. Section 2.5 of this bill incorporates amendments to Section 65583 of the Government Code proposed by both this bill and Assembly Bill 686. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2019, (2) each bill amends Section 65583 of the Government Code, and (3) this bill is enacted after Assembly Bill 686, in which case Section 2 of this bill shall not become operative.

SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

O



Permanent Supportive Housing By Right Processing (Chapter 753, Statutes of 2018 (AB 2162))

Fact Sheet

Introduction

AB 2162 (Chapter 753, statutes of 2018) streamlines and expedites the approval of supportive housing to better address the need of Californians experiencing homelessness. Specifically, AB 2162 requires supportive housing to be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses. The legislation requires a local government to approve, within statutory timelines, a supportive housing development that complies with specified criteria.

Highlights

- Supportive housing shall be a use by right as defined by Government Code Section 65583.2(i).
- A local government is required to notify the developer whether the application is complete within 30 days of receipt of an application to develop supportive housing.
- After the application is complete, local governments shall complete its review of the application within 60 days for smaller projects (50 or fewer units) and 120 days for larger projects (more than 50 units).
- Local governments shall **not** impose any minimum parking requirements for units occupied by supportive housing residents if the development is located within ½ mile of a public transit stop.
- New provisions under AB 2162 are **in addition** to current housing element law that considers transitional and supportive housing a residential use and subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.
- This article applies to all cities and counties, including charter cities and counties.

Excerpt from Government Code Section 65583.2(i)

“use by right” shall mean that the local government’s review of the owner-occupied or multifamily residential use may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code

Additional Resources

For the full text and requirements of AB 2162, visit California’s legislative information website at <http://leginfo.legislature.ca.gov/>. If you have any questions or would like additional information or technical assistance, please email Hillary Prasad at Hillary.Prasad@hcd.ca.gov.

State of California

HEALTH AND SAFETY CODE

Section 17021.5

17021.5. (a) Any employee housing which has qualified, or is intended to qualify, for a permit to operate pursuant to this part may invoke the provisions of this section.

(b) Any employee housing providing accommodations for six or fewer employees shall be deemed a single-family structure with a residential land use designation for the purposes of this section. For the purpose of all local ordinances, employee housing shall not be included within the definition of a boarding house, rooming house, hotel, dormitory, or other similar term that implies that the employee housing is a business run for profit or differs in any other way from a family dwelling. No conditional use permit, zoning variance, or other zoning clearance shall be required of employee housing that serves six or fewer employees that is not required of a family dwelling of the same type in the same zone. Use of a family dwelling for purposes of employee housing serving six or fewer persons shall not constitute a change of occupancy for purposes of Part 1.5 (commencing with Section 17910) or local building codes.

(c) Except as otherwise provided in this part, employee housing that serves six or fewer employees shall not be subject to any business taxes, local registration fees, use permit fees, or other fees to which other family dwellings of the same type in the same zone are not likewise subject. Nothing in this subdivision shall be construed to forbid the imposition of local property taxes, fees for water services and garbage collection, fees for normal inspections, local bond assessments, and other fees, charges, and assessments to which other family dwellings of the same type in the same zone are likewise subject. Neither the State Fire Marshal nor any local public entity shall charge any fee to the owner, operator or any resident for enforcing fire inspection regulations pursuant to state law or regulation or local ordinance, with respect to employee housing which serves six or fewer persons.

(d) For the purposes of any contract, deed, or covenant for the transfer of real property, employee housing which serves six or fewer employees shall be considered a residential use of property and a use of property by a single household, notwithstanding any disclaimers to the contrary. For purposes of this section, "employee housing" includes employee housing defined in subdivision (b) of Section 17008, even if the housing accommodations or property are not located in a rural area, as defined by Section 50101.

(e) The Legislature hereby declares that it is the policy of this state that each county and city shall permit and encourage the development and use of sufficient numbers and types of employee housing facilities as are commensurate with local

needs. This section shall apply equally to any charter city, general law city, county, city and county, district and any other local public entity.

(Amended by Stats. 1993, Ch. 952, Sec. 1. Effective January 1, 1994.)

State of California

HEALTH AND SAFETY CODE

Section 17021.6

17021.6. (a) The owner of any employee housing who has qualified or intends to qualify for a permit to operate pursuant to this part may invoke this section.

(b) Any employee housing consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household, or that is approved pursuant to Section 17021.8, shall be deemed an agricultural land use for the purposes of this section. Except as provided in Section 17021.8, for the purpose of all local ordinances, employee housing shall not be deemed a use that implies that the employee housing is an activity that differs in any other way from an agricultural use. No conditional use permit, zoning variance, or other discretionary zoning clearance shall be required of this employee housing that is not required of any other agricultural activity in the same zone. The permitted occupancy in employee housing in a zone allowing agricultural uses shall include agricultural employees who do not work on the property where the employee housing is located.

(c) Except as otherwise provided in this part, employee housing consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household shall not be subject to any business taxes, local registration fees, use permit fees, or other fees to which other agricultural activities in the same zone are not likewise subject. This subdivision does not forbid the imposition of local property taxes, fees for water services and garbage collection, fees for normal inspections, local bond assessments, and other fees, charges, and assessments to which other agricultural activities in the same zone are likewise subject. Neither the State Fire Marshal nor any local public entity shall charge any fee to the owner, operator, or any resident for enforcing fire inspection regulation pursuant to state law or regulations or local ordinance, with respect to employee housing consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household.

(d) For the purposes of any contract, deed, or covenant for the transfer of real property, employee housing consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household, or that is approved pursuant to Section 17021.8, shall be considered an agricultural use of property, notwithstanding any disclaimers to the contrary. For purposes of this section, “employee housing” includes employee housing defined in subdivisions (b) and (c) of Section 17008, even if the housing accommodations or property are not located in a rural area, as defined by Section 50101.

(e) The Legislature hereby declares that it is the policy of this state that each county and city shall permit and encourage the development and use of sufficient numbers

and types of employee housing facilities as are commensurate with local need. This section shall apply equally to any charter city, general law city, county, city and county, district, and any other local public entity.

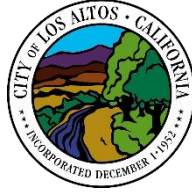
(f) If any owner who invokes the provisions of this section or Section 17021.8 fails to maintain a permit to operate pursuant to this part throughout the first 10 consecutive years following the issuance of the original certificate of occupancy, both of the following shall occur:

(1) The enforcement agency shall notify the appropriate local government entity.

(2) The public agency that has waived any taxes, fees, assessments, or charges for employee housing pursuant to this section may recover the amount of those taxes, fees, assessments, or charges from the landowner, less 10 percent of that amount for each year that a valid permit has been maintained.

(g) Subdivision (f) shall not apply to an owner of any prospective, planned, or unfinished employee housing facility who has applied to the appropriate state and local public entities for a permit to construct or operate pursuant to this part prior to January 1, 1996.

(Amended by Stats. 2019, Ch. 866, Sec. 10. (AB 1783) Effective January 1, 2020.)



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023
Subject: Introduce and waive further reading of Penalty for Expired Permits Ordinance
Prepared by: Nick Zornes, Development Services Director
Reviewed by: Jon Maginot, Assistant City Manager
Approved by: Gabriel Engeland, City Manager

Initiated by:
City Council.

Environmental Review:
Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970.

Fiscal Impact:
None.

Attachments:
1. Draft Ordinance with Appendices

Summary:
The draft ordinance proposed accomplishes the goal of eliminating or reducing future instances of “never ending” permits within the City of Los Altos. Under existing allowances of permits used under the Los Altos Municipal Code, Building Permits can obtain permit extensions, and reactivations by simply requesting an extension, and in some cases by paying a reactivation fee of the issued permits. However, the Los Altos Municipal Code does not limit the number of times a permit can be extended or reactivated once it has expired. The enactment of this ordinance will allow for enforcement of the prescribed regulations contained within, and ultimately require private developments to complete construction within a reasonable amount of time.

Staff Recommendation:
Introduce and Waive Further Reading of an Ordinance of the City Council of the City of Los Altos Adding Chapter 12.72 Penalty for Expired Permits and amending Chapter 12.08 and 12.10 of the Los Altos Municipal Code and find that this action is Exempt from Environmental Review

City Manager

GE

Reviewed By:

City Attorney

JH



Subject: Penalty for Expired Permits Ordinance

Pursuant to Section 15061(b)(3) of the State Guidelines Implementing the California Environmental Quality Act of 1970.

Background

Existing practices and procedures regarding the expiration of building permits within the City of Los Altos follows the standard allowances as contained within the California Building Code (CBC), which allows for the reactivation of expired building permits by request and/or by payment of a reactivation fee by the applicant. However, the standard California Building Code falls short on limiting the number of times a reactivation may be granted of an existing building permit.

Analysis

For example, if an applicant pulls a building permit in September 2005, under the 2001 CBC, and the building permit has expired several times since issuance date the applicant/property owner can reactivate the building permit simply by payment of either one half the cost of the original permit or pay the full cost of the original permit again (dependent upon prior extensions or reactivations granted).

- The example provided above outlines the potential for existing building permits to continue construction for several years into the future without completion or progress nor coming into compliance with today’s building code regulations.
- The example provided above is an example of real-life circumstances of prior construction permits pulled within the City of Los Altos. This example would mean that the prior construction permit is six (6) building code cycles behind today’s code standards (a total of 17 years post original approvals).

Discussion

The example provided above provides multiple real examples of circumstance that exist today within the City of Los Altos. Unfortunately, due to the absence of regulations regarding this specific portion of the Municipal Code this is largely unenforceable without the enactment of the proposed ordinance.

The proposed ordinance would clarify the penalty of expired building permits in Chapter 12.08 – Building Code, and Chapter 12.10 – Residential Code, while also creating the standalone Chapter of 12.72 – Penalty for Expired Permits.

The draft ordinance would be applicable to all building permits pulled within the City of Los Altos. Additionally, the draft ordinance would provide a per day penalty upon the 31st day should a property owner not seek renewal prior.

ORDINANCE NO. 2023-__

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS ADDING CHAPTER 12.72 PENALTY FOR EXPIRED PERMITS AND AMENDING CHAPTER 12.08 AND 12.10 TO TITLE 12 BUILDINGS AND CONSTRUCTION OF THE LOS ALTOS MUNICIPAL CODE

WHEREAS, the amendments was processed in accordance with the applicable provisions of the California Government Code and the Los Altos Municipal Code; and

WHEREAS, the City Council held a duly noticed public hearing on August 22, 2023, and September 12, 2023; and

WHEREAS, this Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended; and

NOW, THEREFORE, the City Council of the City of Los Altos does hereby ordain as follows:

SECTION 1. AMENDMENT OF TITLE 12 OF THE MUNICIPAL CODE. Chapter 12.72 are hereby added of the Los Altos Municipal Code as set forth in Appendix A to this Ordinance.

SECTION 2. AMENDMENT OF TITLE 12 OF THE MUNICIPAL CODE. Chapter 12.08 and 12.10 are hereby amended of the Los Altos Municipal Code as set forth in Appendix A to this Ordinance.

SECTION 3. CONSTITUTIONALITY; AMBIGUITIES. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions hereof. Any ambiguities in the Los Altos Municipal Code created by this Ordinance shall be resolved by the Development Services Director, in their reasonable discretion, after consulting the City Attorney.

SECTION 4. PUBLICATION. This Ordinance shall be published as provided in Government Code Section 36933.

SECTION 5. EFFECTIVE DATE. This Ordinance shall be effective upon the commencement of the thirty-first day following the adoption hereof.

The foregoing Ordinance was duly and properly introduced at a regular meeting of the City Council of the City of Los Altos held on August 22, 2023, and was thereafter, at a regular meeting held on September 12, 2023, passed and adopted by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Sally Meadows, MAYOR

Attest:

Melissa Thurman MMC, City Clerk

**APPENDIX A
AMENDMENTS TO CHAPTER 11.14**

Chapter 12.08 BUILDING CODE

12.08.010 Adoption of the California Building Code.

The 2022 California Building Code (2 volumes), contained in the California Code of Regulations, Title 24, Part 2, which incorporates and amends the International Building Code 2021 Edition, published by the California Building Standards Commission and the International Code Council, with the amendments and certain appendices as set forth in Section 12.08.020, is hereby adopted by reference as if fully set forth here. One copy of said code is on file in the office of the building official for use and examination by the public.

12.08.020 Amendments.

The 2022 California Building Code referred to in Section 12.08.010 is adopted, together with Chapter 1 of the 2022 California Building Code, with the following amendments and certain Appendix Chapters as follows:

Chapter 1, Division II, Section 105.2 Building: #1, is deleted and replaced to read as follows, based upon the express finding of necessity set forth in Section 6.B.1 of this Ordinance.

- A. Work exempt from building permits. Building permits shall not be required for freestanding unenclosed play structures. Enclosed accessory structures used as playhouses, tool and storage sheds and similar uses that are less than 120 square feet constructed without electrical, plumbing, or mechanical features do not require building permits, but do require zoning approval to comply with local zoning regulations.

Chapter 1, Division II, Section 110.3.4 is deleted and replaced to read as follows, based upon the express findings of necessity set forth in Section 6.B.2 of this Ordinance.

- B. Frame Inspection. Framing inspection shall be made after the following components are completed: Roof deck and/or sheathing has been inspected and approved; complete finish roofing materials are installed; the building exterior envelope has all windows and doors installed; all framing, fire-blocking, bracing, pipes, chimneys and vents to be concealed are complete; and all sub-trades including, but not limited to, building, electrical, plumbing and mechanical are roughed in and under required tests.
- C. Only the following Appendix Chapters from the Building Code are adopted:
 1. Appendix I, Patio Covers.
 2. Appendix J, Grading.

Section 903.2 is amended to read as follows:

903.2 Where required. Approved automatic sprinkler systems in new and existing buildings and structures shall be provided in the locations described in this Section or in Sections 903.2.1 through 903.2.12 whichever is the more restrictive and Sections 903.2.14 through 903.2.21.

For the purposes of this section, firewalls and fire barriers used to separate building areas shall be constructed in accordance with the California Building Code and shall be without openings or penetrations.

1. An automatic sprinkler system shall be provided throughout all new buildings and structures, other than Group R occupancies, except as follows:
 - a. Buildings and structures not located in any Wildland-Urban Interface and not exceeding 1,200 square feet of fire area.
 - b. Buildings and structures located in any Wildland-Urban Interface Fire Area and not exceeding 500 square feet of fire area.
 - c. Group S-2 or U occupancies, including photovoltaic support structures, used exclusively for vehicle parking which meet all of the following:
 - i. Noncombustible construction.
 - ii. Maximum 5,000 square feet in building area.
 - iii. Structure is open on not less than three (3) sides nor 75% of structure perimeter.
 - iv. Minimum of 10 feet separation from existing buildings, or similar structures, unless area is separated by fire walls complying with California Building Code 706.
 - d. Canopies, constructed in accordance with CBC 406.7.2, used exclusively for weather protection of vehicle fueling pads per CBC 406.7.1 and not exceeding 5,000 square feet of fire area.
2. An automatic sprinkler system shall be installed throughout all new buildings with a Group R fire area.

Exception: Detached Accessory Dwelling Unit, provided that all of the following are met:

- a. The unit meets the definition of an Accessory Dwelling Unit as defined in the Government Code Section 65852.2.
 - b. The existing primary residence does not have automatic fire sprinklers.
 - c. The accessory detached dwelling unit does not exceed 1,200 square feet in size.
 - d. The unit is on the same lot as the primary residence.
 - e. The unit meets all apparatus access and water supply requirements of Chapter 5 and Appendix B of the 2022 California Fire Code.
3. An approved automatic fire sprinkler system shall be installed in new manufactured homes (as defined in California Health and Safety Code Sections 18007 and 18009) and multifamily manufactured homes with two dwelling units (as defined in California Health and Safety Code Section 18008.7) in accordance with Title 25 of the California Code of Regulations.
 4. An approved automatic sprinkler system shall be provided throughout all existing buildings, when additions are made that exceed fifty (50) percent and/or seven hundred and fifty (750) square feet of existing floor areas (area calculations shall not include existing basement floor areas and any non-habitable floor areas i.e., garages).
 5. An approved automatic sprinkler system shall be provided throughout all new and existing basements.

6. An approved automatic sprinkler system shall be provided throughout existing buildings and structures when alterations or additions are made that create conditions described in Sections 903.2.1 through 903.2.18
7. Any change in the character of occupancy or in use of any building with a fire area equal to or greater than 3,600 square feet which, in the opinion of the fire code official or building official, would place the building into a more hazardous division of the same occupancy group or into a different group of occupancies and constitutes a greater degree of life safety¹ or increased fire risk², shall require the installation of an approved fire automatic fire sprinkler system.

¹ Life Safety - Shall include, but not limited to: Increased occupant load, public assembly areas, public meeting areas, churches, indoor amusement attractions, buildings with complex exiting systems due to increased occupant loads, large schools/day-care facilities, large residential care facilities housing non-ambulatory clients.

² Fire Risks - Shall include, but not limited to: High-piled combustible storage, woodworking operations, hazardous operations using hazardous materials, increased fuel loads (storage of moderate to highly combustible materials), increased sources of ignition (welding, automotive repair with the use of flammable liquids and open flames).

8. The obligation to provide compliance with these fire sprinkler regulations may not be evaded by performing a series of small additions and/or alterations undertaken over a three-year period and/or two code cycles. The permit issuance dates of past additions and/or alterations where these regulations were in effect shall be used for determining compliance.
 - a. Any submittal for building permits which exceed fifty (50) percent and/or seven hundred and fifty (750) square feet of existing floor areas (area calculations shall not include existing basement floor areas and any non-habitable floor areas i.e., garages) during the three-year period shall comply with fire sprinkler regulations.
 - b. No waiver shall be granted from compliance with fire sprinklers.

Section 903.2.11.7 is amended to read as follows:

903.2.11.7 Chemical Fume Hood Fire Protection. Approved automatic fire extinguishing systems shall be provided in chemical fume hoods in the following cases:

1. Existing hoods having interiors with a flame spread index greater than 25 in which flammable liquids are handled
2. If a hazard assessment determines that an automatic extinguishing system is required for the chemical fume hood, then the applicable automatic fire protection system standard shall be followed.

Section 907.8 is amended to read as follows:

907.8 Inspection, testing and maintenance. The maintenance and testing schedules and procedures for fire alarm and fire detection systems shall be in accordance with Sections 907.8.1 through 907.8.4 and NFPA 72. Records of inspection, testing and maintenance shall be documented using NFPA 72 record of inspection and testing forms.

12.08.030 Correction of violations.

The issuance or granting of a permit or approval of plans under this Title shall not prevent the administrative authority from thereafter requiring the correction of errors in such plans and specifications, or from preventing construction operations being carried on thereunder when in violation of this Code or of any other law, or from revoking any certificate of approval when issued in error.

- A. The 2022 California Building Code referred to in Section 12.08.010 is adopted, together with Chapter 1 of the 2022 California Building Code, with the following amendments and certain Appendix Chapters as follows:

Chapter 1, Division II, Section 105.5 ~~and 105.5.1~~ is deleted and replaced to read as follows, as an administrative clarification, and does not modify a building standard pursuant to California Health & Safety Code Sections 17958, 17958.7 and/or 18941.5. This amendment establishes administrative standards for the effective enforcement of the building standards in the City of Los Altos.

Expiration. Every permit issued shall become invalid unless the work on the site authorized by such permit is commenced within twelve (12) months after its issuance, or if the work authorized on the site by such permit is suspended or abandoned for a period of twelve (12) Months after the time the work is commenced. ~~The building official is authorized to grant, in writing, one or more extensions of time for periods not more than one hundred eighty (180) days each. For the purpose of this section, failure to progress a project to the next level of required inspection, as determined by the building official, shall be deemed to be suspension of the work. The extension shall be requested in writing and justifiable cause demonstrated.~~

~~The building official is authorized to grant, in writing, no more than three extensions or reactivations of permits that would otherwise expire or reactivations of expired permits, for periods not more than 180 days each and may require:~~

- ~~1. That construction documents be revised to partially or fully to comply with current codes and ordinances; and~~
- ~~2. Payment of all applicable permit fees; and~~
- ~~3. Payment of a penalty pursuant to Chapter 12.72 of the Los Altos Municipal Code.~~

~~Extensions and reactivations shall be requested in writing and justifiable cause demonstrated. Additional extensions or reactivations beyond three may only be granted with the approval of the City Council.~~

~~Term limit for permits. All work associated with a building permit must be completed, and final inspection issued, within forty-eight (48) months of permit issuance. Once a term limit has been exhausted without obtaining an approved final inspection the permit will automatically become void. The building official is authorized to allow a new permit application to be applied for the original scope of work and may require:~~

- ~~1. That construction documents be revised to partially or fully to comply with current codes and ordinances; and~~
- ~~2. Payment of all plan review and permit fees; and~~

3. Payment of a penalty pursuant to Chapter 12.72 of the Los Altos Municipal Code.

~~Before such work can be recommenced, a new permit shall be first obtained, and the fee therefore shall be one-half the amount required for a new permit for such work provided no changes have been made, or will be made, in the original plans and specifications for such work; and provided, further, that such a suspension or abandonment has not exceeded one year. In order to renew action on a permit after one year expiration, the permittee shall be required to pay original full building permit fees.~~

~~For the purpose of this section, failure to progress a project to the next level of required inspection shall be deemed abandonment of the project.~~

For those projects that are residential only, the Building Official may modify expired permit fees when the owner can demonstrate that the project has received all required inspections, except for the Building Division final. The fee amount of ~~one~~ five hundred dollars (~~\$1500~~) shall be required within ten (10) working days of notice and the project shall achieve a final inspection within thirty (30) days of payment received, otherwise expired permit fees as noted above shall be required.

- B. Work commencing before permit issuance. Whenever any work for which a permit is required by the California Code of Regulations as adopted in this chapter has been commenced without first obtaining said permit, the building official shall charge a minimum of two times and/or up to four times, for repeat offenders, on all applicable plan review and permit (inspection) fees related to the required permit(s), including, but not limited to, building permits (including, but not limited to electrical, fire, mechanical and plumbing), sign permits and demolition permits. The legal registered owner of said property shall obtain a building permit within thirty (30) days of any violation letter or stop-work notice issued by the City of Los Altos. The payment of the increased fee(s) shall not relieve any person from fully complying with the requirements of this code, other codes adopted by the City, or the requirements of the zoning ordinance. Failure to comply with the provisions of this chapter may also subject the violator to any other penalties, sanctions or remedies provided elsewhere in this code. This provision shall not apply to emergency work when the administration authority determines that such work was urgently necessary and that it was not practical to obtain a permit therefore prior to the commencement of such work. In such cases, a permit shall be obtained as soon as it is practical to do so; and if there is an unreasonable delay (exceeding two working days) in obtaining such permit, a fee as provided in this section shall be charged.

Once building permits are issued pursuant to work commenced without required permits, it is the responsibility of the permit holder to obtain their first required building inspection within thirty (30) days from permit issuance date and shall receive a project final inspection within a one-year period. Any further delays will require additional building permit fees charged again in the original amount with an additional 30-day extension. If the project continues without meeting these deadlines, Administration Citation Fees and/or other legal remedies allowed by local, or state law shall be imposed.

Failure to contact the Building Division within five business days of receiving the violation notice may result in Administration Citation Fees, Chapter 1.30 of the Los Altos Municipal Code.

12.08.040 Fee refunds.

The building official may authorize refunding of any fee paid hereunder which was erroneously paid or collected.

The building official may authorize refunding of not more than eighty (80) percent of the permit fee paid when no work has been done under a permit issued in accordance with this code.

The building official may authorize refunding of not more than eighty (80) percent of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan reviewing is done.

The building official shall not authorize refunding of any fee paid except on written application filed by the original permittee not later than one hundred eighty (180) days after the date of fee payment.

