THINK
REGIONAL,
ACT LOCAL

local policy solutions
to address santa clara county’s housing crisis

SILICON VALLEY AT HOME  |   JOSHUA BAROUSSE & NICOLE MONTOJO
Driving the creation of affordable housing for a more vibrant and equitable Silicon Valley
2007-2014 RHNA PERFORMANCE

VERY LOW
(0-50% AMI)
RHNA = 199

LOW
(50-80% AMI)
RHNA = 122

MODERATE
(80-120% AMI)
RHNA = 158

ABOVE MODERATE
(120%+ AMI)
RHNA = 413
CITY OF GILROY

Jobs-Housing Balance: 1.09

Low-Wage Jobs-Housing Fit Ratio: 4.45

Homeless Population: 388
• vs. 61 in 2015
• 13.98 homeless individuals per 1,000 residents (highest in the County)
OVERVIEW

I. Inclusionary Housing
II. Housing Impact Fees
III. General Plan Update and Specific Plans
IV. Public Land
Policy Considerations

- Percentage requirement
- Affordability requirement (e.g. moderate income / 80-120% AMI)
- In-lieu fee option
- Exemptions (e.g. developments with <3 units, ADUs)
10-15%
<table>
<thead>
<tr>
<th>City</th>
<th>Percent</th>
<th>Affordability Level</th>
<th>Fee</th>
<th>Fee by Right?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santa Clara</td>
<td>10%</td>
<td>Very Low to Moderate</td>
<td>None</td>
<td>N/A</td>
</tr>
<tr>
<td>Campbell</td>
<td>15%</td>
<td>Low and Moderate</td>
<td>$34.50</td>
<td>Only projects 6 du/ac. or less</td>
</tr>
<tr>
<td>Los Altos</td>
<td>10%</td>
<td>Low and Moderate</td>
<td>None</td>
<td>N/A</td>
</tr>
<tr>
<td>Cupertino</td>
<td>15%</td>
<td>½ Moderate, ½ Median</td>
<td>$15 detached; $16.50 attached $20 multifamily</td>
<td>Projects under 7 units only</td>
</tr>
<tr>
<td>San Jose*</td>
<td>15%</td>
<td>Moderate</td>
<td>Affordability gap based on attached unit re-sales.</td>
<td>Yes</td>
</tr>
<tr>
<td>Mountain View</td>
<td>10%</td>
<td>Median</td>
<td>3% of sales price</td>
<td>Projects under 10 units only</td>
</tr>
<tr>
<td>Sunnyvale</td>
<td>12.5%</td>
<td>Moderate</td>
<td>7% of sales price</td>
<td>Projects under 20 units only</td>
</tr>
</tbody>
</table>

Source: City of Santa Clara Community Development Department
Policy Considerations

• Fee levels (per sq. foot) for various housing types
• Commercial linkage fees?
• Affordability requirement (e.g. low-income income / 60% AMI)
• Alternative compliance options
• Exemptions (e.g. developments with <3 units, ADUs)
1. Estimate demand for workers of various wage levels created by typical development.

2. Estimate demand for affordable housing from new worker households.

3. Determine the gap between workers’ ability to pay and market rents.

4. Using the gap, calculate the maximum justifiable & maximum feasible fees

Source: Diana O’Dell, Redwood City
Maximum Nexus Fee

- Legally permissible to charge

Feasible Fee

- Maintains feasibility of development

Source: Diana O’Dell, Redwood City
Guiding Principles for Decisionmakers

• High enough to meaningfully support the City’s affordable housing production objectives,
• Low enough to not deter development

Considerations

• Policies & requirements set by neighboring cities
• Development trends
• Local policy objectives (pros & cons)
• Feedback from key stakeholders
## Impact Fees in Other Jurisdictions – Rental Units

<table>
<thead>
<tr>
<th>City</th>
<th>Impact Fee</th>
<th>Min. Project Size Subject to Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cupertino</td>
<td>$20 / sq. ft. ($25 for projects over 35 du/acre)</td>
<td>1 unit</td>
</tr>
<tr>
<td>San Jose</td>
<td>$17/sq. ft.</td>
<td>3 units</td>
</tr>
<tr>
<td>Mountain View</td>
<td>$17/sq. ft.</td>
<td>5 units</td>
</tr>
<tr>
<td>Sunnyvale</td>
<td>$17/sq. ft. ($8.50 for projects with 4 – 7 units)</td>
<td>4 units</td>
</tr>
<tr>
<td>Fremont</td>
<td>$17.50/sq. ft.</td>
<td>2 units</td>
</tr>
</tbody>
</table>

Source: City of Santa Clara Community Development Department
## Non-Residential Housing Impact Fees—Nearby Jurisdictions

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Office $/SF</th>
<th>Retail $/SF</th>
<th>Hotel $/SF</th>
<th>Industrial $/SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mountain View</td>
<td>$25.00</td>
<td>$2.68</td>
<td>$2.68</td>
<td>$25.00</td>
</tr>
<tr>
<td>Cupertino</td>
<td>$20.00</td>
<td>$10.00</td>
<td>$10.00</td>
<td>$20.00</td>
</tr>
<tr>
<td>Sunnyvale</td>
<td>$15.00</td>
<td>$7.50</td>
<td>$7.50</td>
<td>$15.00</td>
</tr>
<tr>
<td>San Francisco</td>
<td>$24.61</td>
<td>$22.96</td>
<td>$18.42</td>
<td>$19.34</td>
</tr>
<tr>
<td>Redwood City</td>
<td>$20.00</td>
<td>$5.00</td>
<td>$5.00</td>
<td>N/A</td>
</tr>
<tr>
<td>Menlo Park</td>
<td>$15.57</td>
<td>$8.45</td>
<td>$8.45</td>
<td>$8.45</td>
</tr>
<tr>
<td>San Jose</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: City of Santa Clara Community Development Department
VTA Joint Development Site: Gilroy Transit Center

Size: 7.78 acres  |  Allowable DU/AC: 65
Zoning: Downtown Specific Plan Historic District
How can SV@Home support the City of Gilroy’s efforts to meet its housing goals?
Gilroy

2014 Snapshot

Population: 50,776
Households: 14,922
Employed Residents: 23,268
Jobs: 16,524
Housing Units: 15,190

Employed Residents per Household: 1.56
Jobs per Employed Resident: 0.71
Jobs-Housing Balance Ratio: 1.09
Low-Wage Jobs-Housing Fit Ratio: 4.45

2015 Homeless Count: 379 persons, including 254 sheltered and 125 unsheltered
Thank You!

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