Chapter 12.10 RESIDENTIAL CODE

12.10.010 Adoption of the California Residential Code.

The 2022 California Residential Code, contained in the California Code of Regulations, Title 24, Part 2.5, published by the California Building Standards Commission and the International Code Council, which incorporates and amends the 2021 International Residential Code 2021 Edition, is hereby adopted. There is one copy of said code on file in the office of the Building Official for use and examination by the public.

12.10.020 Amendments.

The 2022 California Residential Code referred to in Section 12.10.10 is adopted, together with Chapter 1 of the 2022 California Residential Code, with the following amendments to read as follows:

Chapter 3 Section R301.1.3.2 is deleted and replaced to read as follows, based upon the express finding of necessity set forth in section 9.B.1. of this Ordinance.

R301.1.3.2 Wood frame structures. The building official shall require construction documents to be approved and stamped for structural compliance by a California licensed architect or engineer for all dwellings of wood frame construction more than one story in height located in Seismic Design Category D0, D1, D2, or E.

Chapter 3 Section R313.1 and Section R313.2 are deleted and replaced to read as follows, based upon the express finding of necessity set forth in section 9.B.2. of this Ordinance.

Section R313.1 is amended to read as follows:

R313.1 Townhouse automatic fire sprinkler systems. An automatic residential fire sprinkler system shall be installed in accordance with National Fire Protection Association's (NFPA) Standard 13D in all new townhouses and in existing townhouses, when additions are made that increase the building area to more than the allowable Fire-Flow Appendix B, Tables B105.1(1) and B105.1(2) of the 2022 California Fire Code, and/or additions exceeding fifty (50) percent of the existing living area (existing square foot calculations shall not include existing basement) and/or additions exceeding seven hundred and fifty (750) square feet. When automatic fire sprinkler systems are required by this section, all associated attached garages shall be included. Additions over fifty (50) percent and/or seven hundred and fifty (750) square feet as referenced above, shall be treated as a new structure regarding installation of fire sprinkler systems. For the purpose of this section, removal of roof framing with associated exterior walls down to, or below the subfloor/slab shall be included in the above calculations. Therefore, the following shall apply:

The obligation to provide compliance with these fire sprinkler regulations may not be evaded by performing a series of small additions undertaken over a three-year period. The permit issuance dates of past additions where these regulations were in effect shall be used for determining compliance.

- a. Any submittal for building permits which exceed fifty (50) percent and/or seven hundred and fifty (750) square feet of existing floor areas (area calculations shall not include existing basement floor areas and any non-habitable floor areas i.e., garages) during the three-year period shall comply with fire sprinkler regulations.

- b. No waiver shall be granted from compliance with fire sprinklers.

Section R313.2 is amended to read as follows:

R313.2 One and two-family dwellings automatic fire sprinklers systems. An automatic residential fire sprinkler system shall be installed in accordance with National Fire Protection Association's (NFPA) Standard 13D in all new one and two-family dwellings and in existing dwellings, when additions are made that increase the building area to more than the allowable Fire-Flow Appendix Tables B105.1(1) and B105.1(2) of the 2022 California Fire Code, and/or additions exceeding fifty (50) percent of the existing living area (existing square foot calculations shall not include existing basement) and/or additions exceeding seven hundred and fifty (750) square feet. When automatic fire sprinkler systems are required by this section, all associated garages shall be included. Additions over fifty (50) percent and/or seven hundred and (750) square feet as referenced above, shall be treated as a new structure regarding installation of fire sprinkler systems. For the purpose of this section, removal of roof framing with associated exterior walls down to, or below the subfloor/slab shall be included in the above calculations. Therefore, the following shall apply:

The obligation to provide compliance with these fire sprinkler regulations may not be evaded by performing a series of small additions undertaken over a three-year period and/or two California Building Standards Code Cycles. The permit issuance date of past additions where these regulations were in effect shall be used for determining compliance.

- a. Any submittal for building permits which exceed fifty (50) percent and/or seven hundred and fifty (750) square feet of existing floor areas (area calculations shall not include existing basement floor areas and any non-habitable floor areas i.e., garages) during the three-year period shall comply with fire sprinkler regulations.
- b. No waiver shall be granted from compliance with fire sprinklers.

Exceptions:

1. Detached Accessory Dwelling Unit, provided that all of the following are met:
 - 1.1. The unit meets the definition of an Accessory Dwelling Unit as defined in the Government Code Section 65852.2.
 - 1.2. The existing primary residence does not have automatic fire sprinklers.
 - 1.3. The accessory detached dwelling unit does not exceed 1,200 square feet in size.
 - 1.4. The unit is on the same lot as the primary residence.
 - 1.5. The unit meets all apparatus access and water supply requirements of Chapter 5 and Appendix B of the 2022 California Fire Code.

Chapter 6 Section R602.10.4.3.1 and Table R602.10.3 (3) footnote "i" are new sections added to read as follows, based upon the express finding of necessity set forth in section 9.B.3. of this Ordinance.

Amend Section R328.7 to read as follows:

R328.7 Fire detection. Rooms and areas within dwelling units, basements and attached garages in which ESS are installed shall be protected by smoke alarms in accordance with Section R314. A heat detector, listed and interconnected to the smoke alarms, shall be installed in locations

within dwelling units and attached garages where smoke alarms cannot be installed based on their listing.

ESS installed in Group R-3 and townhomes shall comply with the following:

1. Rooms and areas within dwellings units, sleeping units, basements and attached garages in which ESS are installed shall be protected by smoke alarms in accordance with Section R314.
2. A listed heat alarm interconnected to the smoke alarms shall be installed in locations within dwelling units, sleeping units, and attached garages where smoke alarms cannot be installed based on their listing.

Exceptions:

1. A listed heat detector may be used in place of a heat alarm, so long as it is interconnected with devices that provide an audible alarm at all sleeping areas.
2. A fire sprinkler associated with an approved automatic sprinkler system that triggers an audible alarm upon activation of the waterflow switch, may be used in place of a heat alarm.

Add a new subsection R602.10.4.3.1 to read as follows:

R602.10.4.3.1 Limits on methods GB and PCP. In Seismic Design Categories D0, D1, and D2, Method GB is not permitted for use as intermittent braced wall panels, but gypsum board is permitted to be installed when required by this Section to be placed on the opposite side of the studs from other types of braced wall panel sheathing. In Seismic Design Categories D0, D1, and D2, the use of Method PCP is limited to accessory structures.

Add a new footnote "i" to the end of CRC Table R602.10.3(3), after the five footnotes (a) - (f) currently shown, to read:

- g. In Seismic Design Categories D0, D1, and D2, Method GB is not permitted, and the use of Method PCP is limited to accessory structures.
- C. Only the following Appendix Chapters from the California Residential Code are adopted:
 1. Appendix H, Patio Covers.

12.10.030 Correction of violations.

Correction of violations shall be pursuant to Chapter 12.08 of the Los Altos Municipal Code.

~~The issuance or granting of a permit or approval of plans under this Title shall not prevent the Administrative Authority from thereafter requiring the correction of errors in such plans and specifications, or from preventing construction operations being carried on thereunder when in violation of this Code or of any other law, or from revoking any certificate of approval when issued in error.~~

~~A. The 2022 California Residential Code referred to in Section 12.10.010 is adopted, together with Chapter 1 of the 2022 California Residential Code, with the following amendments and certain Appendix Chapters as follows:~~

~~Chapter 4, Division II, Section 105.5 is deleted and replaced to read as follows, as an administrative clarification, and does not modify a building standard pursuant to California Health & Safety Code Sections 17958, 17958.7 and/or 18941.5 This amendment establishes administrative standards for the effective enforcement of the building standards in the City of Los Altos:~~

~~**Expiration.** Every permit issued shall become invalid unless the work on the site authorized by such permit is commenced within 12 months after its issuance, or if the work authorized on the site by such permit is suspended or abandoned for a period of 12 months after the time the work is commenced. The building official is authorized to grant, in writing, one or more extensions of time for periods not more than 180 days each.~~

~~Before such work can be recommenced, a new permit shall be first obtained, and the fee therefore shall be one-half (1/2) the amount required for a new permit for such work provided no changes have been made, or will be made, in the original plans and specifications for such work; and provided, further, that such a suspension or abandonment has not exceeded one year. In order to renew action on a permit after one year expiration, the permittee shall be required to pay original full building permit fees.~~

~~For the purpose of this section, failure to progress a project to the next level of required inspection shall be deemed abandonment of the project.~~

~~For those projects that are residential only, the Building Official may modify expired permit fees when the owner can demonstrate that the project has received all required inspections, except for the Building Division final. The fee amount of one hundred dollars (\$100) shall be required within ten (10) working days of notice and the project shall achieve a final inspection within 30 days of payment received, otherwise expired permit fees as noted above shall be required.~~

~~B. Work commencing before permit issuance. Whenever any work for which a permit is required by the California Code of Regulations as adopted in this chapter has been commenced without first obtaining said permit, the building official shall charge a minimum of two times and/or up to four times, for repeat offenders, on all applicable plan review and permit (inspection) fees related to the required permit(s), including, but not limited to, building permits (including, but not limited to electrical, fire, mechanical and plumbing); sign permits and demolition permits. The legal registered owner of said property shall obtain a building permit within 30 days of any violation letter or stop-work notice issued by the City of Los Altos. The payment of the increased fee(s) shall not relieve any person from fully complying with the requirements of this code, other codes adopted by the city, or the requirements of the zoning ordinance. Failure to comply with the provisions of this chapter may also subject the violator to any other penalties, sanctions or remedies provided elsewhere in this code. This provision shall not apply to emergency work when the administration authority determines that such work was urgently necessary and that it was not practical to obtain a permit therefore prior to the commencement of such work. In such cases, a permit shall be obtained as soon as it is practical to do so; and if there is an unreasonable delay (exceeding two working days) in obtaining such permit, a fee as provided in this section shall be charged.~~

~~Once building permits are issued pursuant to work commenced without required permits; it is the responsibility of the permit holder to obtain their first required building inspection within thirty (30) days from permit issuance date and shall receive a project final inspection within a one-year period. Any further delays will require additional building permit fees charged again in the original~~

~~amount with an additional 30-day extension. If the project continues past this deadline to obtain a required building inspection, Administration Citation Fees and/or other legal remedies allowed by local, or state law shall be imposed.~~

~~Failure to contact the Building Division within five business days of receiving the violation notice may result in Administration Citation Fees, Chapter 1.30 of the Los Altos Municipal Code.~~

~~(Ord. No. 2016-426, § 7, 11-8-2016; Ord. No. 2019-464, §§ 7, 8, 12-10-2019; Ord. No. 2022-487, §§ 7, 8, 11-29-2022)~~

~~Editor's note(s) — Ord. No. 2016-426, § 7, adopted November 8, 2016, repealed former § 12.10.030, and enacted a new § 12.10.030 as set out herein. Former § 12.10.030 pertained to definitions and derived from Ord. No. 2013-395, adopted December 10, 2013.~~

12.10.040 Fee refunds.

The building official may authorize refunding of any fee paid hereunder which was erroneously paid or collected.

The building official may authorize refunding of not more than eighty (80) percent of the permit fee paid when no work has been done under a permit issued in accordance with this code.

The building official may authorize refunding of not more than eighty (80) percent of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan reviewing is done.

The building official shall not authorize refunding of any fee paid except on written application filed by the original permittee not later than one hundred eighty (180) days after the date of fee payment.

Chapter 12.72 PENALTY FOR EXPIRED PERMITS

12.72.010 Application.

This chapter shall apply to all residential, non-residential, and commercial, construction and demolition, including, but not limited to, all additions, alterations, modifications, repairs, and improvements, that require a building permit or demolition permit.

12.72.020 Timely renewal of expired permits.

In the event a permit expires under Chapter 12 of the Los Altos Municipal Code for suspension or abandonment of work, the property owner shall seek renewal of the permit within thirty (30) days following its expiration.

12.72.030 Penalty for expired permits.

A property owner shall be subject to the following penalties for violation of section 12.72.020:

<u>Time for Permit Expiration</u>	<u>Penalty</u>
<u>0 to 30 days</u>	<u>\$0</u>
<u>31st day through 60th day</u>	<u>\$200.00 per day</u>
<u>61st day through 120th day</u>	<u>\$400.00 per day</u>
<u>121st day and everyday thereafter</u>	<u>\$800.00 per day</u>

- a) For purposes of this section, if a renewed permit expires and the property owner has not advanced a project to the next level of required inspection, the calculation of penalties shall relate back to the date of the previous permit expiration.
- b) The building official may reduce or waive a penalty accrued under this chapter upon finding that the property owner acted in good faith and either: (1) the delay was attributable to circumstances beyond the property owner's control; or (2) imposition of the full accrued penalty would harm the public interest, provided, however, that and reduction or waiver of more than \$10,000 must be approved by the Development Services Director.

12.72.040 Appeal of assessed penalty.

A property owner may request a hearing to contest a citation issued under this chapter in accordance with Title 1 of the Los Altos Municipal Code.

12.72.050 Public Nuisance declared.

Any violation of this chapter shall constitute a public nuisance and, in addition to being subject to any other remedies allowed by law, may be abated as provided in Chapter 11.10 of the Los Altos Municipal Code.



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023
Subject: Introduce and waive further reading of Mechanical Equipment Ordinance
Prepared by: Nick Zornes, Development Services Director
Reviewed by: Jon Maginot, Assistant City Manager
Approved by: Gabriel Engeland, City Manager

Initiated by:
City Council.

Environmental Review:
Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970.

Fiscal Impact:
None.

- Attachments:**
1. Draft Ordinance with Appendices
 2. Example Ordinance Language

Prior Consideration:
The draft ordinance was introduced on June 27, 2023, with minor modifications regarding the definition of mechanical equipment and other non-substantive clarifications. On July 11, 2023, the draft ordinance was on consent for adoption by the City Council. Subsequently at the second reading of the ordinance the item was pulled from consent after additional information was provided by the community. After significant discussion the City Council voted to reduce the required setback requirement for mechanical equipment from the proposed ten (10) feet to five (5) feet and revert to the originally proposed mechanical equipment definition contained within the draft ordinance from June 27, 2023.

Summary:
The draft ordinance proposed accomplishes the goal of eliminating or reducing future noise violations created by mechanical equipment in the side yard setbacks of properties within the City of Los Altos. The proposed ordinance was drafted based upon research conducted by evaluating

City Manager
GE

Reviewed By:
City Attorney
JH



Subject: Mechanical Equipment Ordinance

how other Santa Clara County jurisdictions enforce setback requirements for noise generating mechanical equipment.

Staff Recommendation:

Introduce and Waive Further Reading of an Ordinance of the City Council of the City of Los Altos Adding Chapter 11.14 Mechanical Equipment to Title 11 Miscellaneous Property Regulations of the Los Altos Municipal Code and find that this action is Exempt from Environmental Review Pursuant to Section 15061(b)(3) of the State Guidelines Implementing the California Environmental Quality Act of 1970.

Background

In May 2022, the City Council requested that staff bring back an ordinance to address noise concerns from mechanical equipment in the side yard setbacks of properties throughout the city. City staff researched what other cities throughout Santa Clara County have in place for mechanical equipment regulations.

Presently, there are no codified setback requirements for mechanical equipment such as air conditioning units within the Los Altos Municipal Code. For several years the City’s Planning Division has “estimated” setback requirements based on internet-based data in an effort to demonstrate compliance of air conditioning units pursuant to the noise limits set in Chapter 6.16 of the Los Altos Municipal Code. The City’s reliance on non-codified setbacks has proven to be ineffective as noise violations still are present regardless of meeting the “estimated” setback requirements to meet compliance with the Noise Ordinance.

Analysis

Mechanical equipment regulations differ greatly from jurisdiction to jurisdiction. However, it is most common that there is a prescribed minimum standard codified into each municipal code.

Discussion

The draft ordinance provides standards for mechanical equipment for the Los Altos Municipal Code. Standards include a general definition which encompasses all noise generating mechanical equipment which the planning division has encountered requiring some sort of noise enforcement. The setback requirement for any newly installed mechanical requirement as defined shall adhere to the underlying zoning district. When roof mounted equipment is proposed requirements have been integrated to ensure they are architecturally compatible with the structure in which it is affixed. The proposed ordinance will provide that mechanical equipment installations conform with the noise requirements of the Los Altos Municipal Code.

ORDINANCE NO. 2023-__

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS ADDING CHAPTER 11.14 TO TITLE 11 MISCELLANEOUS PROPERTY REGULATIONS OF THE LOS ALTOS MUNICIPAL CODE ENACTING REGULATIONS FOR MECHANICAL EQUIPMENT

WHEREAS, the City Council requested that staff bring back an ordinance amending the City’s Noise Ordinance to further refine regulations regarding mechanical equipment on private property; and

WHEREAS, the amendments are in the best interest for the protection or promotion of the comfort and convenience of the residents of the City of Los Altos because they clarify and improve the standard requirements for mechanical equipment applicable to all properties or parcels throughout the City; and

WHEREAS, the amendments was processed in accordance with the applicable provisions of the California Government Code and the Los Altos Municipal Code; and

WHEREAS, the City Council held a duly noticed public hearing on August 22, 2023, and September 12, 2023; and

WHEREAS, this Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended; and

NOW, THEREFORE, the City Council of the City of Los Altos does hereby ordain as follows:

SECTION 1. AMENDMENT OF TITLE 11 OF THE MUNICIPAL CODE. Chapter 11.14 are hereby added of the Los Altos Municipal Code as set forth in Appendix A to this Ordinance.

SECTION 2. CONSTITUTIONALITY; AMBIGUITIES. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions hereof. Any ambiguities in the Los Altos Municipal Code created by this Ordinance shall be resolved by the Development Services Director, in their reasonable discretion, after consulting the City Attorney.

SECTION 3. PUBLICATION. This Ordinance shall be published as provided in Government Code Section 36933.

SECTION 4. EFFECTIVE DATE. This Ordinance shall be effective upon the commencement of the thirty-first day following the adoption hereof.

The foregoing Ordinance was duly and properly introduced at a regular meeting of the City Council of the City of Los Altos held on August 22, 2023, and was thereafter, at a regular meeting held on September 12, 2023, passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Sally Meadows, MAYOR

Attest:

Melissa Thurman MMC, City Clerk

**APPENDIX A
AMENDMENTS TO CHAPTER 11.14**

APPENDIX A
AMENDMENTS TO CHAPTER 11.14

Chapter 11.14 – MECHANICAL EQUIPMENT

Section 11.14.010 – Purpose

- A. The purpose and intent of this chapter is to provide a uniform and comprehensive set of regulations and standards for mechanical equipment on any property or parcel in the City of Los Altos. These regulations are intended to prescribe clear criteria for permitting, siting, and installation of all mechanical equipment and appurtenances.

Section 11.14.020 – Definition

“Mechanical Equipment” includes but is not limited to heating or air conditioning units, sump pumps, generators, and ventilation equipment and appurtenances.

Section 11.14.030 – Applicability

- A. This chapter shall apply to all new mechanical equipment and appurtenances requiring a building permit.
- B. Existing mechanical equipment and appurtenances that were lawfully permitted before the effective date of this chapter shall be deemed legal nonconforming.
- i. When existing mechanical equipment and appurtenances are voluntarily being eliminated or replaced, the new mechanical equipment shall comply with all provisions of this chapter.

Section 11.14.040 – General Standards

- A. Any mechanical equipment and appurtenances which are higher than eighteen inches as measured from the surface immediately adjacent shall comply with the side and rear yard setbacks of the zoning district of the property where such equipment is located.
- i. Mechanical equipment and appurtenances shall not be located closer than five (5) feet from any property line.
- B. All mechanical equipment and appurtenances shall be screened from public view.
- C. All mechanical equipment and appurtenances shall comply with the noise requirements set forth in Chapter 6.16.

Section 11.14.050 – Roof Mounted Equipment and Appurtenances

- A. All roof mounted equipment and appurtenances shall be shielded and architecturally screened from public view as visible from any property line of the subject site.
- i. All screening material shall be compatible with and integrated into the architectural design of the existing or proposed structure the equipment and appurtenances are immediately affixed to and shall be equal to or taller than the height of the equipment.
- ii. Any noise generating roof mounted equipment and appurtenances shall be required to conduct a noise reading by a certified acoustical consultant and furnish a signed letter indicating compliance with the City of Los Altos Noise Ordinance, Chapter 6.16.



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject: Los Altos Legislative Body Travel Policy

Prepared by: Anthony Carnesecca, Assistant to the City Manager

Reviewed by: Jon Maginot, Assistant City Manager

Approved by: Gabriel Engeland, City Manager

Attachment(s):

1. City of Los Altos Policy – Training and Travel Expense Policy for Members of Legislative Body
2. Request for Travel Authorization
3. Statement of Travel Expenses

Initiated by:

City Council

Previous Council Consideration:

March 28, 2023 & July 11, 2023

Fiscal Impact:

None

Environmental Review:

Not applicable

Policy Question(s) for Council Consideration:

- Does the City Council wish to adopt the Legislative Body Travel Policy?

Summary:

- City Council requested that City staff come back with a travel policy.
- This policy provides clear guidelines and a process for the authorization and administration of public funds for travel expenses and reimbursements for official City business, including a meeting, seminar, training, or conference.

City Manager

GE

Reviewed By:

City Attorney

JH

Finance Director

JD



Subject: Los Altos Legislative Body Travel Policy

Purpose

Provide guidelines for the authorization and administration of public funds for travel expenses and reimbursements for official City business as they apply to members of legislative bodies, including the Council and Commissions.

Background

At the March 28, 2023 meeting, City Council directed staff to bring this item back for discussion during Future Agenda Items.

At the July 11, 2023 meeting, City Council directed staff to come back with a policy.

Discussion/Analysis

City staff drafted a Legislative Body Travel Policy that is compliant with AB 1234 and California Government Code Section 53232 et seq.

The policy provides all legislative body members with the ability to receive reimbursement for any official City travel for a meeting, seminar, training, or conference.

This process requires that the interested member shall complete the Request for Travel Authorization with all information regarding meeting, travel dates, travel plan, hotel information, estimated costs, and justification for the event at least sixty days before registration for the meeting closes. Then, the legislative body shall agendize the request as early as feasible for review.

Following an event for which a reimbursement claim has or will be submitted, the official seeking reimbursement shall briefly report on the event during a regular meeting no more than 30 days after the claim has been fulfilled. If multiple officials attended, a joint report may be made. This report may be made verbally or provided as a written report to be included as information in the agenda packet.

In accordance with standard government travel policies, the member shall choose the least expensive option for the City and utilize government or group rates when available with regards to any expenses, such as transportation or lodging.



CITY OF LOS ALTOS POLICY AND PROCEDURE TRAINING AND TRAVEL EXPENSE POLICY FOR MEMBERS OF LEGISLATIVE BODY

PURPOSE AND SCOPE

The purpose of this policy is to provide guidelines for the authorization and administration of public funds for travel expenses and reimbursements for official City business as they apply to members of legislative bodies. For ease of reading, members of legislative bodies refers to Mayor, Vice Mayor, Council members, and Commission members in the following policy. Additionally, meetings can refer to any meeting, seminar, training, or conference in the following policy.

All travel paid by the City shall be for business and training purposes that is of value to the City and its residents. All expenses incurred while on City business shall constitute actual and necessary expenses that are reasonable and justified use of public funds. When traveling, members shall choose the most cost efficient, direct and economical travel options available. This policy shall be consistent with AB 1234.

City officials shall keep in mind that some expenditures shall be subject to reporting under the Political Reform Act and other laws. All agency expenditures are subject to disclosure under the Public Records Act.

POLICY

The purpose of this policy is to establish business travel guidelines for members that are fair, accountable and transparent. This policy addresses the criteria for City payment of travel expenses and/or advances incurred by the member. Only the authorized members are eligible for reimbursement.

This policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources. This policy also supplements the definition of necessary and reasonable expenses for purposes of federal and state income tax laws.

City funds, equipment, supplies, and staff time must only be used for authorized City business and shall not exceed the adopted budget appropriation.

The Council's training and travel budget shall include a separate appropriation for all Council members to attend the League of California Cities Annual Conference.

INTERNAL CONTROLS

In order to safeguard public funds, all of the following internal controls shall be followed by all members that incur expenses while traveling on City business:

- All members are responsible for reading and complying with this policy,;
- All training and travel expenses shall be properly authorized by the legislative body in advance of travel, except in emergency by the City Manager,;
- The duties between the travel authorization and reimbursement payment shall be properly segregated,;
- All training and travel expenses shall be properly supported by adequate documentation,;
- All reimbursement claims shall be filed in accordance with the policy,;
- If an advance check is provided, the member shall make certain the amount corresponds to the total estimated expenses minus any prepayment,;
- It shall also be the responsibility of the member to be aware of and understand the estimate of expenses established by the estimate. The member shall monitor expenses to ensure they are within the estimated amount unless unusual circumstances exist and if so, document such circumstances,;
- Prior to any travel during which reimbursable expenses will be incurred, the member shall estimate the expenses which will be incurred as a direct result of the travel and attendance at the training or conference,; and
- It shall be the responsibility of the member incurring the expenses to provide the proper documentation for each expense, including receipts as required.

GENERAL GUIDELINES

Allowable Expenses

1. Allowable expenses are those that are properly authorized and shall include, but are not limited to, authorized business expenses incurred while engaging and/or participating in the following activities and/or events, which meet the criteria listed below:
 - The meeting is mandatory and/or necessary to accomplish key City goals and objectives. Such activities include, but are not limited to:
 - Participating in and attending meetings of regional, state and national organizations whose activities affect the City's interests,;
 - Attending educational seminars designed to improve skill and information levels that may be benefit to the City,; and
 - Attending business meetings, functions of local civic or community organizations where there is a clear nexus between the event and their official City duty, i.e., not purely social events.
 - If the training location requires an overnight stay, efforts shall be made to ensure no local option is available. Government rates shall be used when available. Attendance at conferences and travel time to and from the conference shall receive prior approval from the legislative body.
 - Registration fees will be fully paid by the City via check or credit card. Any discounts offered for early registration or attendance by additional persons shall be obtained whenever possible.

PROHIBITED EXPENDITURES

1. The following are examples, but are not all inclusive, of personal expenses for which the City shall not reimburse the member, even when incurred in conjunction with other approved reimbursable expenses:
 - Receipts that are not itemized;
 - Any expenses that have not been properly authorized;
 - Double-dipping of expenses (submitting the same expense for reimbursement more than once through the same or various means);
 - Expenses incurred as a result of supplemental personal travel;
 - Political or charitable contributions or events;
 - Family or companion expenses, including those related to child or pet care;
 - Entertainment expenses;
 - Meals for any person other than the member;
 - Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline;; air flight upgrades
 - Personal losses incurred while on City business;;
 - Inaccurate receipts that are greater than the reimbursable cost of the item;;
 - Alcohol and gambling expenses;;
 - Traffic and toll violations;; and
 - Any expenses incurred by individuals that are not members;

2. Payments for travel and expenses shall be requested as an advance, prepayment or reimbursement of appropriate expenses for lodging, food, transportation and incidental expenses. Reimbursement of expenses shall be made only for members; no reimbursement is allowed for non-members accompanying the attendee.

3. All reimbursement claims or advances for travel and expenses (including registration) shall be accompanied by sufficient supporting documentation including properly approved Request for Travel Authorization Form, original receipts, copies of registration forms, invoices, cancelled checks or notation for any receipts that are lost. An exception to this requirement is listed under section entitled *Meal Costs*.

LODGING, MEALS AND TRANSPORTATION

Airfare

1. Use of air, train, private automobile, or other mode of transportation shall be selected on the basis of the least expensive option for the City. Government and group rates shall be used when available.

2. Transportation costs to and from the authorized destination shall not exceed advance purchase economy class airfare unless such fare is not available. Members shall inquire as to any government discount the airlines may provide. The City shall not pay for upgrades (e.g. seat upgrades or early boarding options) without prior approval from the legislative body.

3. Members shall receive reimbursement for additional expenses (checked bags, travel insurance, etc.) with prior authorization.

Automobile

1. Automobile mileage shall be reimbursed at the rate set by the Internal Revenue Service (IRS) in effect at the time of travel and will be reimbursed for the distance between home and the destination or work and the destination, whichever is less. The Finance Division shall be responsible for determining the applicable rate at the time of travel. This amount does not include bridge and road tolls, which are reimbursable at actual rates. Mileage reimbursement shall be submitted within thirty (30) days of travel.
2. If a personal vehicle is used to and from the airport, the actual mileage shall be reimbursed. If a personal vehicle is left at the airport, the reimbursement shall be the lesser of the following: round trip and parking costs compared with shuttle transportation.
3. The necessity for a rental car must be established and authorized in advance by the legislative body. Only economy car models shall be rented, unless the upgrade is provided at no additional cost to the City. Prepaid gas is not to be selected, but optional insurance is required and shall be reimbursed. The member is required to notify the City's Risk Manager immediately in the event of any incident or accident related to the rental vehicle.

Taxis/Shuttles

1. Whenever possible, hotel courtesy buses or local shuttle services shall be used. Taxi service shall be used only when no other convenient, less costly transportation is available.

Lodging

1. No lodging expenses incurred by members within a 50-mile radius shall be reimbursed unless there are extenuating circumstances with prior legislative body approval.
2. The number of nights in the hotel shall be equal to the number of days at the conference unless prior legislative body approval for an additional night prior or afterward for necessary and legislative body related activities.
3. Lodging expenses shall be prepaid directly to the hotel or reimbursed. Prepayment or reimbursement shall be limited to single occupant room rates. Lodging reimbursement shall not exceed conference hotel cost or host group rate. If conference lodging is not available, prepayment or reimbursement will be made for alternate lodging, but shall not exceed the conference hotel cost or host group rate. No reimbursement shall be made when lodging is at a family/friend's residence.

Meal Costs

1. The City shall reimburse for documented meal expenses including gratuity (not to exceed 15%), according to the daily Maximum Federal Rate. For per diem rates within the US, the member shall use rate listed on <http://www.gsa.gov/>. If the destination city is not listed, then the rate for the county applies. If there is no rate for the city or county, the lowest rate applies.
2. Meal expenses, including gratuity, in excess of the daily Maximum Federal Rate shall not be reimbursed without approval of the legislative body.

3. The per diem rates are to be reimbursed only for full days of travel (travel away from City overnight). If there is a partial day of travel, the City shall reimburse meal based on the Federal Meal Rate.
4. If any meal is included in the registration fee or the hotel fee, the member shall not receive reimbursement for the included meal. For example, if lunch is included in the registration fee, then the full day per diem will be less the per diem allocated for lunch.
5. If a member returns home after 1:00 p.m., the member will receive the per diem for breakfast and lunch. If a member returns home after 6:00 p.m., the member shall receive the full day's per diem.

Miscellaneous Expenses

1. Expenses related to City business shall be reimbursed for actual telephone, fax, parking expenses, tolls, tipping (non-meal related as this falls under the Maximum Federal Rates), taxi, hotel wireless charges, or other reasonable expenses. Miscellaneous expenses shall be itemized and receipts shall be provided. Where receipts are not available, a signed declaration of expenditures shall be accepted by the City Manager or designee at their discretion.
2. Incidental expenses incurred for fees and tips given to porters, baggage carriers and hotel staff shall be reimbursed up to General Service Administration (GSA) limit (currently at \$5 per day). If the member receives a full day's per diem, no additional incidentals shall be provided, as this is already included in the GSA daily rate.
3. Personal expenses (e.g. shoe shine, in-room entertainment, personal phone calls, traffic fines, etc.) shall not be reimbursable.
4. If a personal side trip is planned, the City shall reimburse not more than the advance purchase economy class airfare to and from the original destination. Any additional costs related to personal travel shall not be reimbursed by the City.
5. If a companion accompanies a member, only the business cost incurred by the member shall be reimbursed. All costs incurred in addition to the member's costs shall not be reimbursed by the City.

Business Meeting Expenses

1. Prior to any business meeting, the legislative body shall approve any meal expense based on the Federal Meal Rate or in excess. The itemized receipt shall include the amount of the expense, the date and place of the expense, the business purpose, and who attended the business meeting.
2. Meals shall only be reimbursed for the cost(s) of the eligible item on the meal receipt. Overcharged amounts shall not be reimbursed.
3. Meal reimbursement shall be submitted within 30 business days of the meeting.

PROCEDURE

Member shall comply with the following procedures:

1. Complete the Request for Travel Authorization for City staff and Finance Department with all information regarding meeting, travel dates, travel plan, hotel information, estimated costs, and justification for the event at least sixty days before registration for the meeting closes.
2. The relevant parties shall agendize the request as early as feasible for legislative body review.
3. Legislative body shall approve or deny the proposed travel expenses.
4. Submit requests for registration and any advances or prepaid items within the standard disbursement time period.
5. Members are responsible for turning in all receipts to the Finance Division within 30 business days of returning from travel. Only expenses approved prior to travel shall be reimbursed by the City.
6. Within 30 business days after the member's return from a trip, a Statement of Travel Expenses (travel and expense report), supported by the Approved Request for Travel Authorization Form, shall be filed with the Finance Division complete with the proper signing authority.
7. All Statement of Travel Expenses shall include copies of documentation of previous prepayments or advances made, including registration, airfare, hotel, training agenda, etc.
8. Following an event for which a reimbursement claim has or will be submitted, the official seeking reimbursement shall briefly report on the event during the next regular meeting of the legislative body and no more than 30 days after the claim has been fulfilled. If multiple officials attended, a joint report shall be made. This report shall be made verbally, or provided as a written report to be included as information in the agenda packet.

Finance Division shall comply with the following procedures:

1. Receives completed Statement of Travel Expenses with the Approved Request for Travel Authorization Form from member.
2. Receives the required backup documentation: Meeting agenda, receipts for airfare, hotel, tax/transit, map to and from if mileage is used, per diem rate of the travel destination from GSA website or meal receipts with details if actual meal expenses is used.
3. Reviews requested prepayments, advances and reimbursements related to travel. Checks the budget for consistency with budgeted funds.
4. Process Statement of Travel Expenses and provides payment for advances, prepayments or reimbursements.

REQUEST FOR TRAVEL AUTHORIZATION AND/OR APPROVED TRAINING

Agenda Item # 13.

Name: _____

Purpose of Trip/Name of Course:
(Provide Brief Description of Course and Attach Announcement)

Estimated Expenses:

Registration				
Airfare				
Transportation				
Lodging	_____	x	_____	Nights \$ -

Meals (Estimated amount is based on GSA per diem limits below.)

Meals included in registration fees are not reimbursable.

Reimbursement amount is based on **actual receipts.**

Any Dietary Restrictions? If yes, explain. Yes No

a. Breakfast				
b. Lunch	_____	x	_____	Days \$ -
c. Dinner	_____	x	_____	Days \$ -
Total Meals				\$ -

Other _____

Total Estimated Expenses \$ -

Location:

Conference Date From: _____ To: _____

Travel Date From: _____ To: _____

Travel Method (City Vehicle, Air, etc.) : _____

Is this budgeted?

Is this reimbursable from other sources & how much? _____

Conference Start Time: _____

(Provide Reason under Remarks if Travel Date differs from Conference Date)

Budget Account No.: _____

Remarks:

I have read the City of Los Altos Training & Travel Expense Policy, understand its contents, and agree to abide by its provisions.

Applicant Name	Applicant's Signature	Date
----------------	-----------------------	------

City Manager	City Manager's Signature	Date
--------------	--------------------------	------

Finance Manager	Finance Manager's Signature	Date
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CITY OF LOS ALTOS
STATEMENT OF TRAVEL EXPENSES

(Due within 30 Days of Travel ended)

Name: _____

Dates: _____ to _____ Conference/Meeting Name : _____

Location: _____ Purpose: _____

Table with columns: Date, Per Diem Meals (GSA rates) (Breakfast, Lunch, Dinner), Incidental Per Diem, Hotel, Other (Code, Amount), Daily Total. Multiple rows for data entry.

Summary table with rows: Explain "Other" charge by using appropriate code: (with Acct# (Mileage) and Mileage), Sub-Total, Mileage, Total Expenses, Less: City Check- Ck#, Less: Advances - Ck#, Less: Calcard Expenses-Card#, (Last 6 digits of the card), Net Amount Due- Applicant, Net Amount Due-City.

I certify that this claim is a true record of expenses incurred on official business for the City of Los Altos during the above period.

Applicant's Signature: _____

City Manager Signature: _____ Acct# (Non-Mileage): (xxxx-5180)

Finance Department Approval PEID# _____

Signature: _____ Date Paid _____

Date: _____ Check# _____



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject Request From the Town of Los Altos Hills to Engage in Discussions for Future Law Enforcement Services Provided by the City of Los Altos

Approved by: Gabriel Engeland, City Manager

Attachment(s):

- 1. Los Altos Hills Staff Report

Initiated by:

The Town of Los Altos Hills

Previous Council Consideration:

Fiscal Impact:

None

Environmental Review:

This action does not qualify as a “Project” as defined in California Government Code Section 15378(b) of the Guidelines for California Environmental Quality Act (CEQA), and it is also considered a feasibility or planning study for possible future action and exempt under CEQA Guidelines 15262.

Policy Question(s) for Council Consideration:

- Does the City of Los Altos wish to engage in a study of law enforcement services as requested by the Town of Los Altos Hills at their Town Council meeting on 8/17/2023?

Summary:

- The Town of Los Altos Hills has requested the City of Los Altos engage in discussions to consider the City providing law enforcement services to the Town.
- Attachment #1 is the staff report approved by the Los Altos Hills Town Council and outlines the background of the request.
- Any studies completed as part of the discussions would be paid for by the Town of Los Altos Hills.

City Manager

GE

Reviewed By:

City Attorney

JH

Finance Director

JD



Subject: Request From the Town of Los Altos Hills to Engage in Discussions for Future Law Enforcement Services Provided by the City of Los Altos

Staff Recommendation:

Staff recommends engaging in discussions as requested.

Purpose

To receive authorization to engage in discussions and complete any necessary studies to determine if providing law enforcement services to Los Altos Hills is feasible or desirable.

Background

At the Los Altos Hills Town Council meeting on August 17, 2023, the Los Altos Hills Town Council authorized the Los Altos Hills City Manager to engage in discussions with law enforcement entities for future law enforcement services for the Town of Los Altos Hills. The City Manager of Los Altos Hills has requested to discuss this topic with Los Altos.

Discussion/Analysis

The Town of Los Altos Hills has requested to engage the City of Los Altos in discussion to consider if the City can provide law enforcement services to the Town. The discussions and any subsequent studies would be used to determine if the provision of law enforcement services by the City to the Town is feasible or desirable. The discussions and/or studies would not constitute any agreement between the parties. Any item outside of discussions or the completion of a law enforcement services study, paid for by the Town of Los Altos Hills, would require further approval for the City Council of the City of Los Altos.

Recommendation

Staff recommends engaging in discussions as requested.

TOWN OF LOS ALTOS HILLS
Staff Report to the City
Council

August 17, 2023

RE: AUTHORIZE THE CITY MANAGER TO ENGAGE IN DISCUSSIONS
 FOR FUTURE LAW ENFORCEMENT SERVICES FOR THE TOWN OF
 LOS ALTOS HILLS

FROM: Peter Pirnejad, City Manager

RECOMMENDATION: That the City Council:

Motion to authorize the City Manager to engage in discussions with law enforcement entities for future law enforcement services for the Town of Los Altos Hills.

BACKGROUND AND ANALYSIS:

In June 2014, the Town of Los Altos Hills (“Town”) entered into an agreement with the County of Santa Clara (“County”) for law enforcement services (hereinafter “Agreement”). The Agreement establishes that the County will provide law enforcement services within Town limits. The term of the Agreement began June 19, 2014, and terminates on July 1, 2024. The Town and County are both authorized to terminate the Agreement at an earlier time with one hundred and eighty (180) days written notice, with some remaining financial commitments of the Town. At the expiration of the Agreement, the Town and County may renew the Agreement for an additional five (5) year period upon written notice of renewal at least one hundred and eighty (180) days prior to the expiration of the Agreement.

At this time, the Town continues to receive law enforcement services from the County. The Town may eventually choose to renew the Agreement with the County, or the Town may elect to allow the Agreement to expire without renewal. If the Town were to seek out a law enforcement entity, other than the County, to provide law enforcement services within the Town, staff would be required to comply with procurement procedures for professional services as established in the Los Altos Hills Municipal Code.

Los Altos Hills Municipal Code Section 2-4.04 establishes, in part, that all procurement of services, including but not limited to professional services, the cost of which is in excess of sixty thousand dollars (\$60,000) must be made through either informal or formal procedures, as established in Section 2-4.04. All procurement of services, the cost of which is more than two hundred thousand dollars (\$200,000), must be based upon specifications or a scope of work approved by the City Council. When entering into a contract for services, the skill, ability, and expertise of the entity or person performing the services is a key component of the selection criteria. The services selection should therefore be on the basis of demonstrated competence, overall value to the Town, and on the professional qualifications necessary for the satisfactory performance of the services required. Cost is only one factor in determining the selection. In

accordance with Section 2-4.04, the procurement of services may be made by soliciting requests for proposals or requests for quotations to prospective vendors.

At this time, if the Town were to issue a request for proposals or a request for quotation for law enforcement services staff believe that only the County may respond to the Town's request. In order to explore all options for law enforcement services, prior to issuing a request for proposals or a request for quotations for future law enforcement services, Town staff would like to have discussions with multiple law enforcement entities about the law enforcement service needs of the Town. Therefore, staff are asking the City Council to authorize the City Manager or his designee to engage in discussions with other law enforcement entities that may be interested in providing law enforcement services within the Town. At this time, staff plan to engage in discussions with both the City of Los Altos and the County of Santa Clara to discuss the law enforcement needs of the Town. At the time that staff believe the Town is ready to issue a request for proposals or request for quotations then staff will bring an item back to the City Council with the request, the scope of services and draft agreement for law enforcement services for Council approval prior to soliciting responses.

ENVIRONMENTAL REVIEW:

This action does not qualify as a "Project" as defined in California Government Code Section 15378(b) of the Guidelines for California Environmental Quality Act.

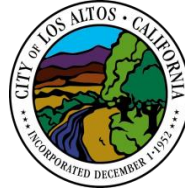
2023 CITY COUNCIL STRATEGIC PRIORITIES:

Promoting Public Safety is identified in the 2023 Work Plan.

FISCAL IMPACT:

Currently, there is no fiscal impact. This request seeks authorization to initiate discussions with Los Altos.

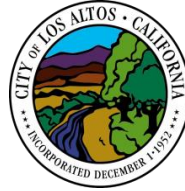
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City of Los Altos 2023 Tentative Council Agenda Calendar

September 12, 2023 Closed Session: TBD Study Session: Commission Interview Sessions – 5:30 p.m.			
AGENDA TITLE:	DEPARTMENT:		
SPECIAL ITEMS:			
CONSENT:			
Edits to Commission Handbook			
Downtown Parking Plan Contract	Dev. Svcs.		
CSA Contract	CM		
Chamber Contract	CM		
Waive second reading and Adopt Zoning Ordinance Text Amendments implementing programs identified in the adopted housing element, Program 4.C Allow Low Barrier Navigation Centers consistent with AB 101, Program 4.D Allow transitional and supportive housing consistent with State law, Program 4. E Allow employee/farmworker housing consistent with State law, Program 4.F Reasonably accommodate disabled persons’ housing needs. The proposed amendments are exempt from environmental review pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines since there would be no possibility of a significant effect on the environment	Dev. Svcs.		
Waive second reading and adopt an Ordinance of the City Council of the City of Los Altos Adding Chapter 12.72 Penalty for Expired Permits and amending Chapter 12.08 and 12.10 of the Los Altos Municipal Code and find that this action is Exempt from Environmental Review Pursuant to Section 15061(b)(3) of the State Guidelines Implementing the California Environmental Quality Act of 1970	Dev. Svcs.		
Waive second reading and adopt an Ordinance of the City Council of the City of Los Altos Adding Chapter 11.14 Mechanical Equipment to Title 11 Miscellaneous Property Regulations of the Los Altos Municipal Code and find that this action is Exempt from Environmental Review Pursuant to Section 15061(b)(3) of the State Guidelines Implementing the California Environmental Quality Act of 1970	Dev. Svcs.		
Record the Parcel Map of 705 Vista Grande Ave	Dev. Svcs.		

All items and dates are tentative and subject to change unless a specific date has been noticed for a legally required Public Hearing. Items may be added or removed from the shown date at any time and for any reason prior to the publication of the agenda.



City of Los Altos 2023 Tentative Council Agenda Calendar

DISCUSSION:			
Gateway Art	CM		
Introduce and waive further reading of an ordinance of the City Council of the City of Los Altos adding chapter 3.16 to the Los Altos municipal code to provide for bidding procedures under the Uniform Public Construction Cost Accounting Act	Finance		
Introduce Special Event Ordinance	CM		

September 26, 2023 Closed Session: TBD Study Session: TBD			
AGENDA TITLE:	DEPARTMENT:	STAFF:	NOTES:
SPECIAL ITEMS:			
CONSENT:			
Treasury Report	Finance		
Adopt a resolution to authorize the City Manager to execute the First Amendment to the Agreement between the City of Los Altos and BKF Engineers to develop a streetscape concept plan for the southern segment of First Street, between Main Street and San Antonio Road	PW		
DISCUSSION:			
PUBLIC HEARING:			
Appeal – 5790 Arboretum Dr	Dev. Svcs.		
HEU Ord Downtown Building Height Modifications	Dev. Svcs.		

Remaining 2023 City Council agenda calendar items are pending and will be published at a later date.

All items and dates are tentative and subject to change unless a specific date has been noticed for a legally required Public Hearing. Items may be added or removed from the shown date at any time and for any reason prior to the publication of the agenda.

PROGRAM	SUB PROJECT	INITIATION DATE	HEU COMPLETION DATE	STATUS
Program 2.D: Encourage and streamline Accessory Dwelling Units (ADUs).	Budget & Hire Planning Technician		December 31, 2022	COMPLETED
Program 2.D: Encourage and streamline Accessory Dwelling Units (ADUs).	Amend ADU Ordinance based upon HCD's letter		6 months or less	
Program 3.H: Amend design review process and requirements.	Eliminate 3rd Party Architectural Review		February 28, 2023	COMPLETED
Program 3.H: Amend design review process and requirements.	Dismiss Design Review Commission		February 28, 2023	COMPLETED
Program 3.L: Eliminate the requirement of story poles.			March 31, 2023	COMPLETED
Program 2.E: Conduct annual ADU rental income surveys.	Budget & Hire Housing Manager	March 31, 2023		IN-PROGRESS
Program 4.J: Facilitate alternate modes of transportation for	Adopt VMT Policy &		June 30, 2023	COMPLETED
Program 2.D: Encourage and streamline Accessory Dwelling Units (ADUs).	RFP-Permit Ready ADU Plans		July 31, 2023	IN-PROGRESS
Program 1.H: Facilitate housing on City-owned sites.	Financial Analysis	July 1, 2023	December 31, 2023	DEVELOPING RFP
Program 3.D: Evaluate and adjust impact fees.		August 1, 2023	December 31, 2024	IN-PROGRESS
Program 1.H: Facilitate housing on City-owned sites.	Release RFP	December 31, 2023		
Program 6.C: Target housing development in highest resource areas.	Initial Outreach		September 31, 2023	
Program 6.D: Promote Housing Choice (Section 8) rental assistance program.			September 31, 2023	
Program 2.A: Continue to implement and enhance inclusionary housing requirements.			December 31, 2023	IN-PROGRESS
Program 2.B: Establish an affordable housing in-lieu fee and commercial linkage fee.	Housing in-lieu fee.		December 31, 2023	IN-PROGRESS
Program 2.F: Water and Sewer Service Providers.			December 31, 2023	
Program 3.B: Modify building height in mixed-use zoning districts.	Downtown Districts		December 31, 2023	IN-PROGRESS
Program 3.E: Ensure that the density bonus ordinance remains consistent with State law.			December 31, 2023	ONGOING
Program 3.H: Amend design review process and requirements.	Code Amendments		December 31, 2023	COMPLETED

Program 3.K: Standardize multimodal transportation requirements.	Bicycle Storage and Charging Regulations		December 31, 2023	COMPLETED
Program 3.K: Standardize multimodal transportation requirements.	Remove CSC Review of Housing Developments		December 31, 2023	COMPLETED
Program 4.C: Allow Low Barrier Navigation Centers consistent with AB 101.			December 31, 2023	IN-PROGRESS
Program 4.D: Allow transitional and supportive housing consistent with State law.			December 31, 2023	IN-PROGRESS
Program 4.E: Allow employee/farmworker housing consistent with State law.			December 31, 2023	IN-PROGRESS
Program 4.F: Reasonably accommodate disabled persons' housing needs.			December 31, 2023	IN-PROGRESS
Program 6.B: Maintain and expand an inventory of affordable housing funding sources.	Prepare Inventory.		December 31, 2023	
Program 6.E: Prepare and distribute anti-displacement information.			December 31, 2023	
Program 1.A: Rezone for RHNA shortfall.			January 31, 2024	
Program 1.G: Rezone housing sites from previous Housing Elements.			January 31, 2024	
Program 3.G: Amend Conditional Use Permits findings applicable to housing developments.			March 31, 2024	IN-PROGRESS
Program 3.I: Allow residential care facilities consistent with State law.			March 31, 2024	
Program 3.J: Explicitly allow manufactured homes consistent with State law.			March 31, 2024	
Program 3.F: Reduce Conditional Use Permit requirement for residential mixed-use and multi-family.			September 31, 2024	IN-PROGRESS
Program 1.B: Facilitate higher density housing in the Commercial Thoroughfare (CT) District.			December 31, 2024	
Program 1.C: Allow housing in the Office Administrative (OA) District.			December 31, 2024	
Program 1.E: Update the Loyola Corners Specific Plan.			December 31, 2024	

Program 2.D: Encourage and streamline Accessory Dwelling Units (ADUs).	Adopt-Permit Ready ADU Plans		December 31, 2024	
Program 3.A: Prepare a Downtown parking plan and update citywide parking requirements.			December 31, 2024	UNDER REVIEW
Program 3.B: Modify building height in mixed-use zoning districts.	Neighborhood (CN) District		December 31, 2024	IN-PROGRESS
Program 3.C: Remove floor-to-area ratio (FAR) restriction at Rancho Shopping Center and Woodland Plaza.			December 31, 2024	IN-PROGRESS
Program 3.M: Modify parking requirements for emergency shelters consistent with State law.			December 31, 2024	
Program 2.B: Establish an affordable housing in-lieu fee and commercial linkage fee.	Commercial linkage fee.	December 31, 2025		
Program 1.D: Allow housing on certain Public and Community Facilities District sites and facilitate housing on religious institution properties.			December 31, 2025	
Program 1.F: Rezone Village Court parcel.			December 31, 2025	
Program 4.H: Provide additional density bonuses and incentives for housing that accommodates special needs groups.			December 31, 2025	
Program 4.I: Allow senior housing with extended care facilities in multi-family and mixed-use zoning districts.			December 31, 2025	
Program 1.I: Incentivize Downtown lot consolidation.			July 31, 2026	
Program 4.G: Assist seniors to maintain and rehabilitate their homes.			July 31, 2026	
Program 6.C: Target housing development in highest resource areas.	Follow-up Outreach		September 31, 2026	
Program 1.H: Facilitate housing on City-owned sites.	Entitlement Review		December 31, 2026	
Program 3.N: Modify standards in the R3 zoning districts.			December 31, 2026	

Program 4.J: Facilitate alternate modes of transportation for residents.	Capital Improvement Project for above head pedestrian crossing signals on San Antonio Road near Downtown Los Altos		December 31, 2027	
Program 5.F: Incentivize the creation of play areas for multi-family housing projects.			December 31, 2027	
Program 1.K: Participate in regional housing needs planning efforts.			Ongoing	
Program 1.L: General Plan amendments.			Ongoing	
Program 1.M: SB 9 implementation.			Ongoing	
Program 1.N: Facilitate and monitor pipeline housing projects.			Ongoing	
Program 2.C: Assist in securing funding for affordable housing projects.			Ongoing	
Program 2.D: Encourage and streamline Accessory Dwelling Units (ADUs).			Ongoing	
Program 2.E: Conduct annual ADU rental income surveys.	Annual Survey		Annually	
Program 4.A: Support efforts to fund homeless services.			Ongoing	
Program 4.B: Continue to participate in local and regional forums for homelessness, supportive, and transitional housing.			Ongoing	
Program 5.A: Monitor condominium conversions.			Ongoing	
Program 5.B: Continue to administer the City's affordable housing programs.			Ongoing	
Program 5.C: Restrict commercial uses from displacing residential neighborhoods.			Ongoing	
Program 5.D: Implement voluntary code inspection program.			Ongoing	
Program 5.E: Help secure funding for housing rehabilitation and assistance programs.			Ongoing	

Program 6.A: Assist residents with housing discrimination and landlord-tenant complaints.			Ongoing	
Program 6.B: Maintain and expand an inventory of affordable housing funding sources.	Inform, Evaluate Apply/Submit		Ongoing	
Program 6.F: Affirmatively market physically accessible units.			Ongoing	
Program 7.A: Promote energy and water conservation and greenhouse gas reduction through education and awareness campaigns.			Ongoing	
Program 7.B: Monitor and implement thresholds and statutory requirements of climate change legislation.			Ongoing	



AGENDA REPORT SUMMARY

Meeting Date: August 22, 2023

Subject: Status of the Sixth Cycle Housing Element 2023-2031, and report on June 30, 2023 findings letter from the Department of Housing and Community Development (HCD) post 60-day review.

Prepared by: Nick Zornes, Development Services Director

Approved by: Gabe Engeland, City Manager

Attachment(s):

1. June 30, 2023, Findings Letter from HCD regarding City of Los Altos 6th Cycle Housing Element.
2. HCD Email Correspondence
3. Housing Element – Completed Revisions
4. League of Women Voters – Letter of Support – August 12, 2023
5. Los Altos Residents – Letter of Support – August 12, 2023

Environmental Review:

The action before the City Council is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262, Feasibility and Planning Studies. The direction is not a final action or approval in regard to the Housing Element Update and does not have a legally binding effect on any possible future discretionary action.

Background:

On January 24, 2023, the Los Altos City Council adopted the City’s 6th Cycle Housing Element 2023-2031. Once a Housing Element is adopted it must be transmitted to the Department of Housing and Community Development (HCD) for final concurrence.

On January 30, 2023, the adopted Housing Element was sent to the Department of Housing and Community Development (HCD) which began the 60-day review period.

On March 30, 2023, the City of Los Altos received written correspondence from the Department of Housing and Community (HCD) that the adopted Housing Element was **not** approved and requires “additional revisions necessary to substantially comply with State Housing Element Law”.



Subject: Status of the Sixth Cycle Housing Element 2023-2031, and report on June 30, 2023 findings letter from the Department of Housing and Community Development (HCD) post 60-day review.

On April 5, 2023, the City of Los Altos Development Services Director, and the Housing Element Team from Lisa Wise Consulting (LWC) met with the Department of Housing and Community Development (HCD) reviewers to discuss the status of the City’s Housing Element, and the findings letter received.

On May 2, 2023, the City of Los Altos resubmitted the adopted Housing Element with revisions to the Department of Housing and Community Development (HCD) which began a 60-day review period.

On June 30, 2023, the City of Los Altos received written correspondence from the Department of Housing and Community (HCD) that the adopted Housing Element was **not** approved and requires “additional revisions necessary to substantially comply with State Housing Element Law”.

On July 6, 2023, the City of Los Altos Development Services Director, and the Housing Element Team from Lisa Wise Consulting (LWC) met with the Department of Housing and Community Development (HCD) reviewers to discuss the status of the City’s Housing Element, and the findings letter received.

On August 2, 2023, the City of Los Altos Development Services Director transmitted revisions to the Department of Housing and Community Development (HCD) reviewers for informal review of the requested modifications.

On August 8, 2023, the City of Los Altos Development Services Director, and the Housing Element Team from Lisa Wise Consulting (LWC) met with the Department of Housing and Community Development (HCD) reviewers to discussion via teleconference the status of the revisions and if they were acceptable.

On August 10, 2023, the City of Los Altos Development Services Director received email correspondence confirming approval of the revisions provided on August 2, 2023. (Attachment 2)

On August 10, 2023, the City of Los Altos published the revised Housing Element to the city’s dedicate project website thus beginning the required seven (7) calendar day public comment period.

Discussion:

The City of Los Altos adopted its 6th Cycle Housing Element 2023-2031 before the statutory due date of January 31, 2023. Post adoption the City transmitted the Housing Element Update to the California Department of Housing and Community Development (HCD) for its second review



Subject: Status of the Sixth Cycle Housing Element 2023-2031, and report on June 30, 2023 findings letter from the Department of Housing and Community Development (HCD) post 60-day review.

which was 60 calendar days from date of receipt. On March 30, 2023, the City received a formal findings letter rejecting the adopted housing thus necessitating revisions to be made to the Housing Element. Revisions were made to the adopted Housing Element consistent with the comments made by the Department of Housing and Community Development (HCD) reviewers and resubmitted for review on May 2, 2023.

Again, on June 30, 2023, the City received a findings letter rejecting the adopted housing element with revisions and it was requested by HCD reviewers to make additional revisions that had not been previously requested. Since that time the City of Los Altos Development Services Director has met with HCD reviewers twice to obtain firm direction and understanding regarding the necessary changes to obtain housing element certification, and confirmation that those changes are acceptable. The city is in receipt of email correspondence with the dedicated HCD reviewer confirming that the revisions provided are acceptable.

Analysis:

The HCD Findings Letter dated June 30, 2023, provided comments that were organized under the following topics: Suitability of Nonvacant Sites, and Affirmatively Further Fair Housing. A summary of HCD’s comments and discussion are provided below.

HCD Comment #1:

- 1. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality’s housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city’s or county’s share of the regional housing need for each income level. (Gov. Code, § 65583, subd. (c)(1).)

Suitability of Nonvacant Sites: While the revised element relates some trends (i.e., improvement to land value and building age) to the sites inventory, the element should be revised, as follows:



Subject: Status of the Sixth Cycle Housing Element 2023-2031, and report on June 30, 2023 findings letter from the Department of Housing and Community Development (HCD) post 60-day review.

- *Indicators of Redevelopment Potential: Currently, the element utilizes two indicators of redevelopment potential: improvement to land value ratio and age of building structure. **However, the element should at least utilize an additional indicator to demonstrate the potential for redevelopment.** Examples include existing versus allowable floor area, lack of improvements or structural condition, significant vacancy and frequent turnover of uses. Further, trends and assumptions utilized do not appear to match, including values in the sites inventory. For example, generally, trends for improvement to land value ratio are under a ratio of 0.6, yet a ratio of 1.0 is used and several properties appear to exceed a ratio of 1.0. The element should either explain these differences or remove sites, as appropriate. Finally, this analysis should apply to all sites being utilized toward the regional housing needs allocation (RHNA), including the RHNA for moderate and above moderate-income households.*
- *Expressed Interest in Redevelopment: The element indicates several properties have expressed interest in residential redevelopment from property owners or potential developers. To better demonstrate the potential for redevelopment and the magnitude of interest, the element could denote the properties with expressed interest in redevelopment.*
- *Extent Existing Uses Impede Additional Development: The element must analyze the extent that existing uses may impede additional residential development. For example, the element includes sites identified with a general description of existing uses but could further clarify the potential for redevelopment such as significant underutilization, current market demand for the existing use, absence of existing leases, contracts or conditions that would perpetuate the existing use and expressed interest in redevelopment.*

Staff’s Response:

At the request of HCD staff worked diligently to provide a third indicator to further support the sites included in the site inventory. The third indicator was based upon review of all 150+ sites building permit history. The City of Los Altos electronic permit history is available dating back to 1994. From receipt of the June 30, 2023, findings letter, staff analyzed all issued permits between 1994 and 2023 to confirm the suitability of each site. The specific permit history was provided for all sites and is included in the revisions submitted to the Department of Housing and Community Development (HCD).

These revisions were found to be acceptable by HCD reviewers.



Subject: Status of the Sixth Cycle Housing Element 2023-2031, and report on June 30, 2023 findings letter from the Department of Housing and Community Development (HCD) post 60-day review.

HCD Comment #2:

The second and last comment provided was regarding a request for a new program “Housing Mobility”. This program was initially developed by the City of Diamond Bar, CA and has been requested of several jurisdictions since it was proposed to HCD reviewers. The new program is largely a melting pot of multiple programs all coming together to create the multi-prong approach of creating “Housing Mobility”. HCD reviewers provided the Development Services Director with a sample program created by another jurisdiction for our reference in the development of our own.

- 2. *Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics... (Gov. Code, § 65583, subd. (c)(5).)*

The City is entirely the highest resource category in access to opportunity, wholly a concentrated area of affluence and consists of households with the highest median income category. These conditions and circumstances warrant significant and robust actions (not limited to the RHNA) to promote housing mobility and increasing housing choices and affordability throughout and beyond the City, including in lower-density neighborhoods. While the element includes some programs to promote housing mobility, these actions are largely limited to the RHNA and the element should consider additional actions that are significant and meaningful. Examples include creating more housing choices and affordability in single-family neighborhoods beyond complying with law (e.g., SB 9, accessory dwelling units), targeting funding, homesharing, more than one junior accessory dwelling unit per single family structure, enhancing capacity, affordability and housing choices on religious institutional sites beyond the RHNA and other alternative land use strategies. HCD will send sample programs under separate cover.

Staff Response:

Program 6.G Housing Mobility was created in line with the requested revisions identified in HCD’s comment #2. The new program will bring together multiple components of existing programs in the adopted housing element while also strengthening the City’s commitment to affirmatively furthering fair housing. Most significantly, the City of Los Altos has committed to allowing two (2) Junior Accessory Dwelling Units (JADU) on single family property and will allow housing on all religious institutional sites throughout the city. The additional allowance of a



Subject: Status of the Sixth Cycle Housing Element 2023-2031, and report on June 30, 2023 findings letter from the Department of Housing and Community Development (HCD) post 60-day review.

second JADU will help to create greater flexibility for the creation of additional housing units, while the allowance of housing on all religious sites in the city is in line with the provisions of SB4.

These revisions were found to be acceptable by HCD reviewers.

Next Steps:

City Council discuss the HCD Findings Letter and obtain any information from the Development Services Director on next steps regarding the review of the revised Housing Element.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



June 30, 2023

Nick Zornes, Director
Development Services Department
City of Los Altos
1 North San Antonio Road
Los Altos, California, 94022-3087

Dear Nick Zornes:

RE: City of Los Altos' 6th Cycle (2023-2031) Adopted Housing Element

Thank you for submitting the City of Los Altos' (City) housing element that was adopted January 24, 2023 and received for review on May 2, 2023. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The adopted housing element addresses most statutory requirements described in HCD's March 30, 2023 review; however, additional revisions are necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq), as follows

1. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level.... (Gov. Code, § 65583, subd. (c)(1).)

Suitability of Nonvacant Sites: While the revised element relates some trends (i.e., improvement to land value and building age) to the sites inventory, the element should be revised, as follows:

- *Indicators of Redevelopment Potential:* Currently, the element utilizes two indicators of redevelopment potential: improvement to land value ratio and

age of building structure. However, the element should at least utilize an additional indicator to demonstrate the potential for redevelopment. Examples include existing versus allowable floor area, lack of improvements or structural condition, significant vacancy and frequent turnover of uses. Further, trends and assumptions utilized do not appear to match, including values in the sites inventory. For example, generally, trends for improvement to land value ratio are under a ratio of 0.6, yet a ratio of 1.0 is used and several properties appear to exceed a ratio of 1.0. The element should either explain these differences or remove sites, as appropriate. Finally, this analysis should apply to all sites being utilized toward the regional housing needs allocation (RHNA), including the RHNA for moderate and above moderate-income households.

- *Expressed Interest in Redevelopment:* The element indicates several properties have expressed interest in residential redevelopment from property owners or potential developers. To better demonstrate the potential for redevelopment and the magnitude of interest, the element could denote the properties with expressed interest in redevelopment.
- *Extent Existing Uses Impede Additional Development:* The element must analyze the extent that existing uses may impede additional residential development. For example, the element includes sites identified with a general description of existing uses but could further clarify the potential for redevelopment such as significant underutilization, current market demand for the existing use, absence of existing leases, contracts or conditions that would perpetuate the existing use and expressed interest in redevelopment.

In addition, for your information, the element relies on nonvacant sites to accommodate 50 percent or more of the housing needs for lower-income households, which triggers requirements to make findings based on substantial evidence that the existing use is not an impediment and will likely discontinue in the planning period. While the resolution of adoption includes the appropriate findings, any changes to the analysis should be reflected in future re-adoption of the element.

Electronic Sites Inventory: For your information, pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/planning-and-communitydevelopment/housing-elements> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Programs: As noted above, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may

need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types.

2. *Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics... (Gov. Code, § 65583, subd. (c)(5).)*

The City is entirely the highest resource category in access to opportunity, wholly a concentrated area of affluence and consists of households with the highest median income category. These conditions and circumstances warrant significant and robust actions (not limited to the RHNA) to promote housing mobility and increasing housing choices and affordability throughout and beyond the City, including in lower-density neighborhoods. While the element includes some programs to promote housing mobility, these actions are largely limited to the RHNA and the element should consider additional actions that are significant and meaningful. Examples include creating more housing choices and affordability in single-family neighborhoods beyond complying with law (e.g., SB 9, accessory dwelling units), targeting funding, homesharing, more than one junior accessory dwelling unit per single family structure, enhancing capacity, affordability and housing choices on religious institutional sites beyond the RHNA and other alternative land use strategies. HCD will send sample programs under separate cover.

The element will meet the statutory requirements of State Housing Element Law once it has been revised and re-adopted, if necessary, to comply with the above requirements.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City did not adopt a compliant housing element within 120 days of the statutory deadline (January 31, 2023), Programs to make prior identified sites available and accommodate a shortfall of adequate sites to accommodate the RHNA must be completed no later than one year from the statutory deadline. Please be aware, if the City does not adopt a substantially compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until all necessary rezones are completed.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. During the housing element revision process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

HCD appreciates the dedication and cooperation from yourself and the rest of the housing element team. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Anthony Errichetto, of our staff, at Anthony.errichetto@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

From: [Errichetto, Anthony@HCD](mailto:Errichetto,Anthony@HCD)
To: [Nick Zornes](mailto:Nick.Zornes); [Jennifer Murillo](mailto:Jennifer.Murillo)
Cc: [McDougall, Paul@HCD](mailto:McDougall,Paul@HCD)
Subject: RE: Los Altos Revisions
Date: Thursday, August 10, 2023 11:34:37 AM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)

Good morning Nick and Jennifer,

Paul has given his approval to your revisions – you should be all good to go out for a final round of public comments.

Thank you for all your hard work thus far – we share in your eagerness to get Los Altos over the finish line soon!

Best regards,

Anthony Errichetto (he/him)

Housing Policy Analyst

Division of Housing Policy Development
Planning Grants & Incentives Branch
Land Use & Local Government Relations Unit

Department of Housing & Community Development
2020 W. El Camino Avenue, Suite 550 | Sacramento, CA 95833



HCD Mission: Promote safe, affordable homes and vibrant, inclusive, sustainable communities for all Californians.

HCD Vision: Every California resident can live, work, and play in healthy communities of opportunity.

From: Nick Zornes <nzornes@losaltosca.gov>
Sent: Wednesday, August 9, 2023 3:02 PM
To: Errichetto, Anthony@HCD <Anthony.Errichetto@hcd.ca.gov>
Cc: Jennifer Murillo <jennifer@lisawiseconsulting.com>
Subject: FW: Los Altos Revisions

Hi Anthony,

We are eager to hear the initial feedback from you after confirmation with Paul. Once we hear back we will proceed with posting for the required 7-days.

Thank you



NICK ZORNES
DEVELOPMENT SERVICES DIRECTOR
CITY OF LOS ALTOS

From: Nick Zornes

Sent: Tuesday, August 8, 2023 9:10 AM

To: Errichetto, Anthony <Anthony.Errichetto@hcd.ca.gov>

Cc: McDougall, Paul@HCD <Paul.McDougall@hcd.ca.gov>; Jennifer Murillo <jennifer@lisawiseconsulting.com>

Subject: Los Altos Revisions

Anthony,

Thank you for the quick call and initial feedback. We understand that Paul was unable to get to the revisions prior to the call this morning, but that you will discuss this with him today and provide us with word if the revisions are acceptable to proceed with.

We look forward to hearing back from you by the end of day.

Thank you,



NICK ZORNES
DEVELOPMENT SERVICES DIRECTOR
CITY OF LOS ALTOS

Assumptions and methodology for this determination and a detailed list of sites are included in Appendix B.

Table III-1: Residential Development Potential and RHNA

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA	See Very Low	501	288	326	843	1,958
ADUs	See Very Low	16	97	161	48	322
Approved/Entitled Projects	-	6101	42334	3839	420451	587625
Remaining RHNA	See Very Low	479384	68157	427126	375344	4,0491,011
Site Inventory ¹	See Very Low/Low	557		468169	323325	4,0481,051
Surplus/(Shortfall)		4016		4443	(5219)	(1)40
Rezone Sites (Net New)		408		128	64	600
Surplus/(Shortfall) with Rezone Sites		448424		469171	4245	599640
1. Considers net new units only. See Appendix B (Sites Inventory and Methodology) for supporting information, including Table B-3 (entitled and approved developments, page B-5, and Tables B-10 and B-11 for sites inventory tables, pages B-24 through B-29). Source: City of Los Altos, LWC 2022						

III.C Financial and Administrative Resources

Appendix G provides a list of financial, administrative, and other resources at the local, regional, state, and federal levels to help the City address its housing needs. Availability of these resources is dependent on governmental priorities, legislation, and continued funding, which may be subject to change at any time.



III.D Opportunities for Energy Conservation

The cost of energy can greatly impact housing affordability, as energy costs can constitute a significant portion of total housing costs. High energy costs also particularly impact low-income households that are less likely to have the ability to cover increased expenses. Please refer to Appendix G to see a list energy conservation programs available at the local, regional, State, and federal levels.

Policy 1.3: New Rental Units.

The City will encourage the development of new rental units in multi-family districts.

Programs**Program 1.A: Rezone for RHNA shortfall.**

To accommodate the remaining above moderate-income RHNA of ~~52-19~~ units, the City will identify and rezone sufficient vacant land or land with redevelopment potential to provide capacity for this shortfall. Appendix B (Sites Inventory and Methodology) identifies potential parcels for rezoning to address this shortfall and provide excess capacity throughout the planning period. Separate programs detail specifics of various rezoning actions that would provide additional capacity for all income levels.

Responsible Body: Development Services Department, Planning Commission, City Council

Funding Source: General Fund

Time Frame: Sites rezoned to address shortfall by January 2024

Objective: The City will amend the Zoning Map and/or Zoning Code to create the opportunity for at least ~~52-19~~ above moderate-income housing units; proposed rezoning would accommodate an assumed capacity of ~~68-64~~ above-moderate income housing units

Geographic Targeting: Create additional opportunities for housing capacity throughout the city, which is identified as high and highest resource by TCAC opportunity maps.

Program 1.B: Facilitate higher density housing in the Commercial Thoroughfare (CT) District.

The Commercial Thoroughfare (CT) Zone is located along El Camino Real with a maximum density of 38 units per acre and a maximum height of 45 feet. Development trends in this area are showing much higher densities and heights being built. To continue to facilitate housing in the CT District, the City will remove or increase the density maximum and increase the height allowed in the CT District by at least 10 feet and one story which will result in a maximum height of 55 feet and 5-stories to ensure the increased maximum density can be accommodated. Objective design standards for the CT District will be modified as necessary to accommodate higher density, and the increased setback standards when across the street from or abutting a residential zoning district will be removed.

Responsible Body: Development Services Department, Planning Commission, City Council

Funding Source: General Fund

Time Frame: December 2024

reached and will be determined with local organizations and groups to be most effective. The goal is to educate at least 40 households or prevent at least 40 households from displacement.

Geographic Targeting: At-risk households citywide, including renter and senior households.

Program 6.F: Affirmatively market physically accessible units.

As a condition of the disposition of any City-owned land, the award of City financing, any density bonus concessions, or land use exceptions or waivers for any affordable housing project, the City will require that the housing developer implement an affirmative marketing plan for State-mandated physically accessible units which, among other measures, provides disability-serving organizations adequate prior notice of the availability of the accessible units and a process for supporting people with qualifying disabilities to apply.

Responsible Body: Development Services Department

Funding Source: General Fund

Time Frame: Ongoing as applications are processed

Objective: Affirmative marketing conducted for 100 percent of affordable housing units approved and permitted in Los Altos from 2023 to 2031.

Geographic Targeting: All future physically accessible units in below market rate housing developments citywide.

Program 6.G: Housing Mobility

Housing mobility strategies consist of removing barriers to housing in areas of opportunity and strategically enhancing access (Los Altos is entirely highest resource in terms of access to opportunity and a concentrated area of affluence). To improve housing mobility and promote more housing choices and affordability throughout Los Altos, including in lower-density neighborhoods, the City will employ a suite of actions to expand housing opportunities affordable to extremely low, very low, low, and moderate income households. Actions and strategies include:

- SB 9 – Monitor the City’s SB 9 standards and amend standards to facilitate SB 9 applications (e.g., duplexes in single-family zones) if the City is not on track to meet its SB 9 application goal during the planning period. See Program 1.M.
- Rezoning – Modify zoning to allow residential or increased residential intensity and/or density of residential throughout Los Altos. This includes zoning amendments along higher intensity corridors (e.g., El Camino Real, San Antonio Road, and Foothill Expressway) and for sites within lower-density neighborhoods (e.g., Loyola Corners Specific Plan, OA-zoned sites on Altos Oaks Drive, and church sites on Magdalena Avenue). See Programs 1.B, 1.C, 1. D, 1.E, and 1.F.

- Housing on City Sites – Enter into a public-private partnership to develop housing, targeting low-income households, on City-owned Downtown Parking Plazas. See Program 1.H.
- Enhanced Inclusionary Housing – Assess and amend the City's inclusionary housing requirements to better produce low-income units and units for special needs groups throughout Los Altos. See Program 2.A.
- Accessory Dwelling Units (ADUs) – Encourage and streamline ADUs in single-family neighborhoods by preparing standardized ADU plans with a variety of unit sizes and by affirmatively marketing and outreach to increase awareness and the diversity of individuals residing in Los Altos. See Program 2.D.
- Junior ADUs – Develop and adopt objective standards to allow more than one (at minimum two) Junior ADU per structure by July 2025. The objective is to achieve at least 10 JADUs in lower-density neighborhoods by January 2031.
- Religious Institutional Sites – Allow housing on all religious institutional sites within the City (i.e., all PCF-zoned religious institutional properties in addition to the two sites identified in the housing sites inventory (Program 1.D)). Conduct outreach to owners and operators of religious institutions to raise awareness and encourage housing proposals. Permit 10 housing units on a religious institution/faith-based site(s) during the 2023-2031 planning period. If no application for housing on a religious institution/faith-based site is received by December 2025, the City will expand outreach efforts to be conducted annually. This may include direct mailings to faith-based sites highlighting successful affordable housing units on other faith-based sites, as well as available City resources and programs to support such projects (e.g., Program 2.C – Assist in securing funding for affordable housing projects).
- Homesharing – Research and pursue a homesharing program, including coordination with non-profits and other organizations to assist with matching tenants with existing homeowners. The City will publicize and take other actions as necessary (e.g., facilitate presentations at the Los Altos Senior Center, etc.) at least annually with the goal of five opportunities per year.

Responsible Body: Development Services Department

Funding Source: General Fund

Time Frame: Annually review overall progress and effectiveness in April and include information in annual report to HCD. If the City is not on track to meet its 150 affordable housing unit goal for the 8-year RHNA cycle by 2027 (i.e., 75 affordable units built or in process by 2027), the City will consider alternative land use strategies and make necessary amendments to zoning or other land use documents to facilitate a variety of housing choices, including but not limited to, strategies that encourage missing middle zoning (small-scale multi-unit projects), adaptive reuse, and allowing additional ADUs

[and/or JADUs, within six months, if sufficient progress toward this quantified objective is not being met.](#)

[Objective: Provide 150 housing opportunities affordable to lower income households by January 2031.](#)

[Geographic Targeting: Citywide, but especially lower-density neighborhoods.](#)

Goal 7: Encourage energy and resource conservation and sustainability measures.

Policies

Policy 7.1: Energy and Water Conservation.

The City will encourage energy and water conservation measures to reduce energy and water consumption in residential, governmental, and commercial buildings.

Policy 7.2: Energy and Water Efficiency.

The City will continue to implement building and zoning standards to encourage energy and water efficiency.

Policy 7.3: Greenhouse Gas Reduction.

The City will continue to implement the 2022 Climate Action and Adaptation Plan to encourage reducing greenhouse gas emissions.

Programs

Program 7.A: Promote energy and water conservation and greenhouse gas reduction through education and awareness campaigns.

Continue to promote residential energy and water conservation and greenhouse gas reduction consistent with the City's adopted 2022 Climate Action and Adaptation Plan, through consumer information on financial assistance and rebates for energy-efficient home improvements published by governmental agencies, nonprofit organizations, and utility companies. This includes information on the Property Assessed Clean Energy (PACE) program that provides eligible property owner financing for energy improvements to their homes—solar panels, water-efficient landscapes, etc.—on their property tax assessment. Other programs include leveraging and promoting other State and commercial initiatives to encourage solar energy, such as grants, tax credits, and rebates, as they are implemented through organizations such as Silicon Valley Clean Energy, PG&E, BayRen, among others.

The City will make the above-described information available at the public counter of the Development Services Department, at the Los Altos Senior Center, Los Altos Library, and through the City's newsletters. The information will also be available on the City's website.

Table B-3: Entitled and Proposed Developments

Address	Status	Vacant/ Existing or Previous Use	Existing/ Previous ILV*	Existing/ Previous FAR ³	Existing/ Previous Building Age*	Units by Income Level ¹				
						Very Low	Low	Moderate	Above Moderate	Total Net New ²
962 Acacia	Under construction	Vacant	N/A	-	N/A	-	-	-	2	2
385/389 First St.	Under construction	Commercial	1.19	<u>-3</u>	1955/1980	-	-	1	9	10
425 First St.	Under construction	Office	N/A	<u>-3</u>	1975	-	1	2	17	20
444-450 First St.	Under construction	Office	N/A	<u>-3</u>	N/A	-	1	3	23	27
140 Lyell	Under construction	Single-Family Home	0.69	<u>-3</u>	1951	-	1	-	4	4
330 Distel Circle	Approved (approved Sept 2022)	Office – vacant, no tenants	N/A	<u>0.38</u>	1975	<u>-68</u>	<u>9022</u>	-	-	90
4350 El Camino Real	Approved (approved Sept 2022)	Commercial (gas station and convenience mart) – fully occupied	0.26	<u>0.17</u>	1969	3	-	4	40	47
4848-4856 El Camino Real	Approved, building permit ready to issue	Commercial – vacant, no tenants	0.02	<u>0.52</u>	2020	<u>-6</u>	<u>71</u>	3	42	52
4898 El Camino Real	Approved, in building permit plan check	Commercial – vacant, no tenants	0.81	<u>0.78</u>	1959	<u>-2</u>	<u>42</u>	2	22	28
5150 El Camino Real	Approved, in building permit plan check (second round of plan check completed, waiting for corrections)	Office – vacant, no tenants	0.02	<u>0.40</u>	N/A	<u>-16</u>	<u>46</u>	12	168	196
355/365/371/373 First St.	Approved (approved June 2022; in first round of building plan check. Application for demolition of existing building)	Commercial – partially occupied	0.62/0.28/0.11/0.97	<u>0.21/0.41/0.33/0.32</u>	1991/1938/1946/1963	<u>3</u>	<u>-3</u>	4	43	49
376 First St.	Approved (approved April 2022; in plan check)	Commercial (restaurant) – fully occupied	1.26	<u>0.65</u>	1954	-	-	3	12	15

Table B-3: Entitled and Proposed Developments

Address	Status	Vacant/ Existing or Previous Use	Existing/ Previous ILV*	Existing/ Previous FAR ³	Existing/ Previous Building Age*	Units by Income Level ¹				
						Very Low	Low	Moderate	Above Moderate	Total Net New ²
440 First St.	Approved (approved early 2022; first round of plan check completed)	Office – vacant, no tenants	N/A	<u>-3</u>	1980	-	-	-	4	4
343 Main St.	Approved	Commercial (home improvement) – fully occupied	0.29	<u>0.78</u>	1938	-	-	-	1	1
95 First St.	Under review (second review completed), approval (hearing) anticipated summer 2023	Office – partially occupied	0.58	<u>0.75</u>	1979	<u>-3</u>	<u>3</u>	-	12	15
349 First St.	Under review (applicant-initiated modifications are being completed), approval (hearing) anticipated summer 2023	Office – vacant, no tenants	0.12	<u>0.77</u>	1960	-	<u>-4</u>	<u>2</u>	<u>4013</u>	<u>4217</u>
14 Fourth St.	Under review/deemed complete, hearing scheduled for May 3, 2023	Single-Family Home – short term lease expires 2023	0.30	<u>0.20</u>	1952	-	-	-	4	3
996 Loraine	Under review/deemed complete, hearing scheduled for May 3, 2023	Commercial – vacant, no tenants	0.54	<u>0.34</u>	1965	-	-	2	10	12
<u>4896 El Camino Real</u>	<u>Under review/first round of review complete, anticipated hearing is by the end of 2023</u>	<u>Commercial – fast food restaurant, fully occupied</u>	<u>0.02</u>	<u>0.09</u>	<u>1968</u>	<u>2</u>		<u>3</u>	<u>28</u>	<u>33</u>
Subtotal Gross						<u>6101</u>	<u>42334</u>	<u>3839</u>	<u>423454</u>	N/A
Subtotal Net New						<u>6101</u>	<u>42334</u>	<u>3839</u>	<u>420451</u>	<u>587625</u>

* Some pre-development improvement to land value (ILV) and building age data may be unavailable due to the stage of development/construction. ILV is calculated using Santa Clara County Assessor data for improvement value and land value. Building age is the "effective year built" identified in Santa Clara County Assessor data.

¹ Any low or moderate units are or will be deed restricted to the identified income level.

Table B-3: Entitled and Proposed Developments

Address	Status	Vacant/ Existing or Previous Use	Existing/ Previous ILV*	Existing/ Previous FAR ³	Existing/ Previous Building Age*	Units by Income Level ¹				
						Very Low	Low	Moderate	Above Moderate	Total Net New ²
<p>² Certain projects are located on parcels with existing residential units where the existing residential units will be demolished for a project with a larger number of units. All existing units that will be demolished are market rate units; no units to be demolished are subject to a recorded covenant, ordinance, or law that restricts rent levels to affordable to low-income households or subject to any other form of rent or price control by the City. Only the net new number of units are counted toward the RHNA.</p> <p>³ Existing/previous use FAR data is unavailable for certain projects. In some cases existing/prior uses have been demolished for new construction of housing.</p> <p>Source: City of Los Altos, Santa Clara County Assessor</p>										

Table B-5: Zones Realistic Residential Development Capacity Assumptions

Zone ¹	Projects In Process, Approved, Entitled, and/or Permitted	Average Development Trends Capacity	Realistic Capacity Assumption ²
CT	<ul style="list-style-type: none"> - 4848-4856 El Camino Real (71 units/acre; mixed income) - 4898 El Camino Real (65 units per acre; mixed income) - 330 Distel Circle (108 units/acre; low income) - 5150 El Camino Real (52 units/acre; mixed income) - 4350 El Camino Real (72 units/acre; mixed income) - 4896 El Camino Real (39 units/acre; mixed income) 	<p style="text-align: center;">74-68 units/acre (49-179% of maximum allowed density)</p>	<p style="text-align: center;">80% of maximum allowed density (30.4 units/acre) (44-45% of average development trends)³</p>
CD/R3	<ul style="list-style-type: none"> - 349 First St. (75-106 units/acre; mixed income)* - 444-450 First St. (77 units/acre; mixed income) - 425 First St. (74 units/acre; mixed income) - 385/389 First St. (45 units/acre; mixed income) - 355, 365, 371, 373 First St. (81 units/acre; mixed income) - 440 First St. (31 units/acre; above moderate income) - 376 First St. (75 units/acre; mixed income) - 95 First St. (34 units/acre; mixed income)* 	<p style="text-align: center;">62-65 units/acre</p>	<p style="text-align: center;">70% of average development trends (43-44-5.5 units/acre)</p>
CN	<ul style="list-style-type: none"> - 962 Acacia (18 units/acre; above moderate income) - 996 Loraine Ave. (60 units/acre; mixed income)* 	<p style="text-align: center;">39 units/acre</p>	<p style="text-align: center;">70% of average development trends (27.3 units/acre)</p>
CD	None	N/A	14 units/acre
CRS	<ul style="list-style-type: none"> - 343 Main St. (20 units/acre; above moderate income) 	<p style="text-align: center;">20 units/acre</p>	<p style="text-align: center;">70% of average development trends (14 units/acre)</p>
CRS/OAD	None	N/A	14 units/acre
<p>Note: See Table B-3 for detailed breakdown of project affordability levels.</p> <p>* Projects are in the entitlement phase/under review.</p> <p>¹ No sites are located in the R1-40, R1-20, R3-5, R3-4.5, R3-3, R3-1.8, or R3-1 zoning districts.</p> <p>² Realistic capacity was reduced on certain sites based on constraints (e.g., topography, etc.). For example, 2100 Woods Lane (APNs 34204089 and 34204078) has a maximum capacity of 40 total units, but 11 units are identified for realistic capacity.</p> <p>³ With implementation of the upzoning described in Program 1.B, the sites inventory analysis assumes a realistic capacity for rezoned CT sites at 40 dwelling units per acre (54-59 percent of average development trends in the CT District).</p> <p>Source: City of Los Altos, LWC</p>			

From 2015 to 2021, Los Altos received 18 applications for development within its mixed-use zones (on average three development applications annually). None (zero percent) of these 18

applications over six years proposed 100 percent commercial uses (all included residential units). This demonstrates strong market demand for residential uses within these zones.

Furthermore, with the declining trend of brick-and-mortar retail/commercial coupled with COVID-19 pandemic impacts (e.g., the increasing prevalence of working from home, etc.) and continued demand for housing, the likelihood of 100 percent commercial projects is not expected to increase in the near future. The realistic capacity assumptions for mixed-use zones identified in Table B-5 are conservative, reflecting lower densities than demonstrated trends. For instance, the 330 Distel project approved in September 2022 is entitled for 90 lower-income housing units with no commercial uses in the CT District. This site is 0.83 acres, and the approved density is 108 dwelling units per acre, constituting 285 percent of maximum allowed density (38 units per acre). On average, projects in the CT District are being proposed at ~~74-68~~ dwelling units per acre, or ~~194-179~~ percent of maximum density (see Table B-5). Despite these trends, and as shown in Table B-5, given implementation of upzoning in the CT District described by Program 1.B, the City is only projecting 40 dwelling units per acre as the realistic capacity assumption for development at sites in the CT District. This conservative capacity projection reflects ~~54-59~~ percent of average development trends in the CT District.

Additionally, the Housing Element includes several rezone programs to allow housing in other commercial or public use zones (e.g., the OA and PCF zoning districts), creating additional mixed-use zones at specified rezone sites (see Programs 1.C and 1.D).² While these programs propose a maximum density of 30 dwelling units per acre, and therefore are identified as having capacity for lower-income units, the sites inventory analysis conservatively assumes realistic capacity at the minimum proposed density of 20 dwelling units per acre, a capacity assumption of 66.7 percent. This is lower than current development trends in existing mixed-use zoning districts. In addition to providing new areas of the city where housing will be allowed, various programs will remove constraints and facilitate housing development in mixed-use zones, such as modifying parking requirements (Program 3.A), increasing allowed building heights (Program 3.B), removing site-specific FAR restrictions (Program 3.C), streamlining design review procedures (Program 3.H), incentivizing Downtown lot consolidation (Program 1.I), and taking action to move forward with developing housing on City parking plazas (Program 1.H).

Projects that are below maximum density are constrained by various factors, including but not limited to the City's parking requirements. As discussed in Appendix C, the zoning standards for parking citywide will be evaluated and modified together with strategies for Downtown parking management and modifications to the existing standards adopted to facilitate housing production (Program 3.A).

² There are only two sites zoned PCF that the City is rezoning under Program 1.D to allow for housing: APNs 33609023 and 33609018. In its realistic capacity projections for these sites, the City only considered portions of the areas currently used as surface parking to accommodate housing, anticipating that the sites will continue to operate their existing uses.

mixed-use districts (e.g., the CT District), allow housing in zoning districts that do not currently allow housing (at selected OA and PCF-zoned sites), remove constraining development standards in Loyola Corners, and rezone the Village Court parcel to CT.

B.2.5 Suitability of Nonvacant Sites

Since Los Altos is generally built out, the sites inventory is comprised largely of nonvacant sites. Nonvacant sites are relied on to accommodate more than 50 percent of the City's lower income RHNA; therefore, pursuant to Government Code §65583.2(g)(2), the City also analyzed whether substantial evidence exists to support that existing uses on identified lower income sites will be discontinued during the planning period (2023-2031). To this effect, the resolution adopting the Housing Element includes findings based on substantial evidence (and described more generally below) that the existing uses on identified nonvacant sites are not an impediment to residential development and/or will likely discontinue during the planning period.

Nonvacant parcels included as sites are underutilized with primarily surface parking and commercial buildings where the existing uses are of lower economic viability, substantial opportunity is physically present for additional development, and/or the structures are at or near the end of their useful life. This includes sites with structures (if any) that were built before 1980 (over 42 years old) and the parcel has a low improvement to land value (i.e., below 1.0). The declining trend of brick-and-mortar retail coupled with COVID-19 pandemic impacts has dramatically impacted the viability of many commercial uses—as demonstrated in Table B-3⁴, even several fully-occupied commercial properties and properties with other low-intensity uses are being converted into multi-family and residential mixed-use projects in Los Altos. These conversions are occurring based on the strong demand for housing and lack of vacant land. [This is further supported by recent market data. According to a report by real estate firm Cushman and Wakefield, the Silicon Valley office vacancy rate increased significantly in the second quarter of 2023, finishing at a historic high of 21.6 percent. This decreasing demand for office space supports the conversion of office to housing. Moreover, according to Cushman and Wakefield, in the second quarter of 2023, average asking retail rents in Silicon Valley are down 3.9 percent from one year ago, with the retail vacancy rate hovering at around five percent. Decreasing retail rents demonstrate less demand for retail and serve as additional evidence that existing retail and commercial uses are not impediments to the redevelopment of housing.](#)

One example is the Foothill Crossing Shopping Center (Foothill Crossing; APNs 32601052 and 32601053; 22350 and 22310 Homestead Road), a strip commercial center in Los Altos that contains surface parking lots. Although Foothill Crossing is regularly frequented by customers

⁴ The entitled and proposed projects in Table B-3 generally have Improvement-to-Land Values of approximately 1.0 or less and a building age older than 1980.

and appears to be functioning relatively successfully as a commercial site, an interested applicant recently expressed to the City desire to redevelop Foothill Crossing as a mixed-use site with high-density residential and commercial uses. In addition to proposing housing and new retail, the current conceptual plan preserves key existing retail uses (e.g., Trader Joe's). Foothill Crossing has Improvement-to-Land Value ratios of 0.27 and 0.61 respectively and was constructed in the late 1960s to early 1970s.

In addition to Foothill Crossing, other large commercial centers in Los Altos have been discussed as redevelopment opportunities for housing or mixed-use, including the Rancho Shopping Center (APN 18956014; 600 Foothill Expressway). Rancho Shopping Center has an Improvement-to-Land Value ratio of 0.59 and was built prior to 1980, consistent with the methodology used for identifying other nonvacant sites.⁵ This Housing Element further facilitates development of the Rancho Shopping Center and other commercial centers (i.e., Woodland Plaza) by removing the floor-to-area ratio (FAR) restriction through Program 3.C.⁶ Foothill Crossing, Rancho Shopping Center, and parts of Woodland Plaza are all identified as lower income housing sites. They have similar characteristics to many of the other lower income sites, including:

- Improvement-to-Land Value ratios less than 1.0
- Multi-tenant commercial uses
- Partial occupancy and vacancies, in the case of Foothill Crossing and Rancho Shopping Center

Development trends demonstrate the intensification of underutilized commercial properties into multi-family and high-density residential mixed-use projects. Table B-5 identifies recent development projects and shows average density trends in both residential and mixed-use zones; most of these projects are on nonvacant sites. Existing uses on pipeline project parcels include the following:

- Office buildings
- Commercial buildings (including vacant, partially occupied, and fully occupied)
- Restaurants, including fast food restaurants
- Gas station and convenience mart
- Single-family homes

⁵ See Section B.2.4. These are the same screening criteria used for identifying the lower-income nonvacant sites in Table B-7A, who were also subject to the income categorization described in Section B.2.4

⁶ Woodland Plaza (APNs 31816022, 31816020, 31816019, 31816015) has Improvement-to-Land Value ratios of 0.37, 0.07, 0.46, 0.22, respectively.

Redevelopment of sites with similar conditions to the identified sites is occurring in Los Altos, and recent applications and entitlements consist of residential mixed-use or residential-only projects in all cases. Additionally, nonvacant parcels with development entitled or proposed (Table B-3) have similar characteristics as proposed housing sites, including structure age generally ranging from 1938 to 1980 and improvement to land value ratios below 1.0. Most identified nonvacant sites have improvement to land value ratios below 0.92.

Additionally, potential long-term impacts on how office space will be utilized with the shift to remote work during the COVID-19 pandemic were considered. Identified sites, including those with existing office uses, consist of older buildings with low improvement values where higher intensity residential mixed-use is, or will be, allowed. Moreover, the sites inventory also includes several City-owned parking lots, which, as identified in the Downtown Vision Plan, are opportunity sites that can accommodate new (and in some cases affordable) housing. Program 1.H addresses how the City will facilitate housing on City-owned sites consistent with Surplus Land Act requirements.

Other existing uses on nonvacant sites include low intensity uses. Specifically, church sites have been included based on the screening criteria detailed in Section B.2.4 and City first-hand knowledge. To this effect, AB 1851, approved by the Governor in 2020, facilitates the provision of housing on religious institution property. AB 1851 prohibits cities from requiring the replacement of parking spaces lost due to the construction of housing units, eliminating up to 50 percent of the required number of spaces (Government Code §65913.6). Program 1.D has been included for the City to conduct outreach to religious institution property owners and operators to inform them of AB 1851 and other applicable regulations that encourage housing development.

The screening for potential sites considered these trends and utilized conservative assumptions in projecting units well below observed densities for residential and mixed-use projects. Lastly, the City is unaware of any leases, contracts, or conditions that would perpetuate existing uses or prevent the development of housing on nonvacant sites during the planning period. During development and public review of the Draft Housing Element, no additional lease information was found to preclude identified housing sites from the inventory.

~~The following table~~ Table B-7A below lists the existing uses on lower income sites, including potential sites for rezoning. These existing uses are not considered to be an impediment to the development of housing during the planning period (2023-2031) based on development trends, market conditions, and redevelopment potential (e.g., building age, property condition, improvement-to-land-value ratio, existing use, etc.). Many lower income sites are surface parking lots with underutilized and/or underperforming multi-tenant commercial uses or offices (similar to the existing or previous uses at sites containing proposed and entitled projects identified in Table B-3) where significant development intensity can be achieved. As shown in Table B-7A, owner interest in property redevelopment for housing has been indicated for several nonvacant lower income sites. As evidenced by interest in projects such as the possible redevelopment of Foothill Crossing as a mixed-use site and entitlement of 330 Distel Circle for affordable housing described above, there is development pressure in Los Altos and throughout the Bay Area for multi-tenant

commercial and office uses to convert to housing, including the conversion of unoccupied, partially-occupied, or even well-functioning commercial or office uses (e.g., Foothill Crossing Shopping Center discussed above). Several uses identified in Table B-7A (e.g., multi-tenant commercial, including restaurants, offices) are uses currently being redeveloped into housing as shown in Table B-3.

Moreover, as shown below, many lower-income sites are located along or near major thoroughfares such as El Camino Real and are zoned CT (also mirroring sites in Table B-3 that are redeveloping for housing). As described in Section B.2.3 and in Table B-5, projects in the CT District are being proposed on average at 74-68 dwelling units per acre, approximately 194-179 percent of maximum density, further indicating strong residential demand at these and at similar parcels. This strong demand for added density in the CT District⁷ supports redevelopment of parcels in Table B-7A, even in cases where the Improvement-to-Land Value exceeds 1.0 or the existing building was built after 1980. Table B-11 conservatively projects realistic capacity in the CT District at 40 dwelling units per acre, consistent with the upzoning proposed as part of Program 1.B.

Parcels along other key thoroughfares such as Foothill Expressway and San Antonio Road (especially OA-zoned site near Downtown Los Altos) could also accommodate similar pent-up demand in areas where residential is not currently allowed. Table B-7A identifies characteristics of the nonvacant lower income housing sites, which are similar to properties proposed for or under development for housing (Table B-3) or that have property owner interest or other factors making them suitable for housing during the planning period (e.g., church site, etc.).

Table B-7B identifies characteristics of the nonvacant moderate and above moderate-income housing sites, including sites identified for rezoning. These sites are also similar to properties proposed for or under development for housing (Table B-3) or have property owner interest or other factors making them suitable for housing during the planning period (e.g., restaurants, occupied, partially occupied, and vacant commercial or office buildings, etc.).

For both nonvacant lower income sites and nonvacant moderate and above moderate-income sites, existing uses are not considered to be an impediment to the development of housing during the planning period (2023-2031) based on development trends, market conditions, and redevelopment potential, based on factors such as:

- Building age
- Improvement-to-land-value (ILV) ratio
- Property or structural condition

⁷ As identified in Table B-3, there are currently four housing projects on El Camino Real in the CT District in the City's development pipeline.

- Existing floor-to-area ratio (FAR)⁸
- Lack of significant improvements as evidenced by recent building permit data (over approximately the last 30 years)
- Significant or partial vacancy
- Frequent turnover based on City business license records

For example, housing projects identified in Table B-3 at 343 Main Street (zoned CRS) and 4898 El Camino Real (zoned CT) are replacing existing commercial buildings with a FAR of 0.78, while housing projects at 349 First Street and 95 First Street (both zoned CD/R3) are both replacing existing offices with FARs of 0.77 and 0.75, respectively. In addition to meeting the building age and ILV ratio criteria identified in Section B.2.4 above, many of the parcels in Table B-7B below also have existing FARs similar or lower to those identified above, indicating realistic development potential. Furthermore, the building permit records of the nonvacant parcels identified in Tables B-7A and B-7B below generally demonstrate a lack of significant structural improvements to existing buildings over the last 30 years; this serves as an additional indicator that the nonvacant sites have not received significant investment that would preclude or impede their redevelopment as housing during the planning period.

⁸ Existing FAR was considered rather than a ratio of existing to allowable FAR since the Los Altos Municipal Code does not set forth maximum FAR for the identified sites, or the existing FAR standard will be removed (i.e., Program 3.C).

Table B-7A: Existing Uses on Nonvacant Lower Income Sites and Potential Sites for Rezoning for Lower Income

Address	APN	Zone	Parcel Size (acres)	Existing Use	Improvement to Land Value	Year Built	Existing FAR	Additional Indicators of Redevelopment Potential
1188 LOS ALTOS AVE	16710094*	CT	0.51	Commercial and surface parking	1.15	1956	<u>0.29</u>	<u>No record of structural improvements in 30 years. Low FAR.</u>
EL CAMINO REAL	17003084*	CT	0.54	Surface parking lot	0	0	<u>0</u>	<u>Surface parking lot.</u>
4844 EL CAMINO REAL	17002023*	CT	0.55	Retail store (candy shop) and surface parking lot	1.57	0	<u>0.08</u>	<u>Low FAR; primarily surface parking. Owner interest in property redevelopment for housing. No record of structural improvements in 30 years. Low FAR.</u>
4500 EL CAMINO REAL	16712045*	CT	0.56	Multi-tenant (personal services - massage, hair studio, fencing club) and surface parking lot	1.73	1976	<u>0.28</u>	<u>Low FAR; high turnover evidenced by business license history. Owner interest in property redevelopment for housing. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
5000 EL CAMINO REAL	17004050*	CT	0.62	Carl's Jr. and surface parking lot ¹	0.11	1974	<u>0.14</u>	<u>Owner interest in property redevelopment for housing. No record of structural improvements in 30 years. Site is similar to existing fast food pipeline site at 4896 El Camino Real in Table B-3. Low FAR.</u>
4906 EL CAMINO REAL	17003077*	CT	0.69	Multi-tenant (medical, dental, and other offices) and surface parking lot ¹	1.16	1984	<u>0.39</u>	<u>Owner interest in property redevelopment for housing. No record of structural improvements in 30 years. Low FAR. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
2057 GRANT RD	31816020	CN	0.71	Multi-tenant (commercial – cleaning services) and surface parking lot	0.07	1959	<u>0.24</u>	<u>Low FAR. No structural improvements in last 30 years. No record of structural improvements in 30 years. No record of structural improvements in 30 years. Similar to other multi-tenant commercial</u>

Table B-7A: Existing Uses on Nonvacant Lower Income Sites and Potential Sites for Rezoning for Lower Income

Address	APN	Zone	Parcel Size (acres)	Existing Use	Improvement to Land Value	Year Built	Existing FAR	Additional Indicators of Redevelopment Potential
								<u>uses that are redeveloping into housing in Table B-3.</u>
4970 EL CAMINO REAL	17064120*	CT	0.78	Multi-tenant offices and surface parking lot ¹	1.15	1956	<u>0.67</u>	<u>Owner interest in property redevelopment for housing. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3. Low FAR.</u>
2111 GRANT RD	31816019	CN	0.88	Portion of Woodland Plaza Grocery store and surface parking lot	0.46	0	<u>0.25</u>	<u>Low FAR; per Program 3.C, the FAR constraint for this site will be removed. No record of structural improvements in 30 years.</u>
4988 EL CAMINO REAL	17064119*	CT	0.94	Partially occupied multi-tenant (tax and accounting services, other general offices) and surface parking lot ¹	0.13	1981	<u>0.79</u>	<u>Owner interest in property redevelopment for housing. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
4926 EL CAMINO REAL	17003073*	CT	1.05	Restaurant and surface parking lot	0.05	1968	<u>0.21</u>	<u>Low FAR; high turnover evidenced by business license history. No record of structural improvements in 30 years. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.</u>
4546 X EL CAMINO REAL	16712047*	CT	1.68	Portion of Village Court Partially occupied multi-tenant (commercial, including restaurants, general and medical offices, insurance and financial institutions) and surface parking lot	0	1964	<u>0.33</u>	<u>Low FAR; high turnover evidenced by business license history. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
22350 HOMESTEAD RD	32601052	CN	2.08	Portion of Foothill Crossing Partially occupied multi-tenant commercial and surface parking lot ¹	0.27	1969	<u>0.27</u>	<u>Owner interest in property redevelopment for housing – conceptual plan for redevelopment provided. No record of structural improvements in 30 years. Low FAR. Similar to other multi-tenant</u>

Table B-7A: Existing Uses on Nonvacant Lower Income Sites and Potential Sites for Rezoning for Lower Income

Address	APN	Zone	Parcel Size (acres)	Existing Use	Improvement to Land Value	Year Built	Existing FAR	Additional Indicators of Redevelopment Potential
								<u>commercial uses that are redeveloping into housing in Table B-3.</u>
22310 HOMESTEAD RD	32601053	CN	2.94	Portion of Foothill Crossing Partially occupied multi-tenant commercial and surface parking lot ¹	0.61	1973	<u>0.37</u>	<u>Owner interest in property redevelopment for housing – conceptual plan for redevelopment provided. No record of structural improvements in 30 years. Low FAR. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
2185 GRANT RD	31816022	CN	3.34	Portion of Woodland Plaza Grocery store and surface parking lot	0.37	1997	<u>0.26</u>	<u>Primarily a surface parking lot with low utilization, where available parking is in excess of the demand. Low FAR; per Program 3.C, the FAR constraint for this site will be removed. Site has not undergone significant improvements since initial construction in 1997. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
600 FOOTHILL EX	18956014	CN	6.00	Rancho Shopping Center Partially occupied multi-tenant (coffee shop, postal services, exercise gym, restaurants, barbershop, real estate, beauty salon) and surface parking lot	0.59	1900	<u>0.32</u>	<u>Low FAR; per Program 3.C, the FAR constraint for this site will be removed. High turnover evidenced by business license history. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
895 SHERWOOD AV	17001055*	OA	0.56	Multi-tenant (massage and fitness studio) and surface parking lot	0.81	1973	<u>0.24</u>	<u>Low FAR; similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>

Table B-7A: Existing Uses on Nonvacant Lower Income Sites and Potential Sites for Rezoning for Lower Income

Address	APN	Zone	Parcel Size (acres)	Existing Use	Improvement to Land Value	Year Built	Existing FAR	Additional Indicators of Redevelopment Potential
745 DISTEL DR	17004045*	OA	0.56	Multi-tenant (architecture and financial services offices)	0	1963	<u>0.38</u>	<u>Low FAR; similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
289 S SAN ANTONIO RD	17041086*	OA	0.60	Multi-tenant (title company, financial services, pool and spa) and surface parking lot ¹	2.11	1977	<u>0.63</u>	<u>Owner interest in property redevelopment for housing. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
901 FREMONT AV	18915106*	CN	0.70	Bank and surface parking lot	0.53	1961	<u>0.16</u>	<u>Low FAR; primarily surface parking. No record of structural improvements in 30 years.</u>
399 S SAN ANTONIO RD	17040082*	OA	0.76	Mortuary and surface parking lot	0	0	<u>0.23</u>	<u>Low FAR; primarily surface parking. No record of structural improvements in 30 years.</u>
161 S SAN ANTONIO RD	17042028*	OA	0.90	Multi-tenant (real estate offices) and surface parking lot	0.71	1979	<u>0.74</u>	<u>Similar to other multi-tenant office uses that are redeveloping into housing in Table B-3. Low FAR.</u>
211 S SAN ANTONIO RD	17041079*	OA	0.99	Bank and surface parking lot	0.35	0	<u>0.39</u>	<u>Low FAR; primarily surface parking. No record of structural improvements in 30 years.</u>
1000 FREMONT AV	31801036*	CN	1.22	Partially occupied multi-tenant commercial and surface parking lot ¹	1.22	1960	<u>0.53</u>	<u>Owner interest in property redevelopment for housing. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>

Table B-7A: Existing Uses on Nonvacant Lower Income Sites and Potential Sites for Rezoning for Lower Income

Address	APN	Zone	Parcel Size (acres)	Existing Use	Improvement to Land Value	Year Built	Existing FAR	Additional Indicators of Redevelopment Potential
851 FREMONT AV	18914081*	OA	1.85	Partially occupied multi-tenant (medical offices) and surface parking lot	0.75	1970	<u>0.79</u>	<u>No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
4546 EL CAMINO REAL ²	16712042*	R1-10	2.78	Portion of Village Court Shopping Center Partially occupied multi-tenant (general and medical offices, commercial services and retail, including massage, postal services, therapy) and surface parking lot ¹	3.71	1964	<u>0.35</u>	<u>Property owner interest in redevelopment. No record of structural improvements in 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3. Low FAR. Parking lot with low utilization, where available parking is in excess of the demand</u>
655 MAGDALENA AV ³	33609023*	PCF	6.06	Los Altos United Methodist Church, preschool, and surface parking lot	18	0	<u>0.28</u>	<u>Low FAR; Considering only a portion of site as potential opportunity for housing capacity. No record of structural improvements in 30 years.</u>
625 MAGDALENA AV ³	33609018*	PCF	6.50	Bridges Community Church and surface parking lot	12.31	0	<u>0.18</u>	<u>Low FAR; Considering only a portion of site as potential opportunity for housing capacity. No record of structural improvements in 30 years.</u>

*These parcels are rezone sites.

¹ Owner interest in property redevelopment for housing indicated.

² APN 16712042 (4546 El Camino Real) would be rezoned CT under the rezoning program (Program 1.F), and therefore would accommodate lower income units.

³ Only a portion of the parking lots of these church sites are projected to accommodate housing; the existing church use on each site is anticipated to continue. This is reflected in the assumed realistic capacity identified in Table B-11.

Source: City of Los Altos, Santa Clara County Assessor, LWC

Table B-7B: Existing Uses on Nonvacant Moderate/Above Moderate-Income Sites and Potential Sites for Rezoning for Moderate/Above Moderate-Income

<u>Address</u>	<u>APN</u>	<u>Zone</u>	<u>Parcel Size (acres)</u>	<u>Existing Use</u>	<u>Improvement to Land Value</u>	<u>Existing FAR</u>	<u>Year Built</u>	<u>Additional Indicators of Redevelopment Potential</u>
<u>392 1st St</u>	<u>16741007</u>	<u>CD/R3</u>	<u>0.26</u>	<u>Offices or commercial with surface parking</u>	<u>0.50</u>	<u>0.52</u>	<u>1958</u>	<u>Low FAR. No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>146 Main St</u>	<u>16738020</u>	<u>CRS</u>	<u>0.28</u>	<u>Los Altos Masonic building</u>	<u>0.92</u>	<u>1.50</u>	<u>0</u>	<u>No structural improvements in last 30 years.</u>
<u>342 1st St</u>	<u>16741065</u>	<u>CRS</u>	<u>0.29</u>	<u>Surface parking lot</u>	<u>0.05</u>	<u>-</u>	<u>0</u>	<u>Surface parking lot.</u>
<u>4646 El Camino Real</u>	<u>17001088</u>	<u>CN</u>	<u>0.29</u>	<u>Offices or commercial and surface parking lot</u>	<u>0.47</u>	<u>0.30</u>	<u>1958</u>	<u>Low FAR. No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>2235 Grant Rd</u>	<u>31816011</u>	<u>CN</u>	<u>0.30</u>	<u>Offices or commercial and surface parking lot</u>	<u>0.10</u>	<u>0.50</u>	<u>1961</u>	<u>Low FAR; appears vacant. No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>169 Main St</u>	<u>16738008</u>	<u>CRS</u>	<u>0.30</u>	<u>Multiple or Strip Stores</u>	<u>0.86</u>	<u>1.57</u>	<u>1952</u>	<u>No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>994 Acacia Av</u>	<u>17001047</u>	<u>CN</u>	<u>0.31</u>	<u>Residential or commercial with surface parking</u>	<u>0.17</u>	<u>0.13</u>	<u>1924</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>2249 Grant Rd</u>	<u>31816009</u>	<u>CN</u>	<u>0.31</u>	<u>Commercial building with surface parking</u>	<u>0.49</u>	<u>0.32</u>	<u>1962</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>5084 El Camino Real</u>	<u>17004065</u>	<u>CT</u>	<u>0.31</u>	<u>Individual Retail Stores¹</u>	<u>1.16</u>	<u>0.61</u>	<u>1950</u>	<u>Owner interest in property redevelopment for housing. Low FAR. No structural improvements in last 30 years.</u>
<u>2073 Grant Rd</u>	<u>31816015</u>	<u>CN</u>	<u>0.32</u>	<u>Auto Service, Garages and surface parking</u>	<u>0.22</u>	<u>0.30</u>	<u>1959</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>Parking Lot</u>	<u>16738038</u>	<u>CRS</u>	<u>0.34</u>	<u>Surface parking</u>	<u>0.00</u>	<u>-</u>	<u>0</u>	<u>Surface parking lot.</u>
<u>2251 Grant Rd</u>	<u>31816008</u>	<u>CN</u>	<u>0.44</u>	<u>Offices and surface parking lot</u>	<u>0.27</u>	<u>0.53</u>	<u>1975</u>	<u>Low FAR. No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>1st St Parking Lot</u>	<u>16739057</u>	<u>CRS</u>	<u>0.57</u>	<u>Surface parking lot</u>	<u>NA</u>	<u>-</u>	<u>0</u>	<u>City parking lot. Housing will be developed on City parking lots per Program 1.H.</u>

Table B-7B: Existing Uses on Nonvacant Moderate/Above Moderate-Income Sites and Potential Sites for Rezoning for Moderate/Above Moderate-Income

<u>Address</u>	<u>APN</u>	<u>Zone</u>	<u>Parcel Size (acres)</u>	<u>Existing Use</u>	<u>Improvement to Land Value</u>	<u>Existing FAR</u>	<u>Year Built</u>	<u>Additional Indicators of Redevelopment Potential</u>
<u>4th St</u>	<u>16738029</u>	<u>CRS</u>	<u>0.58</u>	<u>Surface parking lot</u>	<u>NA</u>	<u>-</u>	<u>0</u>	<u>City parking lot. Housing will be developed on City parking lots per Program 1.H.</u>
<u>State St</u>	<u>16738028</u>	<u>CRS</u>	<u>0.58</u>	<u>Surface parking lot</u>	<u>NA</u>	<u>-</u>	<u>0</u>	<u>City parking lot. Housing will be developed on City parking lots per Program 1.H.</u>
<u>2nd St</u>	<u>16739069</u>	<u>CRS</u>	<u>0.60</u>	<u>Surface parking lot</u>	<u>NA</u>	<u>-</u>	<u>0</u>	<u>City parking lot. Housing will be developed on City parking lots per Program 1.H.</u>
<u>342 1st St</u>	<u>16741003</u>	<u>CRS</u>	<u>1.00</u>	<u>Supermarket w. surface parking lot</u>	<u>0.52</u>	<u>0.51</u>	<u>1966</u>	<u>Low FAR. No structural improvements in last 30 years. Site is primarily a parking lot.</u>
<u>1st St</u>	<u>16739032</u>	<u>CRS</u>	<u>1.04</u>	<u>Surface parking lot</u>	<u>NA</u>	<u>-</u>	<u>0</u>	<u>City parking lot. Housing will be developed on City parking lots per Program 1.H.</u>
<u>2nd St, Plaza North</u>	<u>16739007</u>	<u>CRS</u>	<u>1.18</u>	<u>Surface parking lot</u>	<u>NA</u>	<u>-</u>	<u>0</u>	<u>City parking lot. Housing will be developed on City parking lots per Program 1.H.</u>
<u>355 State St</u>	<u>16739060</u>	<u>CRS</u>	<u>0.05</u>	<u>Restaurants, Bars</u>	<u>0.46</u>	<u>0.95</u>	<u>1962</u>	<u>No structural improvements in last 30 years. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.</u>
<u>168 Main St</u>	<u>16738024</u>	<u>CRS</u>	<u>0.05</u>	<u>Commercial and surface parking lot</u>	<u>0.48</u>	<u>0.61</u>	<u>1957</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>290 Main St</u>	<u>16739105</u>	<u>CRS</u>	<u>0.05</u>	<u>Commercial</u>	<u>0.76</u>	<u>1.01</u>	<u>1940</u>	<u>No structural improvements in last 30 years.</u>
<u>380 Main St</u>	<u>16739089</u>	<u>CRS</u>	<u>0.05</u>	<u>Commercial and surface parking lot</u>	<u>0.35</u>	<u>0.55</u>	<u>1950</u>	<u>Low FAR. No structural improvements in last 30 years</u>
<u>334 Main St</u>	<u>16739084</u>	<u>CRS</u>	<u>0.05</u>	<u>Commercial</u>	<u>1.00</u>	<u>1.04</u>	<u>1959</u>	<u>No structural improvements in last 30 years</u>
<u>346 Main St</u>	<u>16739085</u>	<u>CRS</u>	<u>0.05</u>	<u>Commercial and surface parking lot</u>	<u>0.39</u>	<u>0.40</u>	<u>1910</u>	<u>Low FAR. No structural improvements in last 30 years</u>
<u>991 N San Antonio Rd</u>	<u>17001029</u>	<u>CN</u>	<u>0.05</u>	<u>Commercial and surface parking lot</u>	<u>0.41</u>	<u>0.67</u>	<u>1942</u>	<u>Low FAR. No structural improvements in last 30 years</u>
<u>252 Main St</u>	<u>16739075</u>	<u>CRS</u>	<u>0.06</u>	<u>Commercial and surface parking lot</u>	<u>0.17</u>	<u>0.89</u>	<u>1951</u>	<u>No structural improvements in last 30 years</u>
<u>1005 Acacia Av</u>	<u>17001045</u>	<u>CN</u>	<u>0.06</u>	<u>Surface parking lot</u>	<u>0.00</u>	<u>-</u>	<u>1940</u>	<u>Surface parking lot.</u>

Table B-7B: Existing Uses on Nonvacant Moderate/Above Moderate-Income Sites and Potential Sites for Rezoning for Moderate/Above Moderate-Income

<u>Address</u>	<u>APN</u>	<u>Zone</u>	<u>Parcel Size (acres)</u>	<u>Existing Use</u>	<u>Improvement to Land Value</u>	<u>Existing FAR</u>	<u>Year Built</u>	<u>Additional Indicators of Redevelopment Potential</u>
<u>398 Main St</u>	<u>16739091</u>	<u>CRS</u>	<u>0.06</u>	<u>Commercial</u>	<u>0.51</u>	<u>1.64</u>	<u>1910</u>	<u>No structural improvements in last 30 years</u>
<u>242 State St</u>	<u>16739011</u>	<u>CRS</u>	<u>0.06</u>	<u>Restaurants, Bars</u>	<u>0.67</u>	<u>1.01</u>	<u>1960</u>	<u>No structural improvements in last 30 years. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.</u>
<u>244 State St</u>	<u>16739012</u>	<u>CRS</u>	<u>0.06</u>	<u>Restaurants, Bars</u>	<u>0.47</u>	<u>0.46</u>	<u>1920</u>	<u>No structural improvements in last 30 years. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.</u>
<u>351 Main St</u>	<u>16740004</u>	<u>CRS</u>	<u>0.06</u>	<u>Commercial with surface parking lot</u>	<u>0.50</u>	<u>0.63</u>	<u>1925</u>	<u>Low FAR; No structural improvements in last 30 years.</u>
<u>60 Main St</u>	<u>16738057</u>	<u>CRS/OAD</u>	<u>0.06</u>	<u>Office or church</u>	<u>0.72</u>	<u>0.57</u>	<u>1963</u>	<u>Low FAR; No structural improvements in last 30 years.</u>
<u>189 Main St</u>	<u>16738053</u>	<u>CRS</u>	<u>0.06</u>	<u>Commercial or Offices</u>	<u>0.25</u>	<u>0.89</u>	<u>1960</u>	<u>No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>4598 El Camino Real</u>	<u>17001036</u>	<u>CN</u>	<u>0.07</u>	<u>Commercial and surface parking lot</u>	<u>0.86</u>	<u>0.91</u>	<u>1960</u>	<u>No structural improvements in last 30 years. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.</u>
<u>N San Antonio Rd</u>	<u>17001035</u>	<u>CN</u>	<u>0.07</u>	<u>Surface parking lot</u>	<u>0.00</u>	<u>-</u>	<u>0</u>	<u>Surface parking lot.</u>
<u>399 1st St</u>	<u>16741021</u>	<u>CD/R3</u>	<u>0.07</u>	<u>Restaurant and surface parking lot</u>	<u>0.40</u>	<u>0.53</u>	<u>1951</u>	<u>Vacant restaurant. No structural improvements in last 30 years. Low FAR. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.</u>
<u>395 1st St</u>	<u>16741022</u>	<u>CD/R3</u>	<u>0.07</u>	<u>Office and surface parking lot</u>	<u>0.13</u>	<u>0.42</u>	<u>1954</u>	<u>Vacant building. No structural improvements in last 30 years. Low FAR.</u>
<u>248 Main St</u>	<u>16739074</u>	<u>CRS</u>	<u>0.07</u>	<u>Commercial or office with surface parking</u>	<u>0.66</u>	<u>0.62</u>	<u>1948</u>	<u>No structural improvements in last 30 years. Low FAR.</u>
<u>139 1st St</u>	<u>16739043</u>	<u>CD/R3</u>	<u>0.08</u>	<u>Auto Service, Garages¹</u>	<u>2.41</u>	<u>0.44</u>	<u>1949</u>	<u>Owner interest in property redevelopment for housing.</u>
<u>141 1st St</u>	<u>16739042</u>	<u>CD/R3</u>	<u>0.08</u>	<u>General Office¹</u>	<u>3.09</u>	<u>0.41</u>	<u>2008</u>	<u>Owner interest in property redevelopment for housing.</u>

Table B-7B: Existing Uses on Nonvacant Moderate/Above Moderate-Income Sites and Potential Sites for Rezoning for Moderate/Above Moderate-Income

Address	APN	Zone	Parcel Size (acres)	Existing Use	Improvement to Land Value	Existing FAR	Year Built	Additional Indicators of Redevelopment Potential
1019 N San Antonio Rd	17001030	CN	0.08	Surface parking lot	0.00	-	0	Surface parking lot.
170 Main St	16738025	CRS	0.09	Bank and surface parking	0.00	0.22	0	No structural improvements in last 30 years. Low FAR.
1st St	16741006	CD/R3	0.10	Surface parking lot	0.00	-	0	Surface parking lot.
179 Main St	16738052	CRS	0.10	Commercial/restaurant	0.12	1.01	1952	No structural improvements in last 30 years. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.
133 Main St	16738013	CRS	0.10	Commercial stores	0.32	1.02	1955	No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.
925 N San Antonio Rd	17001026	CN	0.10	Dentist Office and surface parking	0.92	0.39	1961	No structural improvements in last 30 years. Low FAR.
4th St	16738051	CRS	0.10	Surface parking lot	NA	1.01	0	City parking lot. Housing will be developed on City parking lots per Program 1.H.
141 Main St	16738012	CRS	0.10	Commercial and restaurant	0.74	1.02	1952	No structural improvements in last 30 years. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.
1st St	16741016	CD/R3	0.11	Surface parking lot	0.03	-	0	Surface parking lot.
285 State St	16739064	CRS	0.11	Stores	0.29	1.01	1953	No structural improvements in last 30 years.
Sherwood Av	17001064	CN	0.11	Offices	0.00	2.17	0	No structural improvements in last 30 years.
262 Main St	16739076	CRS	0.11	Commercial and surface parking	0.86	0.82	1950	No structural improvements in last 30 years.
988 Sherwood Av	17001042	CN	0.12	Surface parking lot	0.00	-	1900	Surface parking lot.
952 Acacia Av	17001049	CN	0.12	Surface parking lot	0.62	-	1947	Surface parking lot.
252 State St	16739097	CRS	0.12	Commercial	0.89	0.98	1939	No structural improvements in last 30 years.

Table B-7B: Existing Uses on Nonvacant Moderate/Above Moderate-Income Sites and Potential Sites for Rezoning for Moderate/Above Moderate-Income

<u>Address</u>	<u>APN</u>	<u>Zone</u>	<u>Parcel Size (acres)</u>	<u>Existing Use</u>	<u>Improvement to Land Value</u>	<u>Existing FAR</u>	<u>Year Built</u>	<u>Additional Indicators of Redevelopment Potential</u>
<u>357 Main St</u>	<u>16740003</u>	<u>CRS</u>	<u>0.12</u>	<u>Commercial</u>	<u>0.58</u>	<u>1.06</u>	<u>1936</u>	<u>No structural improvements in last 30 years.</u>
<u>435 1st St</u>	<u>16741018</u>	<u>CD/R3</u>	<u>0.12</u>	<u>Stores and surface parking</u>	<u>0.19</u>	<u>0.57</u>	<u>1946</u>	<u>No structural improvements in last 30 years. Low FAR.</u>
<u>366 1st St</u>	<u>16741051</u>	<u>CD/R3</u>	<u>0.12</u>	<u>Commercial or office with surface parking</u>	<u>0.00</u>	<u>0.35</u>	<u>1955</u>	<u>No structural improvements in last 30 years. Low FAR.</u>
<u>160 Main St</u>	<u>16738021</u>	<u>CRS</u>	<u>0.12</u>	<u>Office or commercial building with surface parking</u>	<u>0.87</u>	<u>1.03</u>	<u>1955</u>	<u>No structural improvements in last 30 years.</u>
<u>147 Main St</u>	<u>16738011</u>	<u>CRS</u>	<u>0.13</u>	<u>Commercial building</u>	<u>0.99</u>	<u>0.82</u>	<u>1954</u>	<u>No structural improvements in last 30 years.</u>
<u>905 N San Antonio Rd</u>	<u>17001023</u>	<u>CN</u>	<u>0.14</u>	<u>Commercial and surface parking lot</u>	<u>0.24</u>	<u>0.44</u>	<u>1955</u>	<u>No structural improvements in last 30 years. Low FAR.</u>
<u>270 2nd St</u>	<u>16740073</u>	<u>CD</u>	<u>0.14</u>	<u>Parking for Existing Office Buildings</u>	<u>0.00</u>	<u>0</u>	<u>0</u>	<u>Parking lot</u>
<u>151 Main St</u>	<u>16738010</u>	<u>CRS</u>	<u>0.15</u>	<u>Commercial</u>	<u>0.82</u>	<u>1.02</u>	<u>1954</u>	<u>No structural improvements in last 30 years.</u>
<u>394 2nd St</u>	<u>16741054</u>	<u>CD</u>	<u>0.16</u>	<u>Surface parking lot</u>	<u>0.01</u>	<u>-</u>	<u>0</u>	<u>Surface parking lot.</u>
<u>325 1st St</u>	<u>16740050</u>	<u>CD/R3</u>	<u>0.16</u>	<u>Commercial or industrial building</u>	<u>0.44</u>	<u>0.57</u>	<u>1954</u>	<u>No structural improvements in last 30 years. Low FAR.</u>
<u>317 1st St</u>	<u>16740051</u>	<u>CD/R3</u>	<u>0.16</u>	<u>Auto Service, Garages</u>	<u>0.12</u>	<u>0.46</u>	<u>1962</u>	<u>No structural improvements in last 30 years. Low FAR.</u>
<u>309 1st St</u>	<u>16740052</u>	<u>CD/R3</u>	<u>0.16</u>	<u>Auto Service, Garages</u>	<u>0.87</u>	<u>1.02</u>	<u>1924</u>	<u>No structural improvements in last 30 years.</u>
<u>2nd St</u>	<u>16740042</u>	<u>CD</u>	<u>0.16</u>	<u>Surface parking lot</u>	<u>0.00</u>	<u>-</u>	<u>0</u>	<u>Surface parking lot.</u>
<u>127 1st St</u>	<u>16739045</u>	<u>CD/R3</u>	<u>0.16</u>	<u>Restaurants, Bars¹</u>	<u>0.46</u>	<u>0.59</u>	<u>1998</u>	<u>Owner interest in property redevelopment for housing. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.</u>
<u>145 1st St</u>	<u>16739041</u>	<u>CD/R3</u>	<u>0.16</u>	<u>Restaurants with surface parking</u>	<u>0.56</u>	<u>0.81</u>	<u>1950</u>	<u>No structural improvements in last 30 years. Site is similar to existing restaurant pipeline site 376 First St. in Table B-3.</u>

Table B-7B: Existing Uses on Nonvacant Moderate/Above Moderate-Income Sites and Potential Sites for Rezoning for Moderate/Above Moderate-Income

Address	APN	Zone	Parcel Size (acres)	Existing Use	Improvement to Land Value	Existing FAR	Year Built	Additional Indicators of Redevelopment Potential
151 1st St	16739040	CD/R3	0.16	Store and surface parking	0.67	-	1974	No structural improvements in last 30 years. Low FAR
129 1st St	16739044	CD/R3	0.16	Individual Retail Stores¹	0.85	0.43	2008	Owner interest in property redevelopment for housing. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.
Parking Lot Only	16738050	CD/R3	0.16	Surface parking lot	0.00	-	0	Surface parking lot.
101 1st St	16739127	CD/R3	0.17	Offices or commercial and surface parking	0.07	0.45	1980	No structural improvements in last 30 years. Low FAR
Orange Av	17516020	R1-10	0.18	Surface parking lot	0.18	-	0	Surface parking lot.
4th St	16738049	CRS	0.18	Surface parking lot	NA	-	0	City parking lot. Housing will be developed on City parking lots per Program 1.H.
987 Acacia Av	17001043	CN	0.18	Commercial or Residential	0.15	-	1945	Appears to be vacant
1031 N San Antonio Rd	17001032	CN	0.19	Restaurants, Bars and surface parking	0.42	0.36	1946	Site is similar to existing restaurant pipeline site 376 First St. in Table B-3. Low FAR
32 Loucks Av	16716018	CT	0.20	Surface parking lot	0.20	0.35	1900	Parking lot
971 N San Antonio Rd	17001027	CN	0.21	Restaurant and surface parking	0.15	0.65	1953	Site is similar to existing restaurant pipeline site 376 First St. in Table B-3. Low FAR
942 Acacia Av	17001051	CN	0.23	Home or commercial building with surface parking	0.40	0.22	1950	No structural improvements in last 30 years. Low FAR
994 Sherwood Av	17001086	CN	0.23	Surface parking lot	0.11	-	1900	Surface parking lot.
915 N San Antonio Rd	17001025	CN	0.24	Offices or commercial with surface parking	0.57	0.66	1930	No structural improvements in last 30 years. Low FAR
416 2nd St	16741072	CD	0.30	Restaurants, Bars	0.46	0.63	1950	Site is similar to existing restaurant pipeline site 376 First St. in Table B-3. No structural improvements in last 30 years.
330 2nd St	16741046	CD	0.33	General Office and surface parking	0.80	-	1964	No structural improvements in last 30 years.

Table B-7B: Existing Uses on Nonvacant Moderate/Above Moderate-Income Sites and Potential Sites for Rezoning for Moderate/Above Moderate-Income

<u>Address</u>	<u>APN</u>	<u>Zone</u>	<u>Parcel Size (acres)</u>	<u>Existing Use</u>	<u>Improvement to Land Value</u>	<u>Existing FAR</u>	<u>Year Built</u>	<u>Additional Indicators of Redevelopment Potential</u>
<u>275 3rd St</u>	<u>16738065</u>	<u>CD</u>	<u>0.46</u>	<u>Bank and surface parking lot</u>	<u>0.25</u>	<u>0.25</u>	<u>1977</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>301 2nd St</u>	<u>16740056</u>	<u>CD</u>	<u>0.80</u>	<u>Commercial building and surface parking lot</u>	<u>0.14</u>	<u>0.45</u>	<u>1963</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>1st St</u>	<u>16740039</u>	<u>CD</u>	<u>1.06</u>	<u>Surface parking lot</u>	<u>NA</u>	<u>-</u>	<u>0</u>	<u>City parking lot. Housing will be developed on City parking lots per Program 1.H.</u>
<u>2nd St</u>	<u>16740072</u>	<u>CD</u>	<u>1.07</u>	<u>Commercial Open Space Uses, Public Parking Lots</u>	<u>NA</u>	<u>-</u>	<u>0</u>	<u>City parking lot. Housing will be developed on City parking lots per Program 1.H.</u>
<u>701 Catalina Wy</u>	<u>17012042</u>	<u>R1-10</u>	<u>1.70</u>	<u>Church w. surface parking lot</u>	<u>0.10</u>	<u>0.23</u>	<u>0</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>No Address</u>	<u>16738002</u>	<u>CD</u>	<u>2.03</u>	<u>Surface parking lot</u>	<u>NA</u>	<u>-</u>	<u>0</u>	<u>City parking lot. Housing will be developed on City parking lots per Program 1.H.</u>
<u>2100 Woods Ln</u>	<u>34204089</u>	<u>R1-10</u>	<u>7.97</u>	<u>Potentially a school w. a playground related to a church</u>	<u>0.00</u>	<u>0.01</u>	<u>1971</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>B St</u>	<u>18915088*</u>	<u>CN</u>	<u>0.09</u>	<u>Surface parking lot</u>	<u>0.02</u>	<u>-</u>	<u>1900</u>	<u>Surface parking lot.</u>
<u>1564 Miramonte Av</u>	<u>18915090*</u>	<u>CN</u>	<u>0.11</u>	<u>Offices and Surface Parking lot</u>	<u>0.78</u>	<u>0.40</u>	<u>1954</u>	<u>Low FAR. No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>1530 Miramonte Av</u>	<u>18915042*</u>	<u>CN</u>	<u>0.12</u>	<u>Office and surface parking</u>	<u>0.45</u>	<u>0.36</u>	<u>1947</u>	<u>Low FAR. No structural improvements in last 30 years. Appears vacant.</u>
<u>982 Dolores Av</u>	<u>18915041*</u>	<u>CN</u>	<u>0.12</u>	<u>Restaurant and surface parking lot</u>	<u>0.23</u>	<u>0.26</u>	<u>1950</u>	<u>Site is similar to existing restaurant pipeline site 376 First St. in Table B-3. No structural improvements in last 30 years.</u>
<u>1534 Carob Ln</u>	<u>18915038*</u>	<u>CN</u>	<u>0.13</u>	<u>Office and surface parking</u>	<u>0.40</u>	<u>0.32</u>	<u>1950</u>	<u>Low FAR. No structural improvements in last 30 years. Appears vacant.</u>
<u>979 Fremont Av</u>	<u>18915059*</u>	<u>CN</u>	<u>0.17</u>	<u>Commercial and surface parking</u>	<u>0.40</u>	<u>0.35</u>	<u>1956</u>	<u>Low FAR. No structural improvements in last 30 years.</u>

Table B-7B: Existing Uses on Nonvacant Moderate/Above Moderate-Income Sites and Potential Sites for Rezoning for Moderate/Above Moderate-Income

<u>Address</u>	<u>APN</u>	<u>Zone</u>	<u>Parcel Size (acres)</u>	<u>Existing Use</u>	<u>Improvement to Land Value</u>	<u>Existing FAR</u>	<u>Year Built</u>	<u>Additional Indicators of Redevelopment Potential</u>
<u>949 Fremont Av</u>	<u>18915063*</u>	<u>CN</u>	<u>0.17</u>	<u>Offices or commercial and surface parking</u>	<u>0.74</u>	<u>0.68</u>	<u>1953</u>	<u>Low FAR. No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>948 Dolores Av</u>	<u>18915103*</u>	<u>CN</u>	<u>0.21</u>	<u>Medical, Dental, Veterinary and surface parking</u>	<u>0.21</u>	<u>0.13</u>	<u>1950</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>981 Fremont Av</u>	<u>18915102*</u>	<u>CN</u>	<u>0.26</u>	<u>Offices or commercial with surface parking</u>	<u>0.67</u>	<u>0.64</u>	<u>1945</u>	<u>Low FAR. No structural improvements in last 30 years. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>32 Loucks Av</u>	<u>16716018*</u>	<u>CT</u>	<u>0.20</u>	<u>Surface parking lot</u>	<u>0.20</u>	<u>-</u>	<u>1900</u>	<u>Surface parking lot.</u>
<u>4940 El Camino Real</u>	<u>17003083*</u>	<u>CT</u>	<u>0.20</u>	<u>General Office¹</u>	<u>3.39</u>	<u>1.32</u>	<u>2015</u>	<u>Owner interest in property redevelopment for housing.</u>
<u>5084 El Camino Real</u>	<u>17004065*</u>	<u>CT</u>	<u>0.31</u>	<u>Individual Retail Stores¹</u>	<u>1.16</u>	<u>0.64</u>	<u>1950</u>	<u>Owner interest in property redevelopment for housing. Similar to other multi-tenant commercial uses that are redeveloping into housing in Table B-3.</u>
<u>475 S San Antonio Rd</u>	<u>17039053*</u>	<u>OA</u>	<u>0.13</u>	<u>General Office</u>	<u>0.73</u>	<u>0.35</u>	<u>1973</u>	<u>Low FAR. No structural improvements in last 30 years. Appears vacant</u>
<u>129 Fremont Av</u>	<u>17038062*</u>	<u>OA</u>	<u>0.15</u>	<u>R-1 Converted to Office</u>	<u>0.91</u>	<u>0.34</u>	<u>1978</u>	<u>Low FAR. No structural improvements in last 30 years. Appears vacant</u>
<u>29 Hawthorne Av</u>	<u>17041037*</u>	<u>OA</u>	<u>0.19</u>	<u>R-1 Converted to Office¹</u>	<u>0.45</u>	<u>0.47</u>	<u>1990</u>	<u>Owner interest in property redevelopment for housing.</u>
<u>241 S San Antonio Rd</u>	<u>17041065*</u>	<u>OA</u>	<u>0.22</u>	<u>General Office</u>	<u>0.49</u>	<u>0.21</u>	<u>1953</u>	<u>Low FAR. No structural improvements in last 30 years. Appears vacant</u>
<u>195 S San Antonio Rd</u>	<u>17041068*</u>	<u>OA</u>	<u>0.24</u>	<u>General Office</u>	<u>0.27</u>	<u>0.44</u>	<u>1977</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>495 S San Antonio Rd</u>	<u>17039058*</u>	<u>OA</u>	<u>0.24</u>	<u>General Office</u>	<u>0.46</u>	<u>0.41</u>	<u>1970</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>301 S San Antonio Rd</u>	<u>17040072*</u>	<u>OA</u>	<u>0.26</u>	<u>General Office</u>	<u>0.73</u>	<u>0.37</u>	<u>1972</u>	<u>Low FAR. No structural improvements in last 30 years.</u>
<u>40 Hawthorne Av</u>	<u>17041014*</u>	<u>OA</u>	<u>0.28</u>	<u>General Office¹</u>	<u>0.63</u>	<u>0.39</u>	<u>1978</u>	<u>Owner interest in property redevelopment for housing.</u>

Table B-7B: Existing Uses on Nonvacant Moderate/Above Moderate-Income Sites and Potential Sites for Rezoning for Moderate/Above Moderate-Income

Address	APN	Zone	Parcel Size (acres)	Existing Use	Improvement to Land Value	Existing FAR	Year Built	Additional Indicators of Redevelopment Potential
778 Altos Oaks Dr	18916006*	OA	0.32	Medical, Dental, Veterinary	0.56	0.24	1957	Low FAR. No structural improvements in last 30 years.
762 Altos Oaks Dr	18916005*	OA	0.32	Medical, Dental, Veterinary	0.55	0.42	1959	Low FAR. No structural improvements in last 30 years
747 Altos Oaks Dr	18916017*	OA	0.32	Medical, Dental, Veterinary	0.16	0.34	1960	Low FAR. No structural improvements in last 30 years
802 Altos Oaks Dr	18916008*	OA	0.32	Medical, Dental, Veterinary	0.25	0.34	1958	Low FAR. No structural improvements in last 30 years
746 Altos Oaks Dr	18916004*	OA	0.33	Medical, Dental, Veterinary	0.08	0.34	1959	Low FAR. No structural improvements in last 30 years
811 Altos Oaks Dr	18916013*	OA	0.33	Medical, Dental, Veterinary	0.47	0.44	1961	Low FAR. No structural improvements in last 30 years. Appears vacant.
763 Altos Oaks Dr	18916016*	OA	0.33	Medical, Dental, Veterinary	0.68	0.45	1962	Low FAR. No structural improvements in last 30 years
795 Altos Oaks Dr	18916014*	OA	0.33	Medical, Dental, Veterinary	0.40	0.33	1960	Low FAR. No structural improvements in last 30 years
826 Altos Oaks Dr	18916009*	OA	0.34	Medical, Dental, Veterinary	0.30	0.33	1958	Low FAR. No structural improvements in last 30 years
731 Altos Oaks Dr	18916018*	OA	0.34	Medical, Dental, Veterinary	0.79	0.28	1957	Low FAR. No structural improvements in last 30 years
827 Altos Oaks Dr	18916012*	OA	0.34	Medical, Dental, Veterinary	0.18	0.39	1960	Low FAR. No structural improvements in last 30 years
369 S San Antonio Rd	17040062*	OA	0.38	General Office	0.43	0.29	1973	Low FAR. No structural improvements in last 30 years
842 Altos Oaks Dr	18916010*	OA	0.40	Medical, Dental, Veterinary	0.68	0.24	1957	Low FAR. No structural improvements in last 30 years
730 Altos Oaks Dr	18916003*	OA	0.42	Medical, Dental, Veterinary	0.67	0.07	1948	Low FAR. No structural improvements in last 30 years
900 N San Antonio Rd	16716022*	OA	0.49	General Office	0.16	0.63	1900	Low FAR. No structural improvements in last 30 years
*These parcels are rezone sites.								
¹ Owner interest in property redevelopment for housing indicated.								
Source: City of Los Altos, Santa Clara County Assessor, LWC								

Section B.3 Adequacy of Residential Sites in Meeting RHNA

B.3.1 Summary

The following table summarizes the City’s methods for satisfying its RHNA (Table B-8). Based on ADU projections, entitled and proposed projects, and available sites, the City has excess capacity in moderate- and lower-income categories and a shortfall in the above moderate-income category.

Table B-8: Residential Development Potential and RHNA

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA	See Very Low	501	288	326	843	1,958
ADUs	See Very Low	16	97	161	48	322
Entitled/Proposed Projects ¹	-	6101	42334	3839	420451	587625
Remaining RHNA	See Very Low	479384	68157	427126	375344	1,0491,011
Site Inventory ¹	See Very Low/Low	557		468169	323325	1,0481,051
Surplus / (Shortfall)	See Very Low/Low	4016		4443	(5219)	(404)

¹ Considers net new units only.
 Source: City of Los Altos, LWC

The City has identified potential parcels for rezoning to address the above moderate shortfall and provide additional lower and moderate-income housing capacity. If the potential candidate parcels are rezoned in accordance with programs under Goal 1, the City would have a surplus in all income categories as shown in Table B-9.

Table B-9: Residential Development Potential and RHNA – WITH REZONING

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA	See Very Low	501	288	326	843	1,958
ADUs	See Very Low	16	97	161	48	322
Entitled/Proposed Projects ¹	-	6101	42334	3839	420451	587625
Remaining RHNA	See Very Low	479384	68157	427126	375344	1,0491,011
Site Inventory ¹	See Very Low/Low	965		296297	387389	1,6481,651
Surplus / (Shortfall)	See Very Low/Low	418424		169171	4245	599640
¹ Considers net new units only. Source: City of Los Altos, LWC						

AB 725 requires at least 25 percent of the above moderate income RHNA be met on sites that allow four or more units, and at least 25 percent of the moderate income RHNA be met on sites that allow four or more units, but not more than 100 units per acre. The City’s sites inventory complies with these requirements.

B.3.2 Housing Sites Map

The following maps (Figures B-1, B-2, B-3, and B-4) show the inventory of sites by income category. Sites that were also included in the 5th Cycle Housing Element are identified with a bold border. Additional sites maps are included in Appendix F (Affirmatively Furthering Fair Housing), Section F.3.

Table B-10: Housing Sites (Under Existing Zoning, Continued)

Address	APN	Zoning	General Plan ¹	Parcel Size	Existing Use	Year Built ²	ILV ³	5th Cycle Site ⁴	Income Category	Units (Max)	Units (Realistic, Net)
392 1ST ST	16741007	CD/R3	Downtown Commercial	0.26	Offices or commercial with surface parking	1958	0.50	No	Moderate	16	44 12
146 MAIN ST	16738020	CRS	Downtown Commercial	0.28	Large building	0	0.92	No	Moderate	6	4
342 1ST ST	16741065	CRS	Downtown Commercial	0.29	Surface parking lot	0	0.05	No	Moderate	6	4
4646 EL CAMINO REAL	17001088	CN	Thoroughfare Commercial	0.29	Offices or commercial and surface parking lot	1958	0.47	No	Moderate	11	8
2235 GRANT RD	31816011	CN	Neighborhood Commercial	0.30	Offices or commercial and surface parking lot	1961	0.10	No	Moderate	12	8
169 MAIN ST	16738008	CRS	Downtown Commercial	0.30	Multiple or Strip Stores	1952	0.86	No	Moderate	6	4
994 ACACIA AV	17001047	CN	Thoroughfare Commercial	0.31	Residential or commercial with surface parking	1924	0.17	Yes	Moderate	12	8
2249 GRANT RD	31816009	CN	Neighborhood Commercial	0.31	Commercial building with surface parking	1962	0.49	No	Moderate	12	8
5084 EL CAMINO REAL	17004065	CT	Thoroughfare Commercial	0.31	Individual Retail Stores	1950	1.16	No	Moderate	12	10
2073 GRANT RD	31816015	CN	Neighborhood Commercial	0.32	Auto Service, Garages and surface parking	1959	0.22	No	Moderate	12	9
PARKING LOT ONLY	16738038	CRS	Public and Institutional	0.34	Surface parking	0	0.00	No	Moderate	7	5
2251 GRANT RD	31816008	CN	Neighborhood Commercial	0.44	Offices and surface parking lot	1975	0.27	No	Moderate	17	12
1ST ST	16739057	CRS	Public and Institutional	0.57	Surface parking lot	0		No	Moderate	11	8
4TH ST	16738029	CRS	Public and Institutional	0.58	Surface parking lot	0		No	Moderate	12	8
STATE ST	16738028	CRS	Downtown Commercial	0.58	Surface parking lot	0		No	Moderate	12	8
2ND ST	16739069	CRS	Public and Institutional	0.60	Surface parking lot	0		No	Moderate	12	8
342 1ST ST	16741003	CRS	Downtown Commercial	1.00	Supermarket w. surface parking lot	1966	0.52	No	Moderate	20	14
1ST ST	16739032	CRS	Public and Institutional	1.04	Surface parking lot	0		No	Moderate	21	15
2ND ST	16739007	CRS	Public and Institutional	1.18	Surface parking lot	0		No	Moderate	24	16
Total - Moderate										468	169

Table B-10: Housing Sites (Under Existing Zoning, Continued)

Address	APN	Zoning	General Plan ¹	Parcel Size	Existing Use	Year Built ²	ILV ³	5th Cycle Site ⁴	Income Category	Units (Max)	Units (Realistic, Net)
435 1ST ST	16741018	CD/R3	Downtown Commercial	0.12	Stores and surface parking	1946	0.19	No	Above Moderate	7	5
366 1ST ST	16741051	CD/R3	Downtown Commercial	0.12	Commercial or office with surface parking	1955	0.00	No	Above Moderate	8	56
160 MAIN ST	16738021	CRS	Downtown Commercial	0.12	Office or commercial building with surface parking	1955	0.87	No	Above Moderate	2	2
147 MAIN ST	16738011	CRS	Downtown Commercial	0.13	Commercial building	1954	0.99	No	Above Moderate	3	2
905 N SAN ANTONIO RD	17001023	CN	Thoroughfare Commercial	0.14	Commercial and surface parking lot	1955	0.24	No	Above Moderate	5	4
270 2ND ST	16740073	CD	Downtown Commercial	0.14	Parking for Existing Office Buildings	0	0.00	No	Above Moderate	-	2
151 MAIN ST	16738010	CRS	Downtown Commercial	0.15	Commercial	1954	0.82	No	Above Moderate	3	2
394 2ND ST	16741054	CD	Downtown Commercial	0.16	Surface parking lot	0	0.01	Yes	Above Moderate	-	2
325 1ST ST	16740050	CD/R3	Downtown Commercial	0.16	Commercial or industrial building	1954	0.44	No	Above Moderate	10	7
317 1ST ST	16740051	CD/R3	Downtown Commercial	0.16	Auto Service, Garages	1962	0.12	No	Above Moderate	10	7
309 1ST ST	16740052	CD/R3	Downtown Commercial	0.16	Auto Service, Garages	1924	0.87	No	Above Moderate	10	7
2ND ST	16740042	CD	Downtown Commercial	0.16	Surface parking lot	0	0.00	No	Above Moderate	-	2
127 1ST ST	16739045	CD/R3	Downtown Commercial	0.16	Restaurants, Bars	1998	0.46	No	Above Moderate	10	7
145 1ST ST	16739041	CD/R3	Downtown Commercial	0.16	Restaurants with surface parking	1950	0.56	No	Above Moderate	10	7
151 1ST ST	16739040	CD/R3	Downtown Commercial	0.16	Store and surface parking	1974	0.67	No	Above Moderate	10	7
129 1ST ST	16739044	CD/R3	Downtown Commercial	0.16	Individual Retail Stores	2008	0.85	No	Above Moderate	10	7
PARKING LOT ONLY	16738050	CRS	Public and Institutional	0.16	Surface parking lot	0	0.00	No	Above Moderate	3	2
101 1ST ST	16739127	CD/R3	Downtown Commercial	0.17	Offices or commercial and surface parking	1980	0.07	No	Above Moderate	11	78
ORANGE AV	17516020	R1-10	Single-Family, Small Lot (10 du/net acre)	0.18	Surface parking lot	0	0.18	No	Above Moderate	1	1
4TH ST	16738049	CRS	Public and Institutional	0.18	Surface parking lot	0		No	Above Moderate	4	3
987 ACACIA AV	17001043	CN	Thoroughfare Commercial	0.18	Commercial or Residential	1945	0.15	Yes	Above Moderate	7	5
1031 N SAN ANTONIO RD	17001032	CN	Thoroughfare Commercial	0.19	Restaurants, Bars and surface parking	1946	0.42	No	Above Moderate	7	5
32 LOUCKS AV	16716018	CT	Thoroughfare Commercial	0.20	Surface parking lot	1900	0.20	Yes	Above Moderate	7	6
971 N SAN ANTONIO RD	17001027	CN	Thoroughfare Commercial	0.21	Restaurant and surface parking	1953	0.15	No	Above Moderate	8	6
SIERRA VENTURA DR	34224058	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.22	Undeveloped land	0	0.00	No	Above Moderate	1	1
775 EDGE LN	18918102	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.23	Undeveloped land	1938	0.00	No	Above Moderate	1	1
1347 RICHARDSON AV	31807008	R1-10	Public and Institutional	0.23	Undeveloped lot	0	0.00	Yes	Above Moderate	1	1
942 ACACIA AV	17001051	CN	Thoroughfare Commercial	0.23	Home or commercial building with surface parking	1950	0.40	Yes	Above Moderate	9	6
994 SHERWOOD AV	17001086	CN	Thoroughfare Commercial	0.23	Surface parking lot	1900	0.11	Yes	Above Moderate	9	6
915 ST JOSEPH AV	34205032	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.24	Undeveloped land	0	0.00	No	Above Moderate	1	1
270 LOS ALTOS CT	16736068	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.24	Undeveloped land	0	0.00	No	Above Moderate	1	1
915 N SAN ANTONIO RD	17001025	CN	Thoroughfare Commercial	0.24	Offices or commercial with surface parking	1930	0.57	No	Above Moderate	9	7
625 PALM AV	17516088	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.24	Undeveloped land	0	0.00	No	Above Moderate	1	1
1040 RUNNYMEAD CT	19344033	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.24	Undeveloped land	0	0.00	No	Above Moderate	1	1
718 RONALD CT	18919003	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.25	Undeveloped land	0	0.00	No	Above Moderate	1	1
608 UNIVERSITY TR	17514021	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.29	Undeveloped land	0	0.00	No	Above Moderate	1	1
74 OAK ST	16736008	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.30	Undeveloped lot	0	0.00	No	Above Moderate	1	1
416 2ND ST	16741072	CD	Downtown Commercial	0.30	Restaurants, Bars	1950	0.46	No	Above Moderate	-	4

Table B-10: Housing Sites (Under Existing Zoning, Continued)

Address	APN	Zoning	General Plan ¹	Parcel Size	Existing Use	Year Built ²	ILV ³	5th Cycle Site ⁴	Income Category	Units (Max)	Units (Realistic, Net)
2050 LONGDEN CL	34210088	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.30	Undeveloped lot	1900	0	No	Above Moderate	1	1
899 MADONNA WY	33603030	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.30	Undeveloped land	0	0	No	Above Moderate	1	1
330 2ND ST	16741046	CD	Downtown Commercial	0.33	General Office and surface parking	1964	0.8	No	Above Moderate	-	5
1276 MONTCLAIRE WY	34209045	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.35	Undeveloped lot	1900	0	No	Above Moderate	2	1
34 MT HAMILTON AV	16737034	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.36	Undeveloped lot	0	0	No	Above Moderate	2	1
379 HAWTHORNE AV	17028058	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.45	Vacant flag lot	0	0	No	Above Moderate	2	1
1491 MIRAMONTE AV	19341039	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.45	Vacant flag lot	0	0	No	Above Moderate	2	1
275 3RD ST	16738065	CD	Downtown Commercial	0.46	Bank and surface parking lot	1977	0.25	No	Above Moderate	-	6
420 W PORTOLA AV	16720050	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.46	Undeveloped lot	0	0	No	Above Moderate	2	1
NASH RD	33602008	R1-H	Single-Family, Large Lot (2 du/net acre)	0.48	Undeveloped lot	0	0	No	Above Moderate	1	1
ALTA VISTA	16735076	R1-10	Single-Family, Medium Lot (4 du/net acre)	0.72	Undeveloped lot	0	0	No	Above Moderate	3	1
301 2ND ST	16740056	CD	Downtown Commercial	0.80	Commercial building and surface parking lot	1963	0.14	No	Above Moderate	-	11
1ST ST	16740039	CD	Downtown Commercial	1.06	Surface parking lot	0		No	Above Moderate	-	15
2ND ST	16740072	CD	Downtown Commercial	1.07	Commercial Open Space Uses, Public Parking Lots	0		No	Above Moderate	-	15
ARBORETUM DR	34204078	R1-10	Public and Institutional	1.12	Undeveloped lot	0	0	Yes	Above Moderate	5	1
1000 FREMONT AV	31801036	CN	Neighborhood Commercial	1.56	Medical, Dental, Veterinary w. surface parking lot	1960	1.22	No	Above Moderate	61	4
701 CATALINA WY	17012042	R1-10	Public and Institutional	1.70	Church w. surface parking lot	0	0.1	No	Above Moderate	7	5
NO ADDRESS	16738002	CD	Downtown Commercial	2.03	Surface parking lot	0		No	Above Moderate	-	28
2100 WOODS LN	34204089	R1-10	Public and Institutional	7.97	Potentially a school w. a playground related to a church	1971	0	No	Above Moderate	35	10
Total - Above Moderate										323	325

¹The "Public and Institutional" General Plan designation allows housing consistent with the zoning district.
²Zeros indicate Year Built data unavailable.
³Blanks or zeroes indicate that the property is owned by a governmental agency (e.g., City of Los Altos) and is not being assessed; no improvement or land value available.
⁴Vacant parcels identified in the 5th Cycle Housing Element are assumed to have also been included in the 4th Cycle Housing Element.

Source: City of Los Altos, Santa Clara County Assessor, LWC

Table B-11: Rezone Sites (Continued)

Address	APN	Zoning	General Plan ¹	Parcel Size	Existing Use	Year Built ²	ILV	5th Cycle Site	Income Category	Units without Rezoning	Units with Rezoning	Net Units	Lower	Moderate	Above Moderate
495 S SAN ANTONIO RD	17039058	OA	Downtown Commercial	0.24	General Office	1970	0.46	No	Above Moderate	0	5	5			5
301 S SAN ANTONIO RD	17040072	OA	Downtown Commercial	0.26	General Office	1972	0.73	No	Moderate	0	5	5			5
40 HAWTHORNE AV	17041014	OA	Downtown Commercial	0.28	General Office	1978	0.63	No	Moderate	0	6	6			6
778 ALTOS OAKS DR	18916006	OA	Neighborhood Commercial	0.32	Medical, Dental, Veterinary	1957	0.56	No	Moderate	0	6	6			6
762 ALTOS OAKS DR	18916005	OA	Neighborhood Commercial	0.32	Medical, Dental, Veterinary	1959	0.55	No	Moderate	0	6	6			6
747 ALTOS OAKS DR	18916017	OA	Neighborhood Commercial	0.32	Medical, Dental, Veterinary	1960	0.16	No	Moderate	0	6	6			6
802 ALTOS OAKS DR	18916008	OA	Neighborhood Commercial	0.32	Medical, Dental, Veterinary	1958	0.25	No	Moderate	0	6	6			6
746 ALTOS OAKS DR	18916004	OA	Neighborhood Commercial	0.33	Medical, Dental, Veterinary	1959	0.08	No	Moderate	0	7	7			7
811 ALTOS OAKS DR	18916013	OA	Neighborhood Commercial	0.33	Medical, Dental, Veterinary	1961	0.47	No	Moderate	0	7	7			7
763 ALTOS OAKS DR	18916016	OA	Neighborhood Commercial	0.33	Medical, Dental, Veterinary	1962	0.68	No	Moderate	0	7	7			7
795 ALTOS OAKS DR	18916014	OA	Neighborhood Commercial	0.33	Medical, Dental, Veterinary	1960	0.40	No	Moderate	0	7	7			7
826 ALTOS OAKS DR	18916009	OA	Neighborhood Commercial	0.34	Medical, Dental, Veterinary	1958	0.30	No	Moderate	0	7	7			7
731 ALTOS OAKS DR	18916018	OA	Neighborhood Commercial	0.34	Medical, Dental, Veterinary	1957	0.79	No	Moderate	0	7	7			7
827 ALTOS OAKS DR	18916012	OA	Neighborhood Commercial	0.34	Medical, Dental, Veterinary	1960	0.18	No	Moderate	0	7	7			7
369 S SAN ANTONIO RD	17040062	OA	Downtown Commercial	0.38	General Office	1973	0.43	No	Moderate	0	8	8			8
842 ALTOS OAKS DR	18916010	OA	Neighborhood Commercial	0.40	Medical, Dental, Veterinary	1957	0.68	No	Moderate	0	8	8			8
730 ALTOS OAKS DR	18916003	OA	Neighborhood Commercial	0.42	Medical, Dental, Veterinary	1958	0.67	No	Moderate	0	8	8			8
900 N SAN ANTONIO RD	16716022	OA	Thoroughfare Commercial	0.49	General Office	1900	0.16	No	Moderate	0	10	10			10
161 S SAN ANTONIO RD	17042028	OA	Downtown Commercial	0.90	Multi-tenant (real estate offices) and surface parking lot	1979	0.71	No	Lower	0	18	18	18		
4988 EL CAMINO REAL	17064119	CT	Thoroughfare Commercial	0.94	Partially occupied multi-tenant (tax and accounting services, other general offices) and surface parking lot	1981	0.13	No	Lower	29	38	9	9		
211 S SAN ANTONIO RD	17041079	OA	Downtown Commercial	0.99	Bank and surface parking lot	0	0.35	No	Lower	0	20	20	20		
4926 EL CAMINO REAL	17003073	CT	Thoroughfare Commercial	1.05	Restaurant and surface parking lot	1968	0.05	No	Lower	32	42	10	10		
1000 FREMONT AV ³	31801036	CN	Neighborhood Commercial	1.56	Partially occupied multi-tenant commercial and surface parking lot	1960	1.22	No	Lower	4	43	39	43		-4
4546 X EL CAMINO REAL	16712047	CT	Thoroughfare Commercial	1.69	Portion of Village Court; Partially occupied multi-tenant (commercial, including restaurants, general and medical offices, insurance and financial institutions) and surface parking lot	1964	0.00	Yes	Lower	51	67	16	16		
851 FREMONT AV	18914081	OA	Neighborhood Commercial	1.85	Partially occupied multi-tenant (medical offices) and surface parking lot	1970	0.75	No	Lower	0	37	37	37		
655 MAGDALENA AV	33609023	PCF	Public and Institutional	6.06	Los Altos United Methodist Church, preschool, and surface parking lot	0	18.00	No	Lower	0	15	15	15		
625 MAGDALENA AV	33609018	PCF	Public and Institutional	6.50	Bridges Community Church and surface parking lot	0	12.31	No	Lower	0	20	20	20		
4546 EL CAMINO REAL ⁴	16712042	R1-10	Thoroughfare Commercial	2.78	Portion of Village Court Shopping Center; Partially occupied multi-tenant (general and medical offices, commercial services and retail, including massage, postal services, therapy) and surface parking lot	1964	3.71	Yes	Lower	0	111	111	111		
											Net New Capacity	600	408	128	64
											Baseline Capacity	40481,051	557	168169	323325
											Total Capacity	16481,651	965	296297	387389

¹The "Public and Institutional" General Plan designation allows housing consistent with the zoning district.

²Zeros indicate Year Built data unavailable.

³Due to rezoning, income level would shift from above moderate to lower, resulting in a loss of above moderate capacity.

⁴APN 16712042 would be rezoned to CT, and therefore would accommodate 111 lower income units (the R1-10 zoning district generally accommodates above moderate units).

Source: City of Los Altos, Santa Clara County Assessor, LWC

Table F-13: Meaningful Actions

Contributing Factor	AFFH Strategy	Housing Implementation Programs
Land use and zoning laws	New housing choices and affordability in areas of opportunity	1.A: Rezone for RHNA shortfall 1.C: Allow housing in the Office Administrative (OA) District 1.E: Update the Loyola Corners Specific Plan
Availability of affordable units in a range of sizes	New housing choices and affordability in areas of opportunity	1.B: Facilitate higher density housing in the Commercial Thoroughfare (CT) District 1.H Facilitate housing on City-owned sites 2.D: Encourage and streamline Accessory Dwelling Units (ADUs) 6.A: Assist residents with housing discrimination and landlord-tenant complaints
Community opposition	New housing choices and affordability in areas of opportunity	2.A: Continue to implement and enhance inclusionary housing requirements 3.F: Reduce Conditional Use Permit requirement for residential mixed-use and multi-family 3.H: Amend design review process and requirements 3.K: Standardize multimodal transportation requirements
Location and type of affordable housing	New housing choices and affordability in areas of opportunity	1.D: Allow housing on certain Public and Community Facility District sites and facilitate housing on religious institution properties 6.B: Maintain and expand an inventory of affordable housing funding sources 6.C: Target housing development in highest resource areas 6.F: Affirmatively market physically accessible units
	Protect existing residents from displacement	5.A: Monitor condominium conversions 6.E: Prepare and distribute anti-displacement information
	Housing mobility strategies	1.M: SB 9 implementation 4.J: Facilitate alternate modes of transportation for residents 5.B: Continue to administer the City’s affordable housing programs 6.D: Promote Housing Choice (Section 8) rental assistance program 6.G: Housing Mobility

Attachment: AFFH Segregation Report, Los Altos



August 12, 2023

Re: Housing Element Update

Dear Mayor Meadows and Members of the City Council:

The League of Women Voters supports the Housing Element Update revisions posted by Staff. We commend especially the diligence of staff reviewing the history of each non-vacant site and are pleased to see that there is owner interest in redevelopment of many of these sites.

As you know, the League supports an overall state plan for housing that includes Regional Housing Needs Allocations (RHNA) and certified Housing Elements. We also support policies that encourage the development of housing, particularly affordable housing.

We also commend the strategies in Program 6: G Housing Mobility, including allowing an additional Junior Accessory Dwelling Units (JADU) on each structure, as these should be helpful in promoting more affordability in single-family neighborhoods.

We hope that with these revisions the Los Altos Housing Element Update will be certified. If you have any questions, please contact Sue Russell (housing@lwvlamv.org), the co-chair of our Housing Committee.

Sincerely,

Katie Zoglin
President
League of Women Voters
Los Altos-Mountain View Area

C: PublicComment@losaltosca.gov
Gabe Engeland (via email)
Nick Zornes (via email)



LOS ALTOS RESIDENTS

August 12, 2023

Los Altos City Council
1 N. San Antonio Road
Los Altos, CA 94022

Re: Revised Housing Element

Dear Mayor Meadows, Vice Mayor Weinberg, and Councilmembers Lee Eng, Fligor, and Dailey:

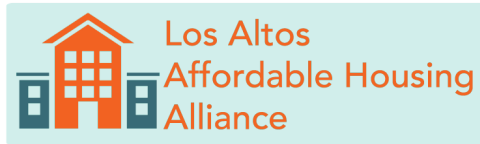
Los Altos Residents supports the revisions made to the Los Altos Housing Element. City Staff worked diligently to respond to the Housing and Community Development's (HCD) concerns. In particular, City Staff's efforts to address HCD's concerns regarding non-vacant sites was thoroughly researched and, as a result of their efforts, much additional positive information was learned regarding the redevelopment prospects of these site.

We trust that this revised version of the Los Altos Housing Element will be promptly certified by HCD.

Sincerely,

A handwritten signature in cursive script that reads "Freddie Wheeler". The ink is dark and the signature is fluid and legible.

Freddie Wheeler
Co-Founder
Los Altos Residents
www.LosAltosResidents.org



August 14, 2023

Dear Mayor Meadows, Councilmembers, and HCD Reviewers:

While the Housing Element Update process has taken longer than expected for the City of Los Altos, we are excited to support this next iteration of Los Altos' goals to plan for additional housing, to encourage development, and to streamline housing development processes. It is clear that our City Staff has worked very hard to amend the Housing Element and confirm approval from HCD. Upon reviewing the most recent set of revisions, it is incredible to see that Staff has evaluated every non-vacant site at the various income levels for redevelopment potential. We hope for speedy HCD approval so that we can begin implementing the many programs and features that will allow us to welcome new neighbors.

Once the document is approved, LAAHA looks forward to supporting programs that lay the groundwork for a city with its most inclusive housing policies to date, which expand opportunities for all who choose to live, work, retire and go to school here.

A few programs that we're excited to support include -

- Streamlining of the ADU process, allowing multiple jADUs per property, and availability of ADU plans and resources for homeowners
- The development of an affordable project on a city-owned lot
- The rezoning process for various districts
- Downtown parking analysis

We appreciate HCD's work to hold all cities accountable to our State's housing goals. We believe that everyone has a right to housing and that each city has a part to play in creating places to live.

Respectfully,

Los Altos Affordable Housing Alliance Steering Committee

Los Altos Affordable Housing Alliance

Committed to educating and inspiring the Los Altos community to build housing that is affordable for those who live and work in Los Altos
<https://losaltosaffordablehousing.org/>

CHAC UPDATE TO JPA PARTNERS

Thank you JPA reps for sharing these talking points with your governing boards/leadership from 8/16/23 - 9/16/23.

- The environment in which mental health services are provided is rapidly evolving with both new challenges and new opportunities.
- CHAC has a 50-year history of providing critical support to individuals and families in the communities of Los Altos, Los Altos Hills, Mountain View and beyond.
- The CHAC board is committed to maintaining these critical community and school-based services that our communities rely upon in this changing environment.
- Fiscal challenges this year have impacted CHAC services, most notably the Clinic was placed on hiatus on August 1. The CHAC board and staff are evaluating sustainability options.
- Part of our sustainability evaluation includes whether or not CHAC should remain a completely stand-alone agency or should partner with another provider that shares our mission and expertise and has the ability to enhance how our services are provided.
- A natural byproduct of examining potential partnerships is whether or not the current Joint Powers Authority (JPA) structure is the best way for CHAC to be organized going forward (and whether or not the JPA structure would enhance or hinder potential partnerships)
- While no assumptions are being made as we examine structural and partnership alternatives, it is important for the CHAC board to communicate that the JPA structure is one of the issues being examined.
- We look forward to working with the JPA partner representatives on the board as well as the governing boards of each of the JPA members as we undertake this critical evaluation this Fall